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House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. HASTINGS of Washington].

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
April 3, 1995.

I hereby designate the Honorable RICHARD ''DOC'' HASTINGS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

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

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

A THIRST FOR VENGEANCE

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

Mr. GOSS. Mr. Speaker, this weekend Presidents Clinton and Aristide celebrated the very welcome end of the United States mission in Haiti in a very beautiful ceremony with warm congratulations, white doves and all. It was a wonderful photo opportunity and a good moment, especially, a good time to thank our troops who did an excellent job. Again, one more time, our uniform forces have earned the respect and gratitude of the American people, each and every one of us. I hope, frankly, that those folks who are down in Haiti on that long mission are now scheduled for some R&R; they certainly earned it.

Mr. Speaker, I cannot help contrasting this with the harsh images of Madam Bertin, mother of four, organizer of a democratic opposition movement, savagely slaughtered in her car just before President Clinton's visit in what was clearly a political assassination, and a very brutal one, a murder our Pentagon has said is unquestionably linked to high level Aristide officials. Just one event, it stands out as a representation of things that are still in the making in Haiti regrettably: The vengeance that abides in some members of Haitian society and the still dangerous mission we have asked the thousands of American troops we still have there as part of the U.N. mission. I understand we have scheduled to have 2,500 American troops staying there until February of next year, possibly even some talk of them staying beyond that. In the meantime we still have more than 2,500 there as they withdraw and we assess the situation.

Mr. Speaker, Samuel Berger, our deputy national security adviser, maintains the real problem in Haiti these days is crime and it is, ''at a level probably less than most cities around the world and in the United States.'' I am not sure that is a satisfactory standard and I am not sure that is a satisfactory explanation, because we are not talking about simple crime. What we are talking about seems to be a very deliberate campaign of vengeance against the non-Lavalas members of the Haitian political class at a time when they are gearing up for parliamentary elections and Presidential elections and it is a campaign that is being waged by the Lavalas apparently with hired assassins, vigilante squads, and possibly even commandos operating under a shadow government of Rene Preval.

Mr. Speaker, this is a very serious business. People are getting killed and it is very anti-democratic business and we have just sacrificed a lot of taxpayers' money putting our armed services in harm's way to try to nourish democracy in that country.

In today's Washington Post, Robert Novak outlined some particularly disturbing items. We were told there is a hit list now of 30 people, 2 of whom have already been assassinated. We also know there is a second list, which seems to overlap the first, of people who are not permitted to leave Haiti. In other words, there are people in Haiti bent on vengeance who are going to run a canned backyard hunt. They are not going to let him get away, they are going to run him down and kill him.

In fact, the roughest seas may lay ahead as the wave of election cycles, the June to December period, arrive. On the eve of the President's visit, Human Rights Watch issued a report that points to the risks: ''Political tensions are increasing and far from having brought stability, the U.S. led force can point only to a fragile security that impending parliamentary and presidential elections may rupture.'' Indeed, that is the fear.

Mr. Speaker, the new U.N. mission commander, who is U.S. General Kinzer, has already said he will be unable to answer the call for security for candidates and polling booths because, as he noted, ''I don't have enough soldiers to do that.''

What is the mission of the United Nations force in Haiti today? Good question. Generally it is to maintain order. Do they have the resources? Another good question we know that plan to spread fewer troops and less equipment

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than the U.S. operation had in permanent deployments around the countryside.

We know that their rules of engagement will be more restrictive, including the facts that the troops are no longer authorized to use all necessary means. We know little more than that. I have asked the administration what the rules of engagement will be and I am eagerly awaiting a response, but if recent events are any indication, we do know one thing: The mission for our troops in Haiti is not going to get any easier or any safer.

Mr. Speaker, I understand that General Kinzer has now available a SWAT team to go out and do some things that go well beyond what is a traditional U.N. peacekeeping effort. A second thing we are going to need, besides an explanation of what troops are there and where they are to go and what the rules of engagement are as a report from the White House, we are going to need an explanation of just exactly what are the national security interests for the United States in Haiti today to justify spending $2.5 billion over these some 2 years of trying to nourish democracy there and just exactly what justified putting over 20,000 assault combat troops in a friendly neighboring country. It has no designs of invasion on the United States of America.

Mr. Speaker, these are important questions that need answers from the White House and they need them now that we have had a successful conclusion of this in Haiti.

COMMENDING UCONN WOMEN'S BASKETBALL AND BROWN UNIVERSITY STUDENTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentlewoman from Illinois [Mrs. COLLINS] is recognized during morning business for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, tonight many of us will watch the championship final of the NCAA men's basketball tournament. The matchup of last year's champion Arkansas Razorbacks and the return of the team with the most NCAA titles, the UCLA Bruins, will be an exciting conclusion to an excellent tournament.

However, nothing can be more exciting than yesterday's NCAA women's basketball championship game during which we saw the undefeated Connecticut Huskies come from behind in the final few minutes to defeat the Tennessee Volunteers. Led by honors student and player of the year, Rebecca Lobo, the Huskies became just the second women's basketball team to finish a season undefeated. Texas accomplished that feat in 1986. The Huskies did it before a sellout crowd of over 18,000 in Minnesota for 2 consecutive days, and television ratings were up 15 percent over last year.

The triumph of the Huskies came on the same weekend that there was another triumph for women's sports, when the young women of Brown University continued their streak of courtroom victories against the university for the school's refusal to recognize its responsibilities under title IX to provide equal opportunity to men and women in school, both in the classroom and on the field.

I had the privilege of hearing the testimony of these women at a hearing before my subcommittee in the last Congress. They had been lured to the university with the promise of an opportunity to compete in gymnastics only to find out that their sport and women's volleyball were being eliminated to save $77,000 a year.

They sued, and Brown vigorously defended. According to one published report, Brown paid $100,000 to expert witnesses at the trial, so apparently the issue was not saving $77,000. Despite the fact that the students have won at every stage of the process, Brown will continue to appeal.

Title IX issues are likely to resurface in this Congress. Although the law has been hampered through lack of enforcement in the eighties, it still remains one of the success stories of recent years. Since its enactment in 1972, women have found increasing opportunities in education, including college sports.

Despite its success, there is still a drumbeat of opposition in the college sports community, and it unfortunately comes primarily from college football coaches, who try to flame the fires that increased opportunities for women will lessen opportunities for men in college football and other sports.

Nothing could be further from the truth.

Since the enactment of title IX, it is true that participation by women has increased dramatically. Yet at the same time, the numbers of men participating in college sports also increased. Title IX has shown that increased opportunities for women do not come at the expense of men. Both sexes have fared well.

Football coaches will also argue that increasing opportunities will harm football, and that football should not be considered in evaluating compliance with title IX. This is utter nonsense.

It is time to put the truth on the table. With the exception of a handful of very successful Division 1–A football teams, most football programs are the schools' leading money losers. That should not be a surprise, when many schools travel with a team that is considerably larger than the Chicago Bears or other pro teams. Some schools even house their players in hotels before home games.

Title IX is not about taking away opportunities for men to compete in sports. It is about sharing resources fairly.

At the same hearing during which I heard from those Brown students, I also heard from a women who was a plaintiff in a title IX case involving women's hockey. Their budget, which was being eliminated, was equal to the budget for the men's hockey teams's sticks.

Many schools are making the transition to the increasing interest of women in sports, but some are not.

As the House begins to look at progress under title IX, there may be a silver lining in a new crop of freshman Members, who came here this year. I have found that an understanding of title IX and college sports is very much generational. Parents with daughters who have grown up in the past 20 years have watched these young ladies express interest in sports far greater numbers than in the past. They have encouraged their daughters to play sports, such as soccer, basketball, gymnastics, track, and swimming.

They want these young women to have the same opportunities as their sons. I am hopeful that these young Members of Congress will view this issue in a personal way, not an ideological way.

I once again commend the Connecticut Huskies on their well-deserved championship in an undefeated season, and I commend the Brown students for continuing their battle for all women student athletes.

LANDMARK TAX RELIEF BILL

The SPEAKER pro tempor. Under the Speaker's announced policy of January 4, 1995, the gentleman from Texas, Mr. SAM JOHNSON, is recognized during morning business for 5 minutes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, this week Republicans will complete the historic 100-day contract by passing a landmark tax relief bill.

Democrats will rise and denounce Republicans as friends of the rich and enemies of the poor. They will replay again and again the same old tired argument of class warfare, trying to pit Americans against Americans.

Just last week Mr. GEPHARDT said, ''Republicans believe in giving money to the people that are the most privileged in our society. And they believe that ultimately it will trickle down to the rest of society.''

I ask this question: Is repealing the Clinton tax on Social Security benefits for senior citizens giving money to the most privileged? No.

Is increasing the earning limitation for seniors from $11,000 to $30,000, giving money to the most privileged? No.

Is providing a savings account that allows any individual or family the opportunity to save and invest in a first home, send their children to college, or help pay high medical bills giving money to the most privileged? No.

Is increasing the amount small businesses may expense from $17,500 to $35,000 giving money to the most privileged? No again. This will free up needed capital to invest in new equipment and create more jobs.

Is providing families with a $500 per child tax credit, giving money to the most privileged? Definitely no again, especially when 74 percent of the benefits go to families earning less than the $75,000. Actually there should be no cap at all.

I guess the liberals have to engage in class warfare because liberal Democrats are the party of failed promises and broken dreams. This is the only defense they have, since, for over 30 years they have done nothing to slow spending, just raise taxes.

Look at the facts. President Clinton promised middle class tax cuts in 1992 and failed to deliver. But he did pass the largest middle-class tax increase in history.

And after the last election, the President and the minority leader proposed tax cuts, only now to withdraw them.

The President promised deficit reduction but his current budget continues $200 billion deficits from now to eternity.

Mr. Speaker, Republicans have kept their promises, and the liberal Democrats have kept their tired rhetoric. It is the Republicans that will lower taxes, balance the budget, and downsize Government.

Republicans are showing the Nation they have the courage and integrity to create a stronger America.

BASEBALL STRIKE OVER

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

Mr. DURBIN. Mr. Speaker, I have two different messages this morning. First, let me say this.

After months of interminable negotiations and public relations one-upmanship, the baseball strike appears to finally be over. On both sides during the course of this strike we have seen our share of heroes and cads. May I, as a lifelong baseball fan, give the baseball owners and the players a word of advice?

Your generation of owners and players has been entrusted with an American institution as venerable as any in our country. America has now endured this strike, the loss of a world series and threats of another lost season with amazing equanimity. Now please put this sad chapter in our Nation's history behind us and play ball.

TAX CUTS FOR THE WEALTHY

Now, let me switch to the political side, if I might, for a moment.

The gentleman who spoke before me kicked off the week in a series of speeches which you will hear from both sides of the aisle about the so-called Republican contract and the first 100 days of the 104th Congress. I have taken to this floor many times during the course of this debate on the Republican contract and for the most part have been critical of the proposals on the Republican side. I voted for a few. I voted against many more.

But let me say at the outset that even though I disagree with many elements in the contract, I certainly disagree with the procedure by which it has been brought to the floor, I have viewed the last 95 days or so as exciting, interesting, and really one that has brought new enthusiasm to this House of Representatives and for that I would like to salute the Republican leadership. They have brought to this floor ideas that have been debated.

The reason I am in public life is because I like the battle of ideas. And, boy, we have sure had a lot of them on the floor over the last several weeks, and we are going to have a big one this week.

In the last few months we have had suggestions from the Republican side to create orphanages. Now there was a concept people had not heard of in a long time. They finally gave up on that idea, but they kicked it around for a while.

They had a proposal they did not give up on to cut the school lunch programs. Unfortunately, that is one that is going to have to be taken care of either by the Senate or the President.

And now they are still working on the concept of cutting student loans for kids from middle-class families who want to go to college and trade school and improve their lives. I certainly hope my Republican friends have second thoughts about those.

But the item for debate this week is one that has already been touched on and that is the so-called Republican tax cut package. Keep in mind, ladies and gentlemen, that every politician would love to stand before you in this well and back home and say, ladies and gentlemen, for this campaign, I present to you a tax cut. And, of course, the crowd will applaud. Everybody loves a tax cut.

But, frankly, if you take a close look at this tax cut from the Republicans, it is a lot different story than it first appears.

The gentleman who spoke a few minutes ago talked about the small-change items in the tax bill that generally do benefit good people, senior citizens and working families and people who want to save for their futures. He overlooked the fact that 51 percent of the benefits of this tax bill do not go to those folks. They go to the wealthiest people in America. The privileged few are going to score again.

And you know who is going to pay for it? Once again, working families all across this country. Because you cannot give a tax cut without paying for it. You are going to add to the deficit.

So the Republicans want to add $178 billion to the deficit over the next 5 years and then over $400 billion in the 5 years following that. So it will cost us over $600 billion for this little tax cut deal.

The last time we had a tax cut proposal this big was when President Ronald Reagan was in the White House. He said it was going to cure America's problems. We all know what we got for it, the biggest national debt in the history of the United States of America. It was a tax cut that did not work.

And I am afraid this one is the same. Let me just give you one example.

The Republicans eliminate what is called the alternative minimum tax. Now this is a tax on wealthy, profitable corporations in America which was imposed several years ago because we found out that some pretty smart lawyers and accountants had figured loopholes in the Tax Code, and many of the most profitable companies in America, billion dollar enterprises with millions of dollars of profit, were not putting a nickel in the Treasury. They took advantage of this wonderful economy and this system of government and did not pay a penny in taxes.

We said, you know, whatever happens you have got to pay a minimum tax to really contribute to the growth in the country and to pay the bills.

We put the alternative minimum taxes on the books. The corporations paid their taxes for 5 or 6 years. Along come my Republican friends, and they say, ''That is unfair. We want to get back to the old days when profitable big corporations would not pay any taxes, where they could get off the hook completely.''

That does not make much sense because in order to give that break we have got to continue to cut important programs in education and nutrition.

SUPPORT FOR THE TAX RELIEF ACT

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

Mr. NORWOOD. Mr. Speaker, I rise today in support of the Tax Relief Act because it is the right thing to do for America. We will put money into the hands of hard-working people who need their own money to make ends meet. We will provide tax relief for working seniors. But more than anything else we will do this week, we will draw a line between the two parties. We will make it crystal clear to the American people which party fights over big government and big spending and which party wants you to have more of your own money.

Mr. Speaker, that we are doing the right thing for America should be obvious—we will pass a $500 tax credit. Families with children earning less than $25,000 will have their entire Federal income tax liability eliminated by the tax credit. We will lower the burden on married couples struggling to get by, by passing a tax credit for married couples. We will pass the American dream savings account which will allow hard-working families to save money for college, or a home, or health care tax free.

We will raise the earnings cap on seniors to allow them to hold a job without facing an outrageous tax bill. Under current tax law, a senior who makes over $11,000 will face a marginal tax rate of 56 percent, that is more than the tax rate for millionaires. We will send the right message to working seniors—that it is good to work at any age, unlike the current negative message that says the Federal Government will penalize you for working.

Mr. Speaker, the Tax Relief Act will provide tax incentives for people who purchase long-term health care. We will also provide a tax credit for people who provide long-term care at home for an elderly relative. We will increase saving in this country by encouraging IRA investment.

Simply put, we will provide tax relief for millions of average Americans who will greatly benefit from the opportunity to keep more of their hard-earned money. And that is what separates us from the Democrats.

Mr. Speaker, the Democrats will argue that we are giving tax breaks to the rich. Of course they defined rich. That the Democrats hate the rich is a given. We could talk about why for hours, but there is a far more troubling aspect to the Democrats argument. Time and time again, we hear the Democrats arguing for bigger government and more of your money.

During the unfunded mandates debate, the Democrats argued that the Federal Government knew best and the States should follow our orders regardless of the cost. During the regulatory reform debate, the Democrats argued that Federal regulators needed their dictatorial power. When we argued for greater local government control during the crime bill debate, the Democrats argued that the faceless bureaucrat knows best. And when we took power away from the Federal bureaucrats who run the welfare system, the Democrats screamed from the roof tops that we were starving children, which could not have been any further from the truth.

Mr. Speaker, this debate over the Tax Relief Act is not about rich or poor, it is about control. When we vote for you to have more of your money, for you to spend your money on your children or your home or your retirement, you control more of your money, and government should do less. There will be fewer unfunded mandates, less regulation, less control over crime and welfare spending by the Federal Government. Less of all the things Democrats hold dear. The Democrats want your money to fund big government programs. When we give money back to you, they lose control. They want to keep your money. We want you to have more of the money you worked hard for, it is just that simple.

NO NEW TAXES ON FEDERAL EMPLOYEES

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

Mr. WOLF. Mr. Speaker, as the first Member of Congress to introduce the family tax credit in the 103d Congress, I am troubled with the tax bill we will vote on this week which includes a much-needed $500 tax credit for families with children on one hand but also includes a payroll tax increase on Federal employees on the other. Federal employees are virtually all middle-class taxpayers. We promised no tax increases on middle-class Americans. And I am personally very disappointed to be put in such an untenable position.

I was calling for the family tax relief in the 102d Congress and the 103d Congress when Republicans in the White House and many in Congress would not give it the time of day. Yet my bill for family tax relief garnered bipartisan support for 263 cosponsors in the 102d Congress. Raising taxes to fund a tax cut was never part of the picture.

So why sully our tax package now with a tax increase? President Bush did not balance the budget by raising taxes and neither did President Clinton. We will be breaking our promise in the contract not to raise taxes. Therefore, I hope that it will not only be those Republicans with large numbers of Federal employees in their districts who will oppose payroll tax hikes own certain groups but all on our side on the aisle who signed the contract as well as those Democrats who oppose increasing taxes on the middle class.

We are repealing in this bill the Social Security tax increase which the Democrats passed to balance the budget because it hit many middle-class retirees. Why repeat that mistake by picking on another group? And why repeat the disasters of the past in breaking promises on tax increases?

A fundamental tenet of the Contract With America is the commitment to no new taxes. Once we cede the tax issue in any area we will be open to the argument that it is OK to raise taxes; it just depends upon whose.

We should not be talking about raising anybody's taxes. But this bill singles out Federal employees for a dramatic increase in payroll taxes. For example, an FBI agent, who everyone in this body would call if your wife or husband or children was kidnaped, an FBI agent with two children earning $50,000 will pay an additional $250 a year to the Federal Government even with the $500 tax credit. This is a $1,250 hit without the tax credit.

The provision that was put into the bill is even more onerous than the provision proposed in the Committee on Government Reform and Oversight and that was unable to even make it out of committee. There were only 2 days of hearings on this very complicated issue and, quite frankly, there was still many issues unresolved. This is not a good precedent to be setting.

Furthermore, most management experts will tell you that as you are downsizing it is important not to demoralize the remaining staff. Let me just say it again. As you are downsizing it is important not to demoralize the remaining staff. Hitting Federal employees across the board with a payroll tax like this in conjunction with downsizing efforts will have a devastating impact on morale at a critical time.

What Federal employees? FBI agents, DEA agents that are keeping drugs out of schools, CIA agents, Secret Service agents that would stop the bullet that kills the President of the United States like Timothy McCarthy who saved President Reagan's life. Cancer research at NIH.

When you downsize you treat the people you keep well and you do not demoralize them. This issue of unfunded liabilities in the Federal pension system is still open to considerable debate. The Congressional Research Service reported that the trust fund balance is adequate to provide needed budget authority on an ongoing basis. The combined funded and unfunded liabilities of the old retirement system is the amount that the Government would have to pay all at one time if everyone who is or who has ever been a vested CSRS participant could demand a check for the present value of all the benefits to which they would be entitled from that time throughout retirement until their death, taking into account future pay raises they might receive and cost-of-living adjustments after retirement.

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As the CRS noted, ''This event cannot happen in the Federal retirement system.'' Federal pension obligations would not just come due all at once, at one time.

Furthermore, given the large downsizing effort in progress, the pension liabilities will be dramatically reduced in coming years, and this is just one more reason why it is particularly unfair that Federal employees will see the huge jump in their payroll tax. Some of them will be gone before this pension even vests.

Instead of including this complex issue in this tax bill, perhaps we need a bipartisan commission to look at it. I am asking that the tax increase provision be removed and that we complete the final plank in the contract without any tax increase.

I include for the RECORD a memorandum and letters to Mr. Darman.

CONGRESSIONAL RESEARCH SERVICE,
LIBRARY OF CONGRESS,
Washington, DC, March 18, 1995.

Subject: Federal Civil Service Retirement: Is There a Financing or Funding Problem?

From: Carolyn L. Merck, Specialist in social legislation, Education and Public Welfare Division.

Two questions have been raised recently regarding the Federal Civil Service Retirement System [CSRS]. First, is the ''unfunded liability'' of the CSRS a problem that needs to be fixed to avoid steep increases in outlays from the Treasury or increases in the deficit? Second, is the system now insolvent, or will it become insolvent in the future? The answer to both of these questions is ''no.''

BACKGROUND

From 1920 until 1984 the CSRS was the retirement system for most Federal employees. In 1935, Congress enacted social security for private sector workers. In 1983, when social security funding was running low, Congress brought cash into that system by mandating (among other things) social security coverage and payroll taxes for all Federal workers entering civil service employment on or after January 1, 1984. Because social security benefits would duplicate some CSRS benefits, Congress closed the CSRS to new participants at the end of 1983 and designed the Federal Employees' Retirement System [FERS] to coordinate with social security. A primary objective of Congress in designing a new system was to create a retirement plan like those commonly found in the private sector. Congress crafted FERS during 2 years of careful analysis of alternatives and planned for a smooth funding transition from CSRS to FERS.

Total annual benefit costs for current Federal retirees and survivors were about $36 billion in FY 1994. About $9.7 billion in receipts were credited to the retirement trust fund account of the Treasury from payroll withholding from current workers along with payments from the U.S. Postal Service and the Government of the District of Columbia.

These cash receipts are converted to Federal securities and are deposited in the one retirement trust fund that finances both CSRS and FERS. Other annual trust fund receipts in the form of Federal securities total about $53.8 billion and are deposited according to formulas established in law to prefund partially future retirement benefits and to pay interest on the securities in the fund. In total, the trust fund received $63.5 billion in FY 1994 and spent about $36 billion for benefits. The deposit of securities in the trust fund is an ''intragovernmental transfer'' between accounts of the Treasury; it does not constitute an outlay from the Treasury and has no effect on the budget deficit. Benefit payments and administrative costs are the only expenditures of the Treasury for the retirement system. Because the trust fund receives more income each year than is debited for benefits, its balance continues to grow.

IS THE UNFUNDED CSRS LIABILITY A BUDGET PROBLEM?

The liabilities of a retirement system are the costs of benefits promised to workers and retirees. A retirement system is ''fully funded'' if a trust fund holds assets approximately equal to the present value of all future benefit promises to which retirees and vested employees are entitled (''vesting'' in the Federal plans requires 5 years of employment covered by the system). ''Unfunded liabilities'' are earned benefits for which assets have not been set aside in a retirement fund. As of the end of FY 1993, the Federal retirement trust fund held $276.7 billion in assets for the CSRS, or about 34 percent of long-term CSRS pension liabilities (the fund balance represents ''funded liabilities''). Thus, the unfunded CSRS liability was $538.3 billion. The unfunded liability developed because the CSRS funding laws have not required the Government to fund the system fully. Nevertheless, the primary purpose of the Federal trust fund is not to provide a source of cash for the Government, but to provide budget authority to allow the Treasury to disburse monthly annuity checks without annual appropriations. The trust fund balance is adequate to provide this budget authority on an ongoing basis.

The combined funded and unfunded liabilities of the CSRS, $815 billion in FY 1993, is the amount the Government would have to pay all at one time if everyone who is or who ever has been a vested CSRS participant could demand a check for the present value of all the benefits to which they would be entitled from that time throughout retirement until their death (or their survivor's death), taking into account future pay raises they might receive (which affect the annuity at retirement) and cost-of-living adjustments after retirement. This event cannot happen in the Federal retirement system. Federal pension obligations cannot come due all at one time, unlike the situation that arises in the private sector when an employer goes out of business and must pay all promised pension obligations at once. Some of the Government's liabilities represent payments due to current retirees, who receive their benefits 1 month at a time throughout retirement; others represent payments that will not commence for years to come because the workers are not yet eligible for retirement. By the time they become eligible, others currently retired will have died. Thus, unlike private employers, the Government need not fully prefund the retirement system in order to insure against having to pay off all earned benefits simultaneously.

Some are concerned that the existence of unfunded Federal pension liabilities has, or will have in the future, an effect on the budget deficit and/or the need for tax revenues. The annual budget cost to the Government of CSRS (or any retirement system) can never be more than the sum of the checks written to annuitants 1 month at a time. Thus, the liabilities of the system, funded or unfunded, will never require payments from the Treasury in excess of the benefits payable to living, retired workers or survivors. However, the cash to pay monthly benefits comes from general revenues, and paying monthly benefits creates an outlay from the budget and therefore contributes to the budget deficit, as does any Government spending. Consequently, in times of tight budgets, Congress often considers benefit cuts in order to reduce spending. This would be true if the program were fully funded and had no unfunded liability, or, conversely, if there were no trust fund and the program were totally unfunded.

The CSRS is an employer-provided defined benefit system, which is the type of plan provided by many private employers for their employees and by most State and local governments. Under all defined benefit pension plans, public and private, the employer bears the responsibility for financing and paying most or all of the cost of benefits. Defined benefit pensions are deferred compensation, meaning the employer defers paying employees' compensation during their working years in favor of proving a specified level of compensation throughout retirement years. Private employers finance employees' pensions from invested income derived from the sale of goods or services. Analogously, the employer of Federal workers is the American taxpayer. The resources the Government has to meet its employer obligations to finance the current and deferred compensation of its employees are Federal tax revenues.

DOES THE CSRS FACE INSOLVENCY?

Currently about half of the Federal workforce participates in the CSRS and about half participates in FERS. Over the next two decades or so the number of CSRS workers will decline as they retire, and the workforce will include mostly FERS participants. As the number of CSRS-covered workers declines, the assets credited to the trust fund for CSRS will decline not because of loss of payroll contributions from workers, but primarily because the Government's payments will decline. Employee contributions ''pay for'' only about 12 percent of current annual benefit costs. However, the formulas by which the Government's share of CSRS costs are determined are based on projections of long-term benefits; as long-term benefit projections decline in anticipation of the demise of the CSRS, the Government's funding will decline, although there will still be CSRS retirees and survivors entitled to benefits. According to the Office of Personnel Management (OPM), CSRS benefit payments will begin to exceed the amount of assets credited annually to the trust fund for CSRS in about 2008, and the assets attributable to the CSRS will be depleted by about 2025.

When Members of Congress wrote the new FERS law in 1986, they understood that there would have to be a financial transition from CSRS to FERS in the next century, and they wrote the law to provide for that transition. First, the law provides for one trust fund in which CSRS and FERS assets are combined. Therefore, there is no separate CSRS trust fund that will be depleted. Second, Congress established a system whereby benefit payments under the CSRS will be authorized by FERS trust fund securities as needed until there are no more CSRS benefits to be paid. Thus, the securities that are building up for FERS, and that are in excess of the amount needed to authorize FERS payments for some time, will be reduced each year by the amount by which CSRS benefits exceed CSRS assets. This will cause an increase in the FERS liability, but that liability will be ''paid off'' through a series of 30-year amortization payments. Using a 75-year projection period, OPM estimates that the total value of securities in the trust fund will grow throughout the projection period, ultimately reaching about 4.2 times payroll, or nearly 18 times the amount needed to pay annual benefits. This means that in the next century the trust fund will reach an ongoing steady state in which it will have a balance sufficient to authorize 18 years of benefit payments.

In summary, by definition, under the financing arrangements set out in the current law, the system is not now and never will be ''insolvent'' or without adequate budget authority for payment of benefits. Again, because the budget cost of the systems can never exceed the cost of monthly benefits to living annuitants, the cash required from the Treasury or taxpayers will never exceed the cost of those monthly payments.

APRIL 29, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: Since we last corresponded, H.R. 1277 The Tax Fairness for Families Act of 1991, has garnered the support of 73 bipartisan cosponsors from across the political spectrum.

More members of Congress are recognizing that a successful economic agenda is founded

in policy which strengthens the cornerstone of a strong and healthy society: the family. H.R. 1277 is a simple bill. It doesn't require more employees to administer a program or a new federal building. It simply makes the tax code more family friendly by raising the personal exemption from $2050 to $3500 for children under age 18.

I have enclosed a list of the current cosponsors for your information. This is an issue that is quickly gaining interest and I would appreciate your support.

Best wishes.

Sincerely,

FRANK R. WOLF,
Member of Congress.

MAY 1, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: As you'll recall, when we first spoke about my legislation to increase the dependent deduction, 52 House members had cosponsored.

Lat week when I wrote you, 73 members had signed on. I wanted to let you know that today we reached 100 cosponsors and I have enclosed the list for you.

Bipartisan momentum is building on this bill which will help the American family and I hope the Bush Administration will lend its support.

Sincerely,

FRANK R. WOLF,
Member of Congress.

MAY 6, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: Just a quick note to let you know that H.R. 1277, ''Tax Fairness for Families,'' has picked up an additional 25 cosponsors since I wrote you last week.

We now have 125 cosponsors and I have enclosed an updated list of the cosponsors for you.

I hope the Bush Administration will support H.R. 1277.

Sincerely,

FRANK R. WOLF,
Member of Congress.

MAY 9, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: I wanted to give you a quick update on the support building in the House for H.R. 1277, ''Tax Fairness for Families.''

We have picked up an additional 35 cosponsors since I wrote to you on Monday, May 6. H.R. 1277 now has 160 cosponsors.

I hope the Administration will support this bill.

Sincerely,

FRANK R. WOLF,
Member of Congress.

MAY **9, 1991.**

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: We now have 200 cosponsors of H.R. 1277, ''Tax Fairness for Families.''

We need the Administration's support for this legislation.

With warm regards,

Sincerely,

FRANK R. WOLF,
Member of Congress.

JULY 7, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: In case you had not already seen it, I hope you will have a look at the enclosed Allan Carlson piece in the Wall Street Journal regarding the issue of tax fairness for families.

We now have 210 cosponsors on H.R. 1277. I hope Administration will support this bill and avoid repeating the ''swedish mistake.''

Thanks again for your interest in this legislation.

Sincerely,

FRANK R. WOLF,
Member of Congress.

AUGUST 22, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: As the Wall Street Journal reported in the attached article, tax fairness for families is going to be a key political issue for the coming year.

I am writing to urge the Administration's support for the family tax packages that I have put forward to increase the dependent deduction (H.R. 1277) and expand the Young Child tax Credit (H.R. 2633). This package already has the bipartisan support of 248 cosponsors including 101 Democrats. Unlike other tax packages recently proposed, this package provides tax relief exclusively for working families, treats both one-earner and two-earner families in an equitable manner, and does not propose to create higher tax brackets.

While it appears that many of the family tax package already proposed will take the dubious route of increasing taxes to provide a so-called middle class tax relief package, the Administration has the opportunity to provide a clear alternative. By working with the majority in Congress who support family tax relief yet, the Administration can put forth a program of restrained growth in domestic spending to provide for significant family tax relief.

As you may know, last year I supported the budget agreement and believe in the need for responsible fiscal policy. The combined cost of H.R. 1277 and H.R. 2633 is estimated at between $12–15 billion per year. I believe it could be paid for through a unified cap on domestic spending of between 6%–6½ percent. A unified cap on domestic spending would provide a logical extension to the common sense restraints put on spending in last year's budget agreement. Currently, approximately $100 billion is spent on programs benefiting children. These programs could still meet the needs of families and children if they grew at this reasonable rate.

In addition, the Administration could also put forward the capital gains tax cut as a revenue raiser for family tax relief. With the thousands of new jobs that would be produced with a lower capital gains rate, a dynamic with/win situation would be achieved by providing revenue for family tax relief while also spurring the economy and increasing job opportunities.

With the trust of the American people and the facts on his side, President Bush and this Administration can provide strong support to American families by allowing them to keep more of their own hard-earned money to provide for their families. All the attention on family tax relief provides an excellent opportunity for the Administration to advance its pro-family, pro-growth, policies while distinguishing them for the failed and tired ''Robin Hood'' politics put forth in other family tax measures. Thank you for your consideration of these important issues.

Sincerely,

FRANK R. WOLF,
Member of Congress.

OCTOBER 8, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget,
The White House,
Washington, DC.

DEAR MR. DARMAN: The American family has never been under greater attack than it is today. From our inner cities to our suburbs, families are threatened by disturbingly high rates of child abuse, spouse abuse, teen suicide, high school drop outs, drug and alcohol use and most tragically violence and death among our youth. Today more young males die of gunshot wounds every year than died in Desert Storm. The wheels are coming off the American family and clearly, children cannot steer clear of trouble without the guiding influence of the family.

These disturbing trends in child and family well-being have coincided with the dramatically reduced tax benefit for children. While children today are more at risk from numerous cultural threats, parents are pushed by financial pressures to spend less time with their children. Too often either Mom nor Dad is home to hear the after school trials and tribulations of troubled adolescents or to help with homework or to spend relaxed time with their children. The combined effect of these ''twin deficits'' of time and money create a downward spiral for family well-being as well as real pain and suffering for thousands of children and families.

Family tax relief is an important part of a workable solution for families and is a natural outgrowth of the following common sense sentiments recently expressed by President Bush:

We all realize that government has real limits. You can't replace values with regulations. You can't replace parents with caseworkers.

The family tax bills we have introduced fit well into the President's efforts to restore proportion and balance to government while allowing individuals and families to have more choices and opportunities. That is why we believe it is important that the Administration enthusiastically embrace and endorse family tax relief and make it a legislative priority in the upcoming year. Already there are 252 cosponsors of H.R. 1277 (a measure to increase the dependent deducation to $3,.500) and growing support in the Senate for S. 152 to double the personal exemption.

The Bush Administration has an historic opportunity to further advance the cause of families. By actively pushing these family tax relief measures in combination with a capital gains tax cut, the Administration can forward a proactive family policy that gives families more money, time and opportunity for families themselves to promote family well-being. Domestic policy that focuses on the home and families instead of more government programs is the true recipe for nurturing families and children.

We believe this is good legislation that the Administration can support and Congress can pass. It helps families right away without adding to big government or mandating regulations or policies.

Thank you for your consideration of these important issues. If we can provide you with any additional information please contact either of us or Barbara Comstock at 225–5136.

Sincerely,

FRANK R. WOLF,
Ranking Minority Member, Select Committee on Children, Youth, and Families.

DAN COATS,
Ranking Minority Member, Subcommittee on Children, Family, Drugs, and Alcoholism.

OCTOBER 23, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget, The White House, Washington, DC.

DEAR MR. DARMAN: I would like to emphasize one more time the importance of including direct family tax cuts in the Administration's economic growth package. Frankly, I am disappointed that the Administration has not yet signed onto the efforts for family tax relief when the support is already present in the House just waiting for someone to lead the charge. It is my hope that it will be President Bush leading this charge and reaping the obvious benefits for both the American family and the Republican party.

I cannot over emphasize my concern for today's families and the financial and cultural pressures they face. Families are clearly overtaxed. By making family tax relief the centerpiece of the Administration's economic growth package we could both help American families and garner the political support for a capital gains tax cut and a true economic growth package.

I hope you will consider the advantages of making family tax relief a centerpiece of the Administration's economic growth package.

Sincerely,

FRANK R. WOLF,
Member of Congress.

NOVEMBER 18, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget, The White House, Washington, DC.

DEAR MR. DARMAN: As Wall Street Journal reported in the attached article, tax fairness for families is going to be a key political issue for the coming year.

I am writing to urge the Administration's support for the family tax package that I have put forward to increase the dependent deduction (H.R. 1277) and expand the Young Child Tax Credit (H.R. 2633). This package already has the bipartisan support of 248 cosponsors including 101 Democrats. Unlike other tax packages recently proposed, this package provides tax relief exclusively for working families, treats both one-earner and two-earner families in an equitable manner, and does not propose to create higher tax brackets.

While it appears that many of the family tax packages already proposed will take the dubious route of increasing taxes to provide a so-called middle class tax relief package, the Administration has the opportunity to provide a clear alternative. By working with the majority in Congress who support family tax relief yet, the Administration can put forth a program of restrained growth in domestic spending to provide for significant family tax relief.

As you may know, last year I supported the budget agreement and believe in the need for responsible fiscal policy. The combined cost of H.R. 1277 and H.R. 2633 is estimated at between $12–15 billion per year. I believe it could be paid for through a unified cap on domestic spending of between 6–6½ percent. A unified cap on domestic spending would provide a logical extension to the common sense restraints put on spending in last year's budget agreement. Currently, approximately $100 billion is spent on programs benefiting children. These programs could still meet the needs of families and children if they grew at this reasonable rate.

In addition, the Administration could also put forward the capital gains tax cut as a revenue raiser for family tax relief. With the thousands of new jobs that would be produced with a lower capital gains rate, a dynamic win/win situation would be achieved by providing revenue for family tax relief while also spurring the economy and increasing job opportunities.

With the trust of the American people and the facts on his side, President Bush and this Administration can provide strong support to American families by allowing them to keep more of their own hard-earned money to provide for their families. All the attention on family tax relief provides an excellent opportunity for the Administration to advance its pro-family, pro-growth, policies while distinguishing them from the failed and tired ''Robin Hood'' politics put forth in other family tax measures. Thank you for your consideration of these important issues.

Sincerely,

FRANK R. WOLF,
Member of Congress.

NOVEMBER 22, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget, Washington, DC.

DEAR MR. DARMAN: I wanted to share with you a recent letter sent to President Bush, signed by over 60 House Republicans, calling for a Special Session of Congress to pass an economic recovery package which would help American families and stimulate the economy.

In the brief time this letter was circulated, almost every member asked signed onto the letter. The American people need our help now and President Bush has an historic opportunity to take this bold action and help American families and businesses.

Sincerely,

FRANK R. WOLF,
Member of Congress.

NOVEMBER 25, 1991.

Hon. RICHARD DARMAN,
Director, Office of Management and Budget, Washington, DC.

DEAR MR. DARMAN: I wanted to share with you a copy of a letter I recently sent to President Bush on the need for the Administration and the Republican party to be strongly on the offensive in the area of family policy.

The battle for the middle class and the American family is on. Family tax relief and ''family friendly'' work issues are winning issues for the President as well as the right thing to do. I hope you find this information helpful.

Thank you for your time and consideration of these important issues.

Sincerely,

FRANK R. WOLF,
Member of Congress.

REPUBLICAN TAX POLICIES HELP ECONOMY

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Under the Speaker's announced policy of January 4, 1995, the gentleman from New Jersey [Mr. SAXTON] is recognized during morning business for 5 minutes.

Mr. SAXTON. Mr. Speaker, the last speaker from the other side of the aisle seemed to take great delight in looking back at the 1980's and suggesting that what was done during the 1980's was all wrong because we created a big debt.

Well, I agree with the gentleman that what we did was all wrong because we created a big debt. But it was not the tax side of the equation that we did wrong. It was the spending side of the equation that we did wrong.

As a matter of fact, during the 1980's, if one looks back, during the first 3 years of the 1980's we had virtually no growth in revenues, no growth because we were suffering from the hangover of the Carter administration.

I can remember during that period of time when President Carter could not figure out what had gone wrong, and there was a new person who came on the scene. His name was Ronald Reagan.

There are some of us on this side of the aisle, and I hope some on that side, who recognize that there were some things that were done right during the early 1980's to help put our economy back on the right track.

One of those things occurred in 1981, 1982, and 1983. It was a redoing of our tax policy because we recognized that we could not get growth in Federal revenues until we got the national economy growing.

And it was in 1981, 1982, and 1983 that we put a whole new face on our Tax Code, a whole new face that was intended to create economic growth, create jobs and at the same time create more Federal revenue. And, guess what, at the beginning of the 1980's we had Federal revenues of just over $500 billion, and by 1990 we had doubled our revenues.

That is right. In spite of the fact that in 1981, 1982, and 1983 we had tax rate reductions, by 1990 we had doubled the amount of revenue that our colleagues from both sides of the aisle had to spend.

And so if anyone thinks that the Reagan tax policies had something bad to do with our revenue picture, bad to do with economic growth or bad to do with the deficit situation, I think they are dead wrong.

As a matter of fact, what we did wrong in the 1980's was that while we were doubling the amount of revenue that we had to spend we more than doubled spending, and I think all of us recognize today therefore that there were some things that we did right in the 1980's that had to do with economic growth where we had, on average, better than 4 percent growth.

What we did wrong was that we had, on average, more than that in terms of growth in our spending programs. And so what we are trying to do on this side of the aisle, now that for the first time in 40 years we get to call some of the shots, we are trying to replicate what we did right in the 1980s and fix what we did wrong.

We got to the end of the 1980's and President Bush went off to Andrew air Force Base in I think it was 1989 or 1990; and he said, look, we have got to fix this situation. The Democrat leadership agreed, and they agreed to raise taxes to fix the deficit problem.

Then in 1993 once again President Clinton decided with the Democrat leadership that once again we ought to do something to try to fix the deficit problem. In both cases taxes were raised; and in both cases, one succeeding the other, it was the biggest tax increase in the history of our country, in 1990 trumped by 1993.

When we come and look at the books today we see that we have still got the same deficit problem because we have not done anything about spending, and by increasing taxes we have simply put a damper on the national economy.

This year, the President's report on the economy suggests that in the years ahead we can anticipate a 2.3- to 2.5-percent growth in our national economy. And, once again, many of us think on this side of the aisle and I am sure there are some on yours who believe that this is because of the bad tax policy that was put in place in 1990 and 1993.

What the Republican tax proposal for this year is, it is a growth package. It deals with capital gains to get growth. It deals with reforming the alternative minimum wage to get growth. It deals with promoting savings and investment by giving different treatment to the IRA's and putting in place what we call our super-IRA plan.

It has to do with the senior citizens earning test, and it has to do with a family tax credit for middle America so that the families of America can share in this growth opportunity along with our Government and with our Federal revenues.

So when the gentleman, the previous speaker from Illinois, Mr. DURBIN, criticized us for the 1980's, we are willing to take our share of the criticism. We are willing to look at what we did wrong in the 1980's, which was our failure to curtail spending, but we are not willing to concede, not for a minute, that good growth tax policy is what the American economy needs, and as a result, we will have the revenue to balance the budget by the year 2002.

TAX BENEFIT FOR RUPERT MURDOCH

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

Mr. BONIOR. Mr. Speaker, this weekend, the New York Daily News made some disturbing revelations about the kinds of secret, backroom deals being cut by House Republicans.

Last week, the House passed legislation that would allow tax deductions for the self-employed and repeal tax benefits for minority broadcasters.

But hidden in the conference report was one special provision that would allow Rupert Murdoch to reap tens of millions of dollars in tax benefits.

According to Sunday's New York Daily News, and I quote:

Republicans dropped their opposition to the tax break after learning Murdoch was the beneficiary of the legislation and consulting Gingrich, according to six sources involved in the negotiations.

In fact, according to an earlier New York Daily News story on Saturday, a Senate staffer is reported as saying, ''the Republicans were going to kill the deal until they found out that Murdoch owned the station. Then they almost magically approved it.''

Keep in mind: The Republicans claimed they opposed this kind of tax break. And in 18 other pending cases, they refused to allow these deals to go forward.

Only the case involving Rupert Murdoch's TV station in Atlanta was allowed to go through with a special tax break.

I am here today to call on Speaker NEWT GINGRICH to explain exactly why his own publisher got special treatment, and exactly why this multi-million-dollar tax break for Rupert Murdoch was allowed to secretly slip through.

For the Speaker to claim that he had to agree to a special provision that was put in by a Senator is ludicrous.

Just last week, when Democrats tried to keep a Senate provision that would stop billionaires who renounce their citizenship from avoiding their taxes, the Speaker said no.

And following lockstep with his lead, every Republican but five voted against closing this loophole for billionaires.

Now we find that hidden in this same bill was a special provision that would allow one billionaire, who just happens to be the Speaker's publisher, to reap a multi-million-dollar windfall.

Does anybody really believe that the Speaker could not do anything to stop this?

It seems to me that the lesson here is no matter which way you cut it, if you are a multimillionaire or if you are a billionaire, Republican tax bills are going to look out for you.

What we have here is a window on the whole Contract With America and the way the Gingrich Republicans operate.

This week we are going to be dealing with what the Speaker himself calls the crown jewel of the contract—a tax bill that will give more than half its benefits to people making more than $100,000 a year.

The Gingrich Republican tax bill may be a crown jewel for the wealthy—but for the rest of America, it's fool's gold.

Last week's special windfall for Rupert Murdoch must not stand.

There is still time for the Senate to stop this multi-million-dollar boondoggle.

I am calling on the Senate to strip this provision out and send us a clean bill.

BOB DOLE should send this bill back without the special break for Rupert Murdoch.

Even more important, the Speaker himself needs to come clean, on his ties with Murdoch, on his role in this special tax break, and on the tangle of special interests that are tainting all his dealings.

This is precisely the kind of thing we warned about when NEWT GINGRICH entered his $4.5 million book deal with Rupert Murdoch.

And this is why now, more than ever, we need a professional, nonpartisan, outside counsel to come in and sort out this whole mess.

It is looking more and more every day like the so-called Contract With America is really a contract with corporate special interests, or perhaps a contract with NEWT GINGRICH's special friends.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 2 p.m. today.

Accordingly (at 1 o'clock and 11 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. BARRETT of Nebraska] at 2 p.m.

PRAYER

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

The beauty and refreshment of this spring day reminds us of the need for renewal and restoration in our lives. This day is Your gift, O gracious God, a gift that reminds us of Your bountiful good will to us and to all people. We are sensitive to the fresh air of spring, we are alert to the green buds that now surround us, wherever we look our senses are filled with the resurgence of life and new possibilities of our growth in faith and hope and love. Fill us, we pray, with the joy and the blessing and the light of this day, that we will walk with Your favor and be the people You would have us be. In Your name, we pray, Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair requests the gentleman from

North Carolina [Mr. JONES] to lead the House in the Pledge of Allegiance.

Mr. JONES led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

MESSAGE FROM THE SENATE

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

S. 464. An act to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes; and

S. 532. An act to clarify the rules governing venue, and for other purposes.

REPUBLICAN CONTRACT WITH AMERICA

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

Mr. SAXTON. Mr. Speaker, our Contract With America states the following:

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

It continues that in the first 100 days, we will vote on the following items: A balanced budget amendment—we kept our promise; unfunded mandates legislation—we kept our promise; line-item veto—we kept our promise; a new crime package to stop violent criminals—we kept our promise; National Security restoration to protect our freedoms—we kept our promise; Government regulatory reform—we kept our promise; commonsense legal reform to end frivolous lawsuits—we kept our promise; welfare reform to encourage work, not dependence—we kept our promise; congressional term limits to make Congress a citizen legislature—we kept our promise; family reinforcement, tax cuts for middle-income families, and the Senior Citizens' Equity Act to allow our seniors to work without Government penalty—we will do these this week.

This is our Contract With America.

CONGRESS MUST REGULATE COMMERCE WITH FOREIGN NATIONS

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

Mr. TRAFICANT. Check this out, you promise keepers: The dollar, once valued at 234 yen has joined the *Titanic;* it is down to 86 yen.

Now check this out: All of these think tank impresarios and all of these economic gurus told Congress if you want to fix the trade problem, drive down the value of the dollar. It is so low it could walk under a closed door with a top hat on, and in Detroit the deficit keeps growing. It is not the budget deficit, it is not rescissions, it is not tax cuts.

Japan has cleaned our clock on illegal trade for years. We are in a trade war. Is America afraid to fight? This is war.

Why do we not regulate commerce with foreign nations like the Constitution charges us, Congress, and then maybe we will keep a few promises with working Americans.

I hope those gurus are in some economic unemployment line somewhere in the country.

CLEAN WATER ACT REAUTHORIZATION RECEIVES BIPARTISAN SUPPORT

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

Mr. SHUSTER. Mr. Speaker, it is becoming very clear that the environmental extremists have decided to adopt the big lie strategy to attack the clean water bill. They are saying that the bill was written behind closed doors by Republicans with industry.

Here are the facts. The clean water bill provides over $3 billion a year to continue cleaning up America's waters.

The original cosponsors, 16 of us, 8 Republicans, 8 Democrats. The bill passed overwhelmingly in the subcommittee last week, 19 to 5, with a majority of Democrats as well as Republicans voting in favor of it. It has been an open process.

The EPA testified more than three times before our committee. In fact it was so open that the Governors' Association sent us a letter saying we commend you for the unprecedented inclusion of State and local government representatives in the process for developing a Clean Water Act reauthorization.

Now, it is true, we do want to correct the overzealous regulations, but do not be misled by the big lie. This is good legislation with strong bipartisan support.

UNIVERSITY OF CONNECTICUT'S HUSKIES WIN NCAA TOURNAMENT AND NATIONAL WOMEN'S BASKETBALL TITLE

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

Ms. DELAURO. Mr. Speaker, yesterday the University of Connecticut's women's basketball team put the final flourish on a perfect season by winning the NCAA tournament and national women's basketball title. I join fans from all across our State in congratulating the players, the coaches, and the entire university for this historic achievement. We are so proud of you; you are true champions.

The Huskies' achievement is even more remarkable when you consider the team had to come from behind to defeat the talented Tennessee Volunteers. Either team would have made a terrific champion, but 1995 is UConn's year. In fact the Huskies' undefeated season marks only the second time in the 14-year history of the tournament that a women's team has finished the season with an unblemished record.

There was another piece of history made last night when President Clinton called to congratulate the team. It was the first time a President has called the NCAA women's champion after the title game. Let us hope that this tradition continues, along with the winning tradition of women's basketball at the University of Connecticut, the 1995 National Champions.

Go Huskies.

TOP 10 LIST OF PEOPLE MAKING MORE THAN $100,000 WHO WILL GET A TAX BREAK UNDER THE REPUBLICAN PROPOSAL

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

Mr. WYNN. Mr. Speaker, it looks like the Republicans are at it again: Rob from the poor to give to the rich. First it was the school lunch program; now it is college scholarships. It would not be so bad if tax breaks were going to people who really deserve them, but that is not the case. That is why I made up my top 10 list in the spirit of the times—top 10 list of people making more than $100,000 who would get a tax break under the Republican proposal.

No. 10, big developers.

No. 9, doctors.

No. 8, wealthy landlords.

No. 7, big agri-farmers.

No. 6, corporate managers.

Remember, these are people who are going to get a tax break under the Republican proposal.

No. 5, overpaid conservative talk show hosts.

No. 4, the chairman of the local country clubs' admissions boards.

No. 3, wealthy lobbyists.

No. 2, attorneys.

And the No. 1 group that is going to get the tax break under their proposal, your local Congressman, because they make over $100,000.

Do you think they need a tax break? I do not.

PROTECTING THE AMERICAN DREAM

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

Mrs. SEASTRAND. Mr. Speaker, the Democrat defenders of the status quo oppose letting families keep more of what they earn. A constituent of mine, Ronald Reagan, called that ''economics without a soul.''

Families should be rewarded rather than penalized by the tax system. Breadwinners shouldn't have to work harder for the Government than they do for their families.

Let us look at a few facts. If the exemption for children had kept pace with inflation, it would now be worth $8,000 instead of the current $2,350. In 1950, the average American family paid $1 out of every $50 in taxes. Today, the family pays $1 out of every $4 in taxes.

We know that regulation and taxation together are antijobs and antifamily. This Congress has kept its promise to the American people and passed commonsense regulatory reform. Now it is time to recognize that taxation is regulation's evil twin. We need to protect the American dream, and the American family and pass the tax bill. Families know better how to spend their money than the bureaucrats in Washington.

BURDENSOME TAXATION

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

Mr. JONES. Mr. Speaker, from 1954 until 1995, this body was governed by a party whose basic philosophy was that Government could do everything, provided that enough money was spent.

The consequences of this philosophy has been devastating.

Today, the average family pays over half of its income to taxes at all levels. One cannot logically expect civilization to continue with taxation so burdensome and Government so expensive.

The American people have lost their patience with this situation. They have figured out that there are winners and losers with the current tax system. The winner, of course, is the Federal Government. The losers are American families and senior citizens.

Mr. Speaker, the time has come for the tax relief the Republicans promised in our Contract With America. The liberals will offer refrain after refrain of class warfare. But let us not forget whose philosophy and whose stewardship created this mess in Washington.

THERE THEY GO AGAIN

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

Mr. SKAGGS. Mr. Speaker, today the Democratic Study Group released it second report on the real meaning of the Republicans' so-called contract. The report describes the way the Republican tax bill—the so-called crown jewel of the contract—will result in an enormous giveaway to the wealthy and the biggest corporations of this country, while Republicans give working Americans the back of their hand.

Here is an example of the real meaning of this tax bill. A family with total income under $75,000 will get an average tax break of about $36 a month.

On the other hand, for those making over $200,000 a year, the average tax break will be almost a thousand dollars a month.

Welcome to tax relief, Republican-style: another massive relief program for the wealthy, a pittance for working Americans, while exploding the deficit.

Anybody nostalgic for 1981? The last time they tried this, David Stockman, President Reagan's budget director, later admitted that all of this was ''a Trojan horse to bring down the top rate for the wealthy.''

There they go again.

WE MUST PUT AN END TO OUT-OF-CONTROL GOVERNMENT AND OUT-OF-CONTROL TAXATION

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

Mr. HAYWORTH. Mr. Speaker, let us resist the temptation of the guardian of the failed policy of the past to come up here and offer faulty rationalizations for class warfare. Let us talk real facts. And, Mr. Speaker, the facts speak for themselves.

In 1950 the average American family paid 2 percent of its income to the Federal Government in taxes. Today, the average American family pays 24½ percent of its income to this Federal Government. Something is wrong with this picture.

For the last generation, this Congress has operated under the false assumption that all money belongs to the Federal Government. If a person has any money, therefore, it is only because he has obtained it from the Government or it is money that has not yet been taxed.

That is absolutely wrong. With the rise in excessive government and excessive taxes have come a true decrease in freedom. Every dollar Government takes away in taxes is a dollar less in economic freedom for American businesses and families.

Last November the American people sent a message to this town. Republicans heard that message. That is why there will be meaningful tax reform for deserving American citizens.

□ 1415

ANOTHER IMPORTANT DIFFERENCE BETWEEN DEMOCRATS AND REPUBLICANS

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

Mr. HEFLEY. Mr. Speaker, this week the American people will have the opportunity to see another important difference between Democrats and Republicans in Congress.

Democrats are for higher taxes, and last year, they went along with the Clinton administration and raised taxes on families, on middle-income workers, on senior citizens.

Republicans are for lower taxes, and this week, we will cut the taxes Democrats raised last year.

We will cut taxes on families, on middle-income workers, on senior citizens.

All the Democrats' class warfare and economic warfare rhetoric cannot change the facts: They are for higher taxes; Republicans are for lower taxes.

Democrats want Government to spend more. Republicans want working Americans and their families to have more to spend.

Stay tuned, America; the Republicans are making your voices heard again this week as we pass the final item in our contract, a well-deserved tax cut for American families and a boost for the national economy.

THE TAX FAIRNESS ACT

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

Mr. NORWOOD. Mr. Speaker, over and over, we hear the Democrats wailing that the capital gains tax cut will benefit the rich. Of course, they have obscured the facts again. The capital gains relief in the Tax Fairness Act will go to benefit all income groups. Seventy percent of the taxpayers benefiting from the capital gains cut will have incomes of less than $50,000. The capital gains tax cut will put money into the economy which will lead to more investment and create more jobs. This will help all hard-working Americans.

Mr. Speaker, this is a debate over the role of Government. The Democrats will fight for more government and more spending; we want the people back home to keep more of their hard-earned money. I want that roofing contractor in Martinez, GA to have a $500 tax credit for each of his children. The Democrats want his $500 for Federal bureaucrats. It is just that simple.

THE AMERICAN DREAM SAVINGS ACCOUNT

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

Mr. ENGLISH of Pennsylvania. Mr. Speaker, our low national savings rate is a national disgrace and a dead drag on the productivity of our economy, and anyone who is concerned about this, in my view, should be supporting H.R. 1215, the Republican tax bill.

In it is the American dream savings account, a unique and innovative new use of the IRA concept to stimulate new and additional middle-class savings for retirement. The American dream savings account will be available to all taxpayers regardless of age and marital status, unlike the current law in which the IRA has many restrictions and limitations. The American dream savings account allows distributions to be made tax- and penalty-free for such worthwhile purposes as first-time home purchases, education expenses, and emergency medical expenses, and it gives homemakers full equity with their spouses in setting aside IRA funds toward retirement.

This provision helps make homemakers achieve parity with spouses in the work force.

Please, support H.R. 1215.

TAX RELIEF FOR AMERICA

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, let us review the Democrats' reign in power. In 1948 the average family with children paid only 3 cents of every dollar to the Government. Last year that same family lost 24½ cents in taxes.

American families now spend more in taxes than on food, clothing, and housing combined. The average family losses $10,060 per year of income due to taxes.

Now let us review the Republican plan. Clinton's tax on Social Security benefits for seniors will be repealed; families with incomes of $25,000 will have their entire Federal income tax liability eliminated; 35 million families will have their taxes decreased.

Which looks better to you, Republican tax relief or the Democrats' 40-year-old failure of high taxes and runaway spending?

Let us stop feeding the Federal beast. Let us go for tax relief.

CONGRATULATIONS TO THE UNIVERSITY OF CONNECTICUT WOMEN'S BASKETBALL TEAM

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

Mrs. JOHNSON of Connecticut. Mr. Speaker, Hooray for the University of Connecticut Women's Basketball Team, which won the national championship yesterday. In a come-from-behind victory, the Huskies capped a perfect season, finishing the year with 35 wins and zero losses. Just one other team in women's basketball history has managed to win the national title undefeated.

For the past 5 months, the Huskies have defeated their opponents by an average margin of more than 30 points. Though yesterday's game was a nail-biter to the end, UConn did not let us down. Led by player of the year Rebecca Lobo, Jamelle Elliott, and Jennifer Rizzotti, the Huskies rallied in the second half to overcome a nine point second half deficit. A strong team effort, supported by Kara Wolters, Nykesha Sales, Carla Berube, and Pam Webber, helped UConn pull ahead and stay ahead within the final minutes of the game.

Women's sports have come a long way since I played basketball and I was pleased to be able to watch the extraordinary skill and grit of the UConn women on national television yesterday. The UConn women's team has raised Husky-mania to a new level in Connecticut, and has also inspired thousands of young women to pursue their athletic dreams.

Once again, congratulations to the UConn Huskies. You have made the entire State of Connecticut proud.

TAX BREAKS FOR BILLIONAIRES

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

Mr. ABERCROMBIE. Mr. Speaker, last week a bill passed on tax deductions for health benefits for the self-employed. Unfortunately we had a containment; contained within that bill is an exemption to allow billionaires to escape paying their taxes.

Now, I understand they are going to give up their citizenship in order to not pay their taxes. My understanding is the present conference report is being held in the Senate over that language. I certainly hope that is the case.

In the meantime, having succeeded at that, we now find, I understand, that there is a bill circulating in this House to give one of these billionaires who renounced his American citizenship, who owns a foreign cruise ship, a tax exemption, tax deduction, for business meals and entertainment, and that is contained in the bill.

I can assure you, if the gentleman from Texas [Mr. ARMEY] says, as he has, that he will fight the minimum wage with every fiber in his body, I can assure this House that I will fight this billionaire who has renounced his American citizenship to have a foreign-flag, foreign-crewed, foreign-owned cruise ship that takes money from Americans and get a tax break on top of it.

You can bet I am going to fight that with every fiber in my body.

ANOTHER CLASS-WARFARE ANGLE

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

Mr. LINDER. Mr. Speaker, well, there was an example of the misleading hyperbole that we have heard for the last several weeks on Republican programs.

My friend from Hawaii talks about a bill that passed last week that protected billionaires and, in fact, the bill never addressed the issue. It never addressed the issue.

The Senate put some language in a bill that would have dealt with punishing people who leave the United States because of confiscatory taxation. The Senate then receded from their position, because the language was too loose, and the House Committee on Ways and Means could not draft language.

Indeed, in the Committee on Rules in discussion of this bill, the issue was raised, and the Democrats dropped the issue and apologized for the misleading information they brought us, because it was not in the bill. It was not in the House-passed bill. It was not in the conference committee report. And, indeed, not a single Democrat on the Committee on Rules voted against the rule that brought the bill to the floor, and now overnight, overnight, they discovered another class-warfare angle and started misleading America about what was in the bill.

The bill was to return the exemption for health care premiums for single farmers, for private property owners that had nothing to do with what the gentleman from Hawaii spoke about.

LISTEN TO THE RHETORIC ON BOTH SIDES

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

Mr. HASTERT. Mr. Speaker, as the House considers the tax cut and spending cut bill later this week, I urge the American people to listen to the rhetoric of the two sides.

Republicans believe cutting taxes is a way to give people back their money.

Democrates believe cutting taxes is a way for the Government to give away its money.

Republicans believe that tax cuts spur economic growth and help the American people help themselves.

Democrats believe tax cuts are giveaways to the rich that hurt their big spending programs.

Republicans believe that taxes are evil.

Democrats believe they are necessary.

Mr. Speaker, make no mistake about it. When the Democrats talk about taxes, they really believe the money is the Government's to spend.

When Republicans talk about taxes, they realize that the money belongs to the people who worked hard to earn it, not to the Government.

1994 ANNUAL REPORT ON ALASKA'S MINERAL RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore [Mr. BARRETT of Nebraska] laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Resources:

To the Congress of the United States:

I transmit herewith the 1994 Annual Report on Alaska's Mineral Resources, as required by section 1011 of the Alaska National Interest Lands Conservation Act (Public Law 96–487; 16 U.S.C. 3151). This report contains pertinent public information relating to minerals in Alaska gathered by the U.S. Geological Survey, the U.S. Bureau of Mines, and other Federal agencies.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *April 3, 1995.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate is concluded on all motions to suspend the rules, but not before 5 p.m. today.

FISHERMEN'S PROTECTIVE ACT AMENDMENTS

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 716) to amend the Fishermen's Protective Act.

The Clerk read as follows:

H.R. 716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE FISHERMEN'S PROTECTIVE ACT OF 1967.

(a) Section 3(a) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1973(a)) is amended by inserting after ''prompt release of the vessel and crew,'' the following: ''or when a fee regarded by the United States as being inconsistent with international law must be paid for a vessel of the United States to transit the waters of a foreign nation on a voyage between points in the United States (including a point in the exclusive economic zone or an area whose jurisdiction is in dispute),''.

(b)(1) Section 5 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1975) is amended by inserting after ''seizure;'' in the title, the following: ''or imposition of a fee regarded by the United States as inconsistent with international law''.

(2) Section 5(a)(1)(A) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1975(a)) is amended by inserting after ''as a result of the seizure of,'' the following: ''or imposition of a fee regarded by the United States as inconsistent with international law on''.

(c) Subsections (a) and (b) shall take effect on June 15, 1995.

(d) Section 7 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977) is amended—

(1) in subsection (c)—

(A) by striking the third sentence, and

(B) by inserting after the first sentence the following: ''Fees may be collected regardless of whether needed to carry out the purposes of subsection (a).''; and

(2) in subsection (e) by striking ''October 1, 1993'' and inserting ''October 1, 1998''.

SEC. 2. CLEARANCE AND ENTRY OF COMMERCIAL FISHING VESSELS.

(a) Not later than 15 days after the date of enactment of this Act and at least once each year thereafter, the Secretary of State shall publish a list of those nations that impose fees for transit passage through their waters on commercial fishing vessels registered under the laws of the United States.

(b) Not later than 15 days after the publication of the list required under subsection (a), the Secretary of the Treasury shall withhold from commercial fishing vessels registered under the laws of a nation listed under subsection (a) the clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91) for entry into the navigable waters of the United States west of 122 degrees west longitude.

(c) Subsection (b) shall not apply to a commercial fishing vessel—

(1) that enters the navigable waters of the United States pursuant to a bilateral convention governing fishing for Pacific halibut or albacore tuna;

(2) that enters the navigable waters of the United States due to an emergency; or

(3) the master of which obtains clearance from the Secretary of the Treasury's designee by physically appearing before the designee at a designated port of entry and paying a fee equal to the fee charged to a commercial fishing vessel of the United States by the nation under whose laws the foreign vessel is registered.

(d) The owner or master of a vessel which enters the navigable waters of the United States in violation of this section shall be in violation of section 307(1)(A) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857(1)(A)).

SEC. 3. TECHNICAL CORRECTION.

(a) Section 15(a) of Public Law 103–238 is amended by striking ''April 1, 1995,'' and inserting ''May 1, 1994.''.

(b) The amendment made by subsection (a) shall be effective on and after April 30, 1994.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] will be recognized for 20 minutes, and the gentleman from Massachusetts [Mr. STUDDS] will be recognized for 20 minutes.

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

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

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

Mr. SAXTON. Mr. Speaker, I rise in strong support of H.R. 716, to reauthorize and improve the Fishermen's Protective Act. Originally enacted in 1967, this law established a system of economic safeguards for U.S. fishermen against illegal or unjustified seizure by a foreign government. One of these safeguards is the Fishermen's Guaranty Fund—which is a voluntary self-insurance program administered by the State Department. The fund compensates fishermen for vessels and catch confiscated by a foreign nation under claims of jurisdiction not recognized by the United States.

The amount of money each vessel owner pays into the program is based on the gross tonnage of the vessel. For example, during the history of the program the fees have ranged from $16 to $30 per vessel ton with participation ranging from 8 to 30 vessels, depending on the year. Disbursements or claims paid out from the fund have averaged less than $1 million each year. The largest claim occurred in 1984 for $5.5 million for a vessel that had been seized and ransacked off the Solomon Islands.

In 1986, a Federal court in the Brenda Jolene versus United States case decided that fees collected under the act must equal the amount Congress appropriates. Since historically, the President has not requested an appropriation, the State Department has been unable to collect additional fees. While there is approximately $2.9 million in the fund, there is a large settlement case pending from the seizure of four tuna boats off the coast of Costa Rica in 1992, and any further claims would deplete the assets of the fund.

The passage of this legislation is sorely needed due to unfair and illegal actions by the Canadian Government. Last year, the Canadian Government charged U.S. fishermen $1,100 each to access the Inside Passage. The Canadians stopped the charge, but not before many U.S. fishermen were subjected to it to the amount of $285,000. We must amend the Fishermen's Protective Act so these American fishermen can be compensated for the unfair charge.

During this crisis last year, the former Merchant Marine and Fisheries Committee was quick to act. Similar legislation was adopted by the committee and passed the House as part of a larger bill on October 7, 1994.

Mr. Speaker, I urge all of my colleagues to support this legislation and thank the chairman of the full committee, DON YOUNG, for introducing this bill, and the ranking minority member on the Fisheries, Wildlife and Oceans Subcommittee, GERRY STUDDS, for his support of this legislation.

□ 1430

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

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. STUDDS. Mr. Speaker, I rise in strong support of H.R. 716. The Fishermen's Protective Act of 1967 provides a mechanism for assisting U.S. fishermen by reimbursing them for fines and other costs incurred when their vessels are seized by a foreign nation, in violation of international law.

H.R. 716 reauthorizes this important act for an additional 2 years. The legislation also amends the statute to reimburse our fishermen for transit fees considered by our Government to be inconsistent with international law, and to assess a similar fee on vessels from the offending nation. These amendments are intended to address what was, in my opinion, an illegal move by Canada last year to charge U.S. vessels transiting Canadian waters en route to Alaska. While that fee was finally lifted, many fishermen were forced to pay and deserve reimbursement.

While I support these amendments, I want to be very clear that this legislative action should not be interpreted by the Canadian Government as a sign that we are willing to accept—or forget—this outrageous action taken against our fishermen purportedly in the name of conservation. The Canadian-Spanish shootout in the Northwest Atlantic last month, combined with last year's illegal transit fees, demonstrates a worrisome trend toward the use of unilateral actions to resolve international fisheries disputes on the high seas. Some of these actions are based on a conservation concern, others—such as the transit fees—are simply taken out of frustration over the slow pace of negotiations.

Regardless of the reason, unilateral actions such as these are not the answer. Instead, the Canadians, and all coastal nations, should seek to address these problems multilaterally through international agreements. The drastic, unilateral actions of one country cannot protect and restore our marine resources. All countries with a stake in the fishery must participate if we are to be successful, and they must be willing to agree to multilateral enforcement mechanisms to ensure that the terms of such agreements are not violated.

This Congress has passed several pieces of legislation in the past few weeks that will strengthen the U.S. resolve toward multilateral, cooperative management, and we will continue to encourage these efforts. In the meantime, this bill will protect U.S fishermen from those countries that choose to take matters into their own hands, and I urge Members to support it.

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

Mr. SAXTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska [Mr. YOUNG].

(Mr. YOUNG of Alaska asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Alaska. I thank the gentleman for yielding this time to me.

Mr. Speaker, as the author of H.R. 716, I rise in strong support of this measure to reauthorize and improve the Fishermen's Protective Act of 1967.

Mr. Speaker, one of the major motivations for this legislation was an incident that occurred last year when 258 United States fishermen were unfairly charged $1,100 each by the Canadian Government to sail through the Inside Passage. While we were successful in convincing the Canadians to stop collecting these illegal transit fees, the Fishermen's Protective Act [FPA] must be amended to allow these Americans to be compensated for their financial loss.

My bill would reauthorize the FPA for the next 3 years; allow money to be deposited in the Fishermen's Guaranty Fund, regardless of whether Congress appropriates any money; expand the compensation provision to cover those Americans who paid the illegal fee assessed by the Canadians; and prohibit port entry to the vessels of any nation that assesses illegal fees on our vessels in the future.

Furthermore, we are making it clear that we will fully protect the rights of U.S. fishermen. We will not allow Canada, or any nation, to violate international maritime law or fishing treaties without a swift response.

I fully expect the United States State Department to vigorously seek reimbursement of these fees from the Canadians and not to simply make some weak or half-hearted effort because it may be inconvenient to our relationship with Canada. They broke the law and I want the more than $285,000 the Canadians collected paid back to our fishermen.

Mr. Speaker, I urge an ''aye'' vote on H.R. 716 and thank JIM SAXTON and GERRY STUDDS for their bipartisan subcommittee support in joining with me in this important legislative effort.

Mr. SAXTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. METCALF].

Mr. METCALF. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise today in strong support of H.R. 716, the Fishermen's Protective Act. While this is an important piece of legislation to fishermen across the country, the provisions of H.R. 716 are particularly vital to the salmon fishermen in the State of Washington. The United States and Canada have been engaged in negotiations, almost unending negotiations, since the Pacific Salmon Treaty was negotiated. Last summer, fishermen from my district in Washington State left for the annual trip north to fish in Alaskan waters. This 500 mile journey is usually a pleasant passage, I have made the round trip 3 times, incredibly scenic, mostly through calm, inside passage channels and bays. But in 1994, our fishermen were stopped by the Canadian Government, and forced to pay an illegal transit fee of approximately $1,100 per vessel, just for passing through Canadian waters. The U.S. fishermen had to pay the fee, or make the transit in the rough, open waters of the Pacific Ocean.

Mr. Speaker, for 500 years, the British have supported freedom of the seas and open waterways for trade. It seems ridiculous that in 1994, Canada no longer believes in this principle. But with the salmon treaty differences still not resolved, the prospect of this happening again this spring is very real.

The provisions of H.R. 716 will allow for the repayment of these fees to the fishermen involved, and provide the financial protections required to make the transit this year, should the Canadians impose this fee again. Mr. Speaker, it is my hope that the United States and Canada can reach agreement on a new Pacific Salmon Treaty before the start of this year's salmon season. If we should not, then the Congress must provide this method so the fishermen can establish the program contained in H.R. 716.

Mr. Speaker, I urge all of my colleagues to support our fishermen by supporting H.R. 716.

Mr. STUDDS. Mr. Speaker, I am as surprised as the gentleman from New Jersey [Mr. SAXTON] to learn that there will be a recorded vote on this measure.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. SAXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just conclude by saying that on most issues, almost every issue with which we deal having to do with fishing and fisheries is complicated, contentious, confusing, confounding, and many other words that we could express that would indicate anything less than simple. This is one of the more simple issues that we deal with, but one that is very timely and one that is much needed.

Mr. Speaker, I have no further request for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 716.

The question was taken.

Mr. SAXTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and submit extraneous material in the RECORD, on the bill, H.R. 716.

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

There was no objection.

SENSE OF THE HOUSE REGARDING AMERICAN CITIZENS HELD IN IRAQ

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 120) expressing the sense of the House of Representatives regarding the American citizens held in Iraq, as amended.

The Clerk read as follows:

H. RES. 120

Whereas on Saturday, March 25, 1995, an Iraqi court sentenced 2 Americans, William Barloon and David Daliberti, to 8 years imprisonment for allegedly entering Iraq without permission;

Whereas the 2 men were tried, convicted, and sentenced in what was reported to be a very brief period during that day with no other Americans present and with their only legal counsel having been appointed by the Government of Iraq;

Whereas the Department of State has stated that the 2 Americans have committed no offense justifying imprisonment and has demanded that they be released immediately; and

Whereas this harsh sentence is unjustified and further distances Iraq from the international community: Now, therefore, be it

Resolved, That the House of Representatives—

(1) strongly condemns the unjustified actions taken by the Government of Iraq against American citizens William Barloon and David Daliberti and demands their immediate release from prison and safe exit from Iraq; and

(2) urges the President to take all appropriate action to assure their prompt release and safe exit from Iraq.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] will be recognized for 20 minutes, and the gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes.

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

Mr. GILMAN. Mr. Speaker, I yield such time as he may consume to the principal sponsor of this measure, the distinguished gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. I thank the gentleman for yielding this time to me.

Mr. Speaker, let me begin by thanking Senator HARKIN, who sponsored a similar resolution in the Senate last week, as well as the chairman of the International Relations Committee, my good friend and distinguished colleague from New York, BEN GILMAN; I want to thank his committee staff, and the majority leader's office for their very prompt attention to this matter.

Mr. Speaker, the resolution we are considering today is important to let the world know that the United States House of Representatives unequivocally expresses disapproval for the nation of Iraq for wrongfully imprisoning two American citizens, David Daliberti and William Barloon. The resolution urges the immediate release of these two Americans and calls on the President to take all appropriate actions to secure their safe exit from Iraq. Moreover, the resolution makes perfectly clear that Iraq has absolutely nothing to gain and much to lose by continuing to hold these two men.

For 21 days now David Daliberti and William Barloon have languished behind bars in an Iraqi prison for what Iraqi authorities allege was an illegal crossing of their border. On March 13, on their way to visit a friend at a U.N. post along the Kuwait-Iraq border, the two men strayed into an area they say contained U.N. markings, but which the Iraqis claim was on their soil. On March 25, after what was reportedly a quick trial in which the only representation the Americans had was an attorney appointed by the Iraqi Government, the two men were sentenced to 8 years in prison—8 years in prison for taking a wrong turn.

My colleagues, their trial and harsh sentence are wrong. David Daliberti and William Barloon are innocent United States citizens who were taken against their will and now are being held in an Iraqi prison living off a weak diet of rice. Iraq's actions are indefensible on any grounds, but especially so in this case since the facts show so clearly that the men are completely innocent. We must go on record condemning this injustice and calling on the White House to take every conceivable measure to secure the release of these men.

To bring my colleagues up to date on this case, the latest news out of Iraq gives us hope that these Americans can expect an early release. The news is contradictory and confusing. On Saturday, a representative from the Iraqi Parliament's foreign-relations department hinted that the two men could be released in the coming few days—an encouraging sign. But yesterday the Iraqi Defense Ministry's newspaper said the Americans are no different from Mexicans trying to enter the United States illegally, an absurd charge that makes us wonder what the Iraqis are up to. But yesterday also saw Iraq extend to 1 month from the usual 2 weeks the amount of time the two men have to appeal their sentence, which Iraqi law experts interpret as a positive sign.

These crossed signals do nothing to help Iraq's position and only torment the families of Daliberti and Barloon, who simply want to see their loved ones returned to them as soon a possible. Surely Iraq knows that holding these men serves no purpose whatsoever. Just last week the head of the Iraqi Parliament admitted as much when he said, and I quote, ''We don't think that we are going to facilitate the question of the sanctions through detaining these two Americans.''

While continuing to hold these men does nothing to benefit Iraq, releasing them would. Iraq is already alienated from the community of civilized nations. Releasing Daliberti and Barloon can only improve their standing in the eyes of the world. Let me repeat as Secretary of State Warren Christopher said yesterday, releasing these men ''would be a good thing for the international reputation of Iraq. It would be an adverse thing to hold them.''

Lest anyone has any doubt as to the innocence of Daliberti and Barloon, let me assure you that every fact in this case indicates they were nothing more than what they claim to be—innocent victims who made a wrong turn. But it was not even a wrong turn due to their own error. As the two men were headed to the U.N. compound to visit a friend, the United Nations Iraq-Kuwait observer mission positioned along the border misdirected them, as even they admit. What happened next, according to Daliberti and Barloon, is that they found themselves driving past two unmanned Kuwaiti checkpoints into an area posted with U.N. markings. It was at this point they were apprehended by the Iraqis and whisked away.

Iraqi suggestions that these men were in any way spies or saboteurs are ludicrous. At the trial of the men in Baghdad, even their Iraqi-appointed attorney said they were carrying no weapons, no maps, no cameras, no compasses—nothing, in other words, that could indicate these men were anything other than victims of an unfortunate mistake. And according to the Polish diplomat who attended the trial as a representative of the United States, even the judge in the case seemed sympathetic to the plight of Daliberti and Barloon. But Iraqi law on such matters is ironclad and says any crossing whatsoever of their border must be punished, in this case with an 8-year sentence.

As it stands now, Daliberti and Barloon have begun to appeal their sentence with the assistance of an Iraqi lawyer—the same lawyer who has helped other Westerners appeal their sentences for crossing Iraq's border. Unfortunately, that lawyer has never successfully overturned the verdict in such a case, which has led some to suggest that only a pardon from Saddam Hussein himself can effect their release.

My colleagues, the families of Daliberti and Barloon need to know that we are with them, that we support them during this trying time. It is the least we can do to stand up and condemn Iraq for this outrageous action and demand that these two citizens be released immediately. I know that Kathy Daliberti, with whom I have spoken, is on an emotional roller-coaster ride as she follows this situation. Let us let her know that her Government is doing everything within its power to secure the prompt release of her husband and to bring him safely home. Those of you who have been following this story know that Kathy Daliberti has even set up a home page on the Internet so people from around the country can express their support. I encourage my colleagues to send her a message letting her know that she is not alone, that her Government does care.

When I met with officials from the State Department last Friday they assured me that everything is being done that can be done to secure the release of these two men. As you know, we have no diplomatic relations with Iraq. But Polish diplomats, who have an Embassy in Iraq, are working tirelessly on behalf of the United States in this matter. We were all encouraged last week when the head of the Polish Embassy visited with Daliberti and Barloon and said they appeared to be in good health.

In the meantime, we as the elected Representatives of the American people need to unite and speak with one voice in condemnation of Iraq. We need to express our sympathy and support for the families of Daliberti and Barloon. And we need to urge the administration to do everything within its power to bring these men safely home.

I know all of my colleagues will support House Resolution 120 as an expression of our commitment to the safety of all of our citizens, whether at home or abroad.

□ 1445

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. HAMILTON. Mr. Speaker, I rise in support of this resolution, as amended. I want to extend my appreciation and accommodation to the chairman of the committee, the gentleman from New York [Mr. GILMAN], and, likewise, to the gentleman from Florida [Mr. STEARNS], my colleague, for bringing this resolution to the floor of the House.

Mr. Speaker, on March 13 two Americans, William Barloon and David Daliberti, as has been described, accidentally crossed the Iraqi-Kuwaiti border while on their way to visit a U.N. compound in Kuwait. Mr. Barloon and Mr. Daliberti were detained by Iraqi authorities, imprisoned, convicted, and sentenced on March 25 to 8 years in prison for illegally entering Iraq. The treatment of these two Americans is an outrageous abuse by the Government of Iraq. These Americans were denied any semblance of due process. Mr. Barloon and Mr. Daliberti were sentenced after only a little over 1 hour of deliberation. They were denied adequate counsel. They were represented by an Iraqi-appointed legal counsel, and no other Americans were present. The International Red Cross was denied access to them.

It is apparent that the Government of Iraq is manipulating these two Americans to force the United States to change its policy toward Iraq. We should send a very clear message to the Government of Iraq that this time of blackmail simply will not work. The administration is working hard, I believe, to secure the release of these two Americans, and I believe that this resolution will strengthen the administration's hands in those efforts. The resolution shows the clear unity of purpose between the President and the Congress in demanding the immediate release from prison of these two Americans and their safe exit from Iraq.

Mr. Speaker, I urge my colleagues to support the resolution.

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

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. BEREUTER], a senior member of our Committee on International Relations.

Mr. BEREUTER. Mr. Speaker, this Member rises in the strongest possible support for House Resolution 120, legislation condemning the recent outrageous behavior of Iraq in seizing and incarcerating two American citizens.

It has been over 4 years since the end of the Persian Gulf conflict, but Saddam Hussein and his band of thugs continue to flaunt basic international norms, seemingly at every opportunity. For example, Saddam Hussein continues to let his people starve because he refuses to pump oil and provide the proceeds into international humanitarian organizations. People are starving, the economy is in a shambles, but Saddam's military remains intact. Iraq has waged a vicious war against the Marsh Arabs in the south, and with the Kurds in the north. Iraq has waged a clever campaign to lift the sanctions that the United Nations imposed, but it continues in every way to behave as an outlaw.

The most recent outrage is the seizure of William Barloon and David Daliberti, two civilian Americans who were seized as they went to visit a friend at a U.N. compound just south of the Iraq-Kuwait border. Lost and having strayed across the border, Iraqi military forces seized these two Americans, charged them with sabotage, and sentenced them to 8 years in prison in what was patently a kangaroo court.

Mr. Speaker, civilized societies do not behave in this manner. Responsible governments do not impose trumped up charges against innocent civilians in an effort to achieve foreign policy objectives.

This Member must note that, if the Government of Iraq hopes to enhance its international image, this is not the way to accomplish this goal. The wholly unwarranted imprisonment of William Barloon and David Daliberti only serve to reinforce the consensus that Iraq is not ready to behave responsibly.

In the face of this outrage, this body needs to speak in a clear and unequivocal voice and urge the immediate release of Mr. Barloon and Mr. Daliberti. This Member commends the distinguished gentleman from Florida [Mr. STERNS] for bringing House Resolution 120 before this body, and the distinguished gentleman from New York, the chairman of the International Relations Committee [Mr. GILMAN], for his cooperation in bringing this resolution to the floor.

Mr. Speaker, this Member urges adoption of House Resolution 120.

Mr. GILMAN. Mr. Speaker, I yield 1 minute4 to the gentleman from Iowa [Mr. NUSSLE].

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

Mr. NUSSLE. Mr. Speaker, I rise in support of House Resolution 120—a resolution regarding the American citizens held in Iraq. I commend the gentleman from Florida [Mr. STEARNS] and the gentleman from New York [Mr. GILMAN] for their leadership on this issue.

It is a tragedy that William Barloon, of New Hampton, IA, and another American, David Daliberti, who mistakenly strayed across Kuwait's border and into Iraq, have received the extremely harsh sentence of 8 years in prison. I am encouraged by recent statements by Iraqi officials that the two men could be released in the near future, and I urge President Clinton and Secretary of State Christopher to continue their work to secure the release and safe return from Iraq of Mr. Barloon and Mr. Daliberti.

Mr. Speaker, I support these two Americans, and I stand with their families and all Americans when I urge for their safe, speedy return and pray for that to happen as soon as possible.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of the resolution before us, House Resolution 120, introduced by our colleague, the gentleman from Florida [Mr. STEARNS], expressing the sense of Congress condemning the outrageous actions taken by Saddam Hussein's rogue regime in sentencing two American citizens, William Barloon and David Daliberti, to lengthy prison terms for having inadvertently crossed the Kuwaiti border into Iraq.

These two Americans were denied access to due process, with their legal counsel having been appointed by the Iraqi regime. It is only through the good offices of the Polish Embassy, which represents United States interest in Iraq, that the two men have received any sympathetic assistance or counsel.

Saddam Hussein's regime has been apprised repeatedly of the mishap in which the two men inadvertently crossed the border in a white van presumably a U.N. vehicle, but this honest error has been dismissed in favor of a purposeful miscarriage of justice.

In the best tradition of Congress, Mr. STEARNS has introduced this measure on behalf of his constituent, David Daliberti. House Resolution 120 condemns the Government of Iraq for its punitive actions against these two men, and urges the President to take

all appropriate action to secure their prompt release and safe exit from Iraq.

This incident, which has captured worldwide headlines, is yet another example of the unyielding position assumed by Saddam Hussein which compels the international community to maintain sanctions against Iraq. Such activity by the Iraqi Government further distances it from the community of civilized nations.

Mr. Speaker, I commend Representative STEARNS' commitment to his constituents through the introduction and consideration of House Resolution 120. We all hope that a swift resolution of this international incident will soon free Mr. Daliberti and Mr. Barloon. Accordingly, I urge my colleagues to adopt this resolution.

Ms. BROWN of Florida. Mr. Speaker, it saddens and angers me that Jacksonville resident, Mr. David Daliberti, and another American, Mr. Bill Barloon, have been detained in Iraq.

All indications are that the incident was a result of innocent mistakes. Mr. Daliberti, without hesitation, authorized the release of information about his case. The United Nations Iraq Kuwait Observer Mission [UNIKOM] has admitted that the Americans' crossing into Iraq was their error. During the recent trial, Mr. Daliberti and Mr. Barloon had a court appointed attorney who argued on their behalf but the judge found them in violation of an Iraqi residency law and sentenced them to 8 years in prison. I am outraged by the imprisonment of innocent Americans and join with my colleagues in condemning this action. Saddam Hussein should immediately pardon and release these two Americans.

I have urged President Clinton to use all necessary measures to bring this situation to a swift, negotiated and peaceful conclusion. I am continuing to monitor this international situation through daily contact with White House advisors and with the State Department. I am hopeful that the Americans will soon be returned to their awaiting friends and family.

Currently, the Clinton administration is working with Polish authorities who are our protecting power in Baghdad and through other diplomatic channels to obtain the release of these Americans. I strongly support the President's efforts to resolve this grave obstruction of justice and believe that these Americans should be released by Iraq immediately.

I pledge to do all that I can to work with the administration to resolve this situation quickly and peacefully.

In closing, I wish to express my concern and very strong support for Mr. Daliberti's wife, other relatives, and friends.

Mrs. FOWLER. Mr. Speaker, I rise today to express my strong support for House Resolution 120, a resolution that our colleague CLIFF STEARNS has introduced on behalf of two Americans who are currently being detained in Iraq.

David Daliberti of Jacksonville, FL, and William Barloon of New Hampton, IA, were taken into custody, tried, convicted, and sentenced to 8 years in prison by Iraqi authorities because they took a wrong turn at an unmarked intersection, were erroneously allowed to proceed by U.N. troops, and inadvertently found themselves in territory controlled by Iraqi forces. United Nations officials have conceded that the United Nations was in error in allowing them to proceed.

In virtually any other nation, these individuals would have been allowed to go on their way after a cursory evaluation of the situation by the local authorities.

It is plainly apparent, however, that Saddam Hussein is attempting to use this inadvertent entry in an effort to exert pressure on the United States to lift current U.N. sanctions against Iraq. This strategy is misguided. Iraq would do better to divorce the sanctions matters from the case of the two Americans, because efforts to connect the two situations will only lead the American people to conclude that the Iraqi leadership is attempting to manipulate our Nation and will encourage further resolve against any normalization of our relations.

Mr. Speaker, the prompt resolution of this strictly non-political matter is in Iraq's best interest. I urge all of my colleagues to support this measure and hope that Saddam Hussein and other parties interested in a safe and stable Middle East will take heed of the strong sentiments of the American people in this regard.

Mr. GILMAN. Mr. Speaker, I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I, too, yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and agree to the resolution (H. Res. 120), as amended.

The question was taken.

Mr. STEARNS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1500

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE ACT OF 1995

Mr. CLINGER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1345) to eliminate budget deficits and management inefficiencies in the government of the District of Columbia through the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1345

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''District of Columbia Financial Responsibility and Management Assistance Act of 1995''.

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

Sec. 1. Short title; table of contents.

Sec. 2. Findings; purpose.

TITLE I—ESTABLISHMENT AND ORGANIZATION OF AUTHORITY

Sec. 101. District of Columbia Financial Responsibility and Management Assistance Authority.

Sec. 102. Executive director and staff of Authority.

Sec. 103. Powers of Authority.

Sec. 104. Exemption from liability for claims.

Sec. 105. Treatment of actions arising from act.

Sec. 106. Funding for operation of Authority.

Sec. 107. Suspension of activities.

Sec. 108. Application of laws of District of Columbia to Authority.

TITLE II—RESPONSIBILITIES OF AUTHORITY

Subtitle A—Establishment and Enforcement of Financial Plan and Budget for District Government

Sec. 201. Development of financial plan and budget for District of Columbia.

Sec. 202. Process for submission and approval of financial plan and annual District budget.

Sec. 203. Review of activities of District government to ensure compliance with approved financial plan and budget.

Sec. 204. Restrictions on borrowing by District during control year.

''Sec. 601. Transitional provision for short-term advances.

''Sec. 602. Short-term advances for seasonal cash-flow management.

''Sec. 603. Security for advances.

''Sec. 604. Reimbursement to the Treasury.

''Sec. 605. Definitions.

Sec. 205. Deposit of annual Federal payment with Authority.

Sec. 206. Effect of finding of non-compliance with financial plan and budget.

Sec. 207. Recommendations on financial stability and management responsibility.

Sec. 208. Special rules for fiscal year 1996.

Sec. 209. Control periods described.

Subtitle B—Issuance of Bonds

Sec. 211. Authority to issue bonds.

Sec. 212. Pledge of security interest in revenues of district government.

Sec. 213. Establishment of debt service reserve fund.

Sec. 214. Other requirements for issuance of bonds.

Sec. 215. No full faith and credit of the United States.

Subtitle C—Other Duties of Authority

Sec. 221. Duties of Authority during year other than control year.

Sec. 222. General assistance in achieving financial stability and management efficiency.

Sec. 223. Obtaining reports.

Sec. 224. Reports and comments.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Other District budget reforms.

Sec. 302. Establishment of Chief Financial Officer of District of Columbia.

Sec. 303. Revisions to powers and duties of Inspector General of District of Columbia.

Sec. 304. Council approval of certain contracts.

Sec. 305. Definitions.

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) A combination of accumulated operating deficits, cash shortages, management inefficiencies, and deficit spending in the current fiscal year have created a fiscal emergency in the District of Columbia.

(2) As a result of its current financial problems and management inefficiencies, the District of Columbia government fails to provide its citizens with effective and efficient services in areas such as education, health care, crime prevention, trash collection, drug abuse treatment and prevention, human services delivery, and the supervision and training of government personnel.

(3) The current financial and management problems of the District government have already adversely affected the long-term economic health of the District of Columbia by causing the migration of residents and business out of the District of Columbia and the failure of new residents and businesses to move to the District of Columbia.

(4) The fiscal and management problems in the District of Columbia government are pervasive across all segments of the government.

(5) A comprehensive approach to fiscal, management, and structural problems must be undertaken which exempts no part of the District government and which preserves home rule for the citizens of the District of Columbia.

(6) The current deficit of the District of Columbia must be resolved over a multi-year period, since it cannot be effectively addressed in a single year.

(7) The ability of the District government to obtain funds from capital markets in the future will be severely diminished without Congressional action to restore its financial stability.

(8) The failure to improve the financial situation of the District government will adversely affect the long-term economic health of the entire National Capital region.

(9) The efficient operation of the Federal Government may be adversely affected by the current problems of the District of Columbia not only through the services the District government provides directly to the Federal Government but through services provided indirectly such as street and traffic flow maintenance, public safety, and services affecting tourism.

(b) PURPOSE.—The purposes of this Act are as follows:

(1) To eliminate budget deficits and cash shortages of the District of Columbia through visionary financial planning, sound budgeting, accurate revenue forecasts, and careful spending.

(2) To ensure the most efficient and effective delivery of services, including public safety services, by the District government during a period of fiscal emergency.

(3) To conduct necessary investigations and studies to determine the fiscal status and operational efficiency of the District government.

(4) To assist the District government in—

(A) restructuring its organization and workforce to ensure that the residents of the District of Columbia are served by a local government that is efficient and effective;

(B) achieving an appropriate relationship with the Federal Government;

(C) ensuring the appropriate and efficient delivery of services; and

(D) modernizing its budget, accounting, personnel, procurement, information technology, and management systems to ensure the maximum financial and performance accountability of the District government and its officers and employees.

(5) To enhance the District government's access to the capital markets and to ensure the continued orderly payment of its debt service obligations.

(6) To ensure the long-term financial, fiscal, and economic vitality and operational efficiency of the District of Columbia.

(7) To examine the programmatic and structural relationship between the District government and the Federal Government.

(8) To provide for the review of the financial impact of activities of the District government before such activities are implemented or submitted for Congressional review.

(c) RULES OF CONSTRUCTION.—Nothing in this Act may be construed—

(1) to relieve any obligations existing as of the date of the enactment of this Act of the District government to repay any individual or entity from whom the District has borrowed funds, whether through the issuance of bonds or otherwise; or

(2) to limit the authority of Congress to exercise ultimate legislative authority over the District of Columbia pursuant to Article I, section 8, clause 17 of the Constitution of the United States.

TITLE I—ESTABLISHMENT AND ORGANIZATION OF AUTHORITY

SEC. 101. DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.

(a) ESTABLISHMENT.—Pursuant to Article I, section 8, clause 17 of the Constitution of the United States, there is hereby established the District of Columbia Financial Responsibility and Management Assistance Authority, consisting of members appointed by the President in accordance with subsection (b). Subject to the conditions described in section 108 and except as otherwise provided in this Act, the Authority is established as an entity within the government of the District of Columbia, and is not established as a department, agency, establishment, or instrumentality of the United States Government.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Authority shall consist of 5 members appointed by the President who meet the qualifications described in subsection (c), except that the Authority may take any action under this Act (or any amendments made by this Act) at any time after the President has appointed 3 of its members.

(2) CONSULTATION WITH CONGRESS.—The President shall appoint the members of the Authority after consulting with the Chair of the Committee on Appropriations and the Chair of the Committee on Government Reform and Oversight of the House of Representatives, the Chair of the Committee on Appropriations and the Chair of the Committee on Governmental Affairs of the Senate, and the Delegate to the House of Representatives from the District of Columbia.

(3) CHAIR.—The President shall designate one of the members of the Authority as the Chair of the Authority.

(4) SENSE OF CONGRESS REGARDING DEADLINE FOR APPOINTMENT.—It is the sense of Congress that the President should appoint the members of the Authority as soon as practicable after the date of the enactment of this Act, but in no event later than 25 days after the date of the enactment of this Act.

(5) TERM OF SERVICE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each member of the Authority shall be appointed for a term of 3 years.

(B) APPOINTMENT FOR TERM FOLLOWING INITIAL TERM.—As designated by the President at the time of appointment for the term immediately following the initial term, of the members appointed for the term immediately following the initial term—

(i) 1 member shall be appointed for a term of 1 year;

(ii) 2 members shall be appointed for a term of 2 years; and

(iii) 2 members shall be appointed for a term of 3 years.

(C) REMOVAL.—The President may remove any member of the Authority only for cause.

(c) QUALIFICATIONS FOR MEMBERSHIP.—An individual meets the qualifications for membership on the Authority if the individual—

(1) has knowledge and expertise in finance, management, and the organization or operation of business or government;

(2) does not provide goods or services to the District government (and is not the spouse, parent, child, or sibling of an individual who provides goods and services to the District government);

(3) is not an officer or employee of the District government; and

(4) during the most recent taxable year prior to appointment, paid personal income or business taxes to the District government.

(d) NO COMPENSATION FOR SERVICE.—Members of the Authority shall serve without pay, but may receive reimbursement for any reasonable and necessary expenses incurred by reason of service on the Authority.

(e) ADOPTION OF BY-LAWS FOR CONDUCTING BUSINESS OF AUTHORITY.—

(1) IN GENERAL.—As soon as practicable after the appointment of its members, the Authority shall adopt by-laws, rules, and procedures governing its activities under this Act, including procedures for hiring experts and consultants. Such by-laws, rules, and procedures shall be public documents, and shall be submitted by the Authority upon adoption to the Mayor, the Council, the President, and Congress.

(2) CERTAIN ACTIVITIES REQUIRING APPROVAL OF MAJORITY OF MEMBERS.—Under the by-laws adopted pursuant to paragraph (1), the Authority may conduct its operations under such procedures as it considers appropriate, except that an affirmative vote of a majority of the members the Authority shall be required in order for the Authority to—

(A) approve or disapprove a financial plan and budget under subtitle A of title II;

(B) implement recommendations on financial stability and management responsibility under section 207;

(C) give consent to the appointment of the Chief Financial Officer of the District of Columbia under section 424 of the District of Columbia Self-Government and Governmental Reorganization Act (as added by section 302); and

(D) give consent to the appointment of the Inspector General of the District of Columbia under section 208(a) of the District of Columbia Procurement Practices Act of 1985 (as amended by section 303(a)).

(3) ADOPTION OF RULES AND REGULATIONS OF DISTRICT OF COLUMBIA.—The Authority may incorporate in its by-laws, rules, and procedures under this subsection such rules and regulations of the District government as it considers appropriate to enable it to carry out its activities under this Act with the greatest degree of independence practicable.

SEC. 102. EXECUTIVE DIRECTOR AND STAFF OF AUTHORITY.

(a) EXECUTIVE DIRECTOR.—The Authority shall have an Executive Director who shall be appointed by the Chair with the consent of the Authority. The Executive Director shall be paid at a rate determined by the Authority, except that such rate may not exceed the rate of basic pay payable for level IV of the Executive Schedule.

(b) STAFF.—With the approval of the Chair, the Executive Director may appoint and fix the pay of additional personnel as the Executive Director considers appropriate, except that no individual appointed by the Executive Director may be paid at a rate greater than the rate of pay for the Executive Director.

(c) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Executive Director and staff of the Authority may be appointed without

regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.

(d) STAFF OF FEDERAL AGENCIES.—Upon request of the Chair, the head of any Federal department or agency may detail, on a reimbursable or non-reimbursable basis, any of the personnel of that department or agency to the Authority to assist it in carrying out its duties under this Act.

(e) PRESERVATION OF RETIREMENT AND CERTAIN OTHER RIGHTS OF FEDERAL EMPLOYEES WHO BECOME EMPLOYED BY THE AUTHORITY.—

(1) IN GENERAL.—A Federal employee who, within 2 months after separating from the Federal Government, becomes employed by the Authority—

(A) may elect, for purposes of the retirement system in which that individual last participated before so separating, to have such individual's period of service with the Authority treated in the same way as if performed in the position within the Federal Government from which separated, subject to the requisite employee deductions and agency contributions being currently deposited in the appropriate fund; and

(B) if, after serving with the Authority, such employee becomes reemployed by the Federal Government, shall be entitled to credit, for the full period of such individual's service with the Authority, for purposes of determining the applicable leave accrual rate.

(2) RETIREMENT.—

(A) CONTRIBUTIONS.—For purposes of subparagraph (A) of paragraph (1)—

(i) the employee deductions referred to in such paragraph shall be made from basic pay for service with the Authority, and shall be computed using the same percentage as would then apply if the individual were instead serving in the position within the Federal Government from which separated; and

(ii) the agency contributions referred to in such paragraph shall be made by the Authority.

(B) DOUBLE COVERAGE NOT PERMITTED.—An individual who makes an election under paragraph (1)(A) shall be ineligible, while such election remains in effect, to participate in any retirement system for employees of the government of the District of Columbia.

(3) REGULATIONS.—The Office of Personnel Management shall prescribe such regulations as may be necessary to carry out this subsection. Regulations to carry out paragraph (1)(A) shall be prescribed in consultation with the office or agency of the government of the District of Columbia having jurisdiction over any retirement system referred to in paragraph (2)(B).

SEC. 103. POWERS OF AUTHORITY.

(a) HEARINGS AND SESSIONS.—The Authority may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Authority considers appropriate. The Authority may administer oaths or affirmations to witnesses appearing before it.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Authority may, if authorized by the Authority, take any action which the Authority is authorized to take by this section.

(c) OBTAINING OFFICIAL DATA.—

(1) FROM FEDERAL GOVERNMENT.—Notwithstanding sections 552 (commonly known as the Freedom of Information Act) and 552b (the Government in the Sunshine Act) of title 5, United States Code, the Authority may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act, with the approval of the head of that department or agency.

(2) FROM DISTRICT GOVERNMENT.—Notwithstanding any other provision of law, the Authority shall have the right to secure copies of such records, documents, information, or data from any entity of the District government necessary to enable the Authority to carry out its responsibilities under this Act. At the request of the Authority, the Authority shall be granted direct access to such information systems, records, documents or information or data as will enable the Authority to carry out its responsibilities under this Act. The head of the entity of the District government responsible shall provide the Authority with such information and assistance (including granting the Authority direct access to automated or other information systems) as the Authority requires under this paragraph.

(d) GIFTS, BEQUESTS, AND DEVISES.—The Authority may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Authority. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in such account as the Authority may establish and shall be available for disbursement upon order of the Chair.

(e) SUBPOENA POWER.—

(1) IN GENERAL.—The Authority may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter under investigation by the Authority. The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued under paragraph (1), the Authority may apply to a United States district court for an order requiring that person to appear before the Authority to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(3) SERVICE OF SUBPOENAS.—The subpoenas of the Authority shall be served in the manner provided for subpoenas issued by United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) SERVICE OF PROCESS.—All process of any court to which application is be made under paragraph (2) may be served in the judicial district in which the person required to be served resides or may be found.

(f) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Authority, the Administrator of General Services may provide to the Authority, on a reimbursable basis, the administrative support services necessary for the Authority to carry out its responsibilities under this Act.

(g) AUTHORITY TO ENTER INTO CONTRACTS.—The Executive Director may enter into such contracts as the Executive Director considers appropriate (subject to the approval of the Chair) to carry out the Authority's responsibilities under this Act.

(h) CIVIL ACTIONS TO ENFORCE POWERS.—The Authority may seek judicial enforcement of its authority to carry out its responsibilities under this Act.

(i) PENALTIES.—

(1) ACTS PROHIBITED.—Any officer or employee of the District government who—

(A) takes any action in violation of any valid order of the Authority or fails or refuses to take any action required by any such order; or

(B) prepares, presents, or certifies any information (including any projections or estimates) or report for the Board or any of its agents that is false or misleading, or, upon learning that any such information is false or misleading, fails to immediately advise the Board or its agents thereof in writing,

shall be guilty of a misdemeanor.

(2) ADMINISTRATIVE DISCIPLINE.—In addition to any other applicable penalty, any officer or employee of the District government who knowingly and willfully violates paragraph (1) shall be subject to appropriate administrative discipline, including (when appropriate) suspension from duty without pay or removal from office by order of either the Mayor or Authority.

(3) REPORT BY MAYOR ON DISCIPLINARY ACTIONS TAKEN.—In the case of a violation of paragraph (1) by an officer or employee of the District government, the Mayor shall immediately report to the Board all pertinent facts together with a statement of the action taken thereon.

SEC. 104. EXEMPTION FROM LIABILITY FOR CLAIMS.

The Authority and its members may not be liable for any obligation of or claim against the District of Columbia resulting from actions taken to carry out this Act.

SEC. 105. TREATMENT OF ACTIONS ARISING FROM ACT.

(a) JURISDICTION ESTABLISHED IN DISTRICT COURT FOR DISTRICT OF COLUMBIA.—Except as provided in section 103(e)(2) (relating to the issuance of an order enforcing a subpoena), any action against the Authority or any action otherwise arising out of this Act, in whole or in part, shall be brought in the United States District Court for the District of Columbia.

(b) PROMPT APPEAL.—

(1) COURT OF APPEALS.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued pursuant to an action brought under subsection (a) shall be reviewable only pursuant to a notice of appeal to the United States Court of Appeals for the District of Columbia Circuit.

(2) SUPREME COURT.—Notwithstanding any other provision of law, review by the Supreme Court of the United States of a decision of the Court of Appeals which is issued pursuant to paragraph (1) may be had only if the petition for such review is filed within 10 days after the entry of such decision.

(c) TIMING OF RELIEF.—No order of any court granting declaratory or injunctive relief against the Authority, including relief permitting or requiring the obligation, borrowing, or expenditure of funds, shall take effect during the pendency of the action before such court, during the time appeal may be taken, or (if appeal is taken) during the period before the court has entered its final order disposing of such action.

(d) EXPEDITED CONSIDERATION.—It shall be the duty of the United States District Court for the District of Columbia, the United States Court of Appeals for the District of Columbia Circuit, and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

SEC. 106. FUNDING FOR OPERATION OF AUTHORITY.

(a) ANNUAL BUDGETING PROCESS.—

(1) SUBMISSION OF BUDGET.—The Authority shall submit a proposed budget for each fiscal year to the President for inclusion in the annual budget for the District of Columbia

under part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act not later than the May 1 prior to the first day of the fiscal year. In the case of the budget for fiscal year 1996, the Authority shall submit its proposed budget not later than July 15, 1995.

(2) CONTENTS OF BUDGET.—The budget shall describe—

(A) expenditures of the Authority by each object class, including expenditures for staff of the Authority;

(B) services of personnel and other services provided by or on behalf of the Authority for which the Authority made no reimbursement; and

(C) any gifts or bequests made to the authority during the previous fiscal year.

(3) APPROPRIATIONS REQUIRED.—No amount may be obligated or expended by the Authority for a fiscal year (beginning with fiscal year 1996) unless such amount has been approved by Act of Congress, and then only according to such Act.

(4) CONFORMING AMENDMENT.—Section 453(c) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–304.1(c), D.C. Code) is amended by striking the period at the end and inserting the following: ‘‘, or to the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.’’.

(b) SPECIAL RULE FOR FUNDING OF OPERATIONS DURING FISCAL YEAR 1995.—As soon as practicable after the appointment of its members, the Authority shall submit to the Mayor and the President—

(1) a request for reprogramming of funds under subsection (c)(1); and

(2) a description of anticipated expenditures of the Authority for fiscal year 1995 (which shall be transmitted to Congress).

(c) SOURCES OF FUNDS.—

(1) USE OF PREVIOUSLY APPROPRIATED FUNDS IN DISTRICT BUDGET.—The Mayor shall transfer funds previously appropriated to the District government for a fiscal year for auditing and consulting services to the Authority (in such amounts as are provided in the budget request of the Authority under subsection (a) or, with respect to fiscal year 1995, the request submitted under subsection (b)(1)) for the purpose of carrying out the Authority’s activities during the fiscal year.

(2) OTHER SOURCES OF FUNDS.—For provisions describing the sources of funds available for the operations of the Authority during a fiscal year (in addition to any interest earned on accounts of the Authority during the year), see section 204(b)(1)(A) (relating to the set-aside of amounts requisitioned from the Treasury by the Mayor) and section 213(b)(3) (relating to the use of interest accrued from amounts in a debt service reserve fund of the Authority).

SEC. 107. SUSPENSION OF ACTIVITIES.

(a) SUSPENSION UPON PAYMENT OF AUTHORITY OBLIGATIONS.—

(1) IN GENERAL.—Upon the expiration of the 12-month period which begins on the date that the Authority certifies that all obligations arising from the issuance by the Authority of bonds, notes, or other obligations pursuant to subtitle B of title II have been discharged, and that all borrowings by or on behalf of the District of Columbia pursuant to title VI of the District of Columbia Revenue Act of 1939 (sec. 47–3401, D.C. Code) have been repaid, the Authority shall suspend any activities carried out under this Act and the terms of the members of the Authority shall expire.

(2) NO SUSPENSION DURING CONTROL YEAR.—The Authority may not suspend its activities pursuant to paragraph (1) at any time during a control year.

(b) REACTIVATION UPON INITIATION OF CONTROL PERIOD.—Upon receiving notice from the Chairs of the Appropriations Committees of the House of Representatives and the Senate that a control period has been initiated (as described in section 209) at any time after the Authority suspends its activities under subsection (a), the President shall appoint members of the Authority, and the Authority shall carry out activities under this Act, in the same manner as the President appointed members and the Authority carried out activities prior to such suspension.

SEC. 108. APPLICATION OF LAWS OF DISTRICT OF COLUMBIA TO AUTHORITY.

(a) IN GENERAL.—The following laws of the District of Columbia (as in effect on the date of the enactment of this Act) shall apply to the members and activities of the Authority:

(1) Section 742 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–1504, D.C. Code).

(2) Sections 201 through 206 of the District of Columbia Freedom of Information Act (secs. 1–1521 through 1–1526, D.C. Code).

(3) Section 601 of the District of Columbia Campaign Finance Reform and Conflict of Interest Act (sec. 1–1461, D.C. Code).

(b) NO CONTROL, SUPERVISION, OVERSIGHT, OR REVIEW BY MAYOR OR COUNCIL.—

(1) IN GENERAL.—Neither the Mayor nor the Council may exercise any control, supervision, oversight, or review over the Authority or its activities.

(2) PROHIBITION AGAINST LEGISLATION AFFECTING AUTHORITY.—Section 602(a) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–233(a), D.C. Code) is amended—

(A) by striking ‘‘or’’ at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting ‘‘; or’’; and

(C) by adding at the end the following new paragraph:

‘‘(10) enact any act, resolution, or rule with respect to the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.’’.

(c) AUTHORITY NOT SUBJECT TO REPRESENTATION BY CORPORATION COUNSEL.—In any action brought by or on behalf of the Authority, and in any action brought against the Authority, the Authority shall be represented by such counsel as it may select, but in no instance may the Authority be represented by the Corporation Counsel of the District of Columbia.

TITLE II—RESPONSIBILITIES OF AUTHORITY

Subtitle A—Establishment and Enforcement of Financial Plan and Budget for District Government

SEC. 201. DEVELOPMENT OF FINANCIAL PLAN AND BUDGET FOR DISTRICT OF COLUMBIA.

(a) DEVELOPMENT OF FINANCIAL PLAN AND BUDGET.—For each fiscal year for which the District government is in a control period, the Mayor shall develop and submit to the Authority a financial plan and budget for the District of Columbia in accordance with this section.

(b) CONTENTS OF FINANCIAL PLAN AND BUDGET.—A financial plan and budget for the District of Columbia for a fiscal year shall specify the budgets for the District government under part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act for the applicable fiscal year and the next 3 fiscal years (including the projected revenues and expenditures of each fund of the District government for such years), in accordance with the following requirements:

(1) The financial plan and budget shall meet the standards described in subsection (c) to promote the financial stability of the District government.

(2) The financial plan and budget shall provide for estimates of revenues and expenditures on a modified accrual basis.

(3) The financial plan and budget shall—

(A) describe lump sum expenditures by department by object class;

(B) describe capital expenditures (together with a schedule of projected capital commitments of the District government and proposed sources of funding);

(C) contain estimates of short-term and long-term debt (both outstanding and anticipated to be issued); and

(D) contain cash flow forecasts for each fund of the District government at such intervals as the Authority may require.

(4) The financial plan and budget shall include a statement describing methods of estimations and significant assumptions.

(5) The financial plan and budget shall include any other provisions and shall meet such other criteria as the Authority considers appropriate to meet the purposes of this Act, including provisions for changes in personnel policies and levels for each department or agency of the District government, changes in the structure and organization of the District government, and management initiatives to promote productivity, improvement in the delivery of services, or cost savings.

(c) STANDARDS TO PROMOTE FINANCIAL STABILITY DESCRIBED.—

(1) IN GENERAL.—The standards to promote the financial stability of the District government applicable to the financial plan and budget for a fiscal year are as follows:

(A) In the case of the financial plan and budget for fiscal year 1996, the expenditures of the District government for each fiscal year (beginning with fiscal year 1999) may not exceed the revenues of the District government for each such fiscal year.

(B) During fiscal years 1996, 1997, and 1998, the District government shall make continuous, substantial progress towards equalizing the expenditures and revenues of the District government for such fiscal years (in equal annual installments to the greatest extent possible).

(C) The District government shall provide for the orderly liquidation of the cumulative fund balance deficit of the District government, as evidenced by financial statements prepared in accordance with generally accepted accounting principles.

(D) If funds in accounts of the District government which are dedicated for specific purposes have been withdrawn from such accounts for other purposes, the District government shall fully restore the funds to such accounts.

(E) The financial plan and budget shall assure the continuing long-term financial stability of the District government, as indicated by factors including access to short-term and long-term capital markets, the efficient management of the District government’s workforce, and the effective provision of services by the District government.

(2) APPLICATION OF SOUND BUDGETARY PRACTICES.—In meeting the standards described in paragraph (1) with respect to a financial plan and budget for a fiscal year, the District government shall apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices.

(3) ASSUMPTIONS BASED ON CURRENT LAW.—In meeting the standards described in paragraph (1) with respect to a financial plan and budget for a fiscal year, the District government shall base estimates of revenues and expenditures on Federal law as in effect at the time of the preparation of the financial plan and budget.

(d) REPEAL OF OFFSETS AGAINST FEDERAL PAYMENT AND OTHER DISTRICT REVENUES.—Section 138 of the District of Columbia Appropriations Act, 1995, is amended—

(1) by striking subsection (c); and

(2) by redesignating subsections (d) and (e) as subsections (c) and (d).

SEC. 202. PROCESS FOR SUBMISSION AND APPROVAL OF FINANCIAL PLAN AND ANNUAL DISTRICT BUDGET.

(a) SUBMISSION OF PRELIMINARY FINANCIAL PLAN AND BUDGET BY MAYOR.—Not later than the February 1 preceding a fiscal year for which the District government is in a control period, the Mayor shall submit to the Authority and the Council a financial plan and budget for the fiscal year which meets the requirements of section 201.

(b) REVIEW BY AUTHORITY.—Upon receipt of the financial plan and budget for a fiscal year from the Mayor under subsection (a), the Authority shall promptly review the financial plan and budget. In conducting the review, the Authority may request any additional information it considers necessary and appropriate to carry out its duties under this subtitle.

(c) ACTION UPON APPROVAL OF MAYOR'S PRELIMINARY FINANCIAL PLAN AND BUDGET.—

(1) CERTIFICATION TO MAYOR.—

(A) IN GENERAL.—If the Authority determines that the financial plan and budget for the fiscal year submitted by the Mayor under subsection (a) meets the requirements applicable under section 201—

(i) the Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) the Mayor shall promptly submit the financial plan and budget to the Council pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act.

(B) DEEMED APPROVAL AFTER 30 DAYS.—

(i) IN GENERAL.—If the Authority has not provided the Mayor, the Council, and Congress with a notice certifying approval under subparagraph (A)(i) or a statement of disapproval under subsection (d)(1) upon the expiration of the 30-day period which begins on the date the Authority receives the financial plan and budget from the Mayor under subsection (a), the Authority shall be deemed to have approved the financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (A)(i).

(ii) EXPLANATION OF FAILURE TO RESPOND.—If clause (i) applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 30-day period described in such clause.

(2) ADOPTION OF FINANCIAL PLAN AND BUDGET BY COUNCIL AFTER RECEIPT OF APPROVED FINANCIAL PLAN AND BUDGET.—Notwithstanding the first sentence of section 446 of the District of Columbia Self-Government and Governmental Reorganization Act, not later than 30 days after receiving the financial plan and budget for the fiscal year from the Mayor under paragraph (1)(A)(ii), the Council shall by Act adopt a financial plan and budget for the fiscal year which shall serve as the adoption of the budgets of the District government for the fiscal year under such section, and shall submit such financial plan and budget to the Mayor and the Authority.

(3) REVIEW OF COUNCIL FINANCIAL PLAN AND BUDGET BY AUTHORITY.—Upon receipt of the financial plan and budget for a fiscal year from the Council under paragraph (2) (taking into account any items or provisions disapproved by the Mayor or disapproved by the Mayor and reenacted by the Council under section 404(f) of the District of Columbia Self-Government and Governmental Reorganization Act, as amended by subsection (f)(2)), the Authority shall promptly review the financial plan and budget. In conducting the review, the Authority may request any additional information it considers necessary and appropriate to carry out its duties under this subtitle.

(4) RESULTS OF AUTHORITY REVIEW OF COUNCIL'S INITIAL FINANCIAL PLAN AND BUDGET.—

(A) APPROVAL OF COUNCIL'S INITIAL FINANCIAL PLAN AND BUDGET.—If the Authority determines that the financial plan and budget for the fiscal year submitted by the Council under paragraph (2) meets the requirements applicable under section 201—

(i) the Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) the Council shall promptly submit the financial plan and budget to the Mayor for transmission to the President and Congress under section 446 of the District of Columbia Self-Government and Governmental Reorganization Act.

(B) DISAPPROVAL OF COUNCIL'S INITIAL BUDGET.—If the Authority determines that the financial plan and budget for the fiscal year submitted by the Council under paragraph (2) does not meet the requirements applicable under section 201, the Authority shall disapprove the financial plan and budget, and shall provide the Mayor, the Council, the President, and Congress with a statement containing—

(i) the reasons for such disapproval;

(ii) the amount of any shortfall in the budget or financial plan; and

(iii) any recommendations for revisions to the budget the Authority considers appropriate to ensure that the budget is consistent with the financial plan and budget.

(C) DEEMED APPROVAL AFTER 15 DAYS.—

(i) IN GENERAL.—If the Authority has not provided the Mayor, the Council, the President, and Congress with a notice certifying approval under subparagraph (A)(i) or a statement of disapproval under subparagraph (B) upon the expiration of the 15-day period which begins on the date the Authority receives the financial plan and budget from the Council under paragraph (2), the Authority shall be deemed to have approved the financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (A)(i).

(ii) EXPLANATION OF FAILURE TO RESPOND.—If clause (i) applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in such clause.

(5) AUTHORITY REVIEW OF COUNCIL'S REVISED FINANCIAL PLAN AND BUDGET.—

(A) SUBMISSION OF COUNCIL'S REVISED FINANCIAL PLAN AND BUDGET.—Not later than 15 days after receiving the statement from the Authority under paragraph (4)(B), the Council shall promptly by Act adopt a revised financial plan and budget for the fiscal year which addresses the reasons for the Authority's disapproval cited in the statement, and shall submit such financial plan and budget to the Mayor and the Authority.

(B) APPROVAL OF COUNCIL'S REVISED FINANCIAL PLAN AND BUDGET.—If, after reviewing the revised financial plan and budget for a fiscal year submitted by the Council under subparagraph (A) in accordance with the procedures described in this subsection, the Authority determines that the revised financial plan and budget meets the requirements applicable under section 201—

(i) the Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) the Council shall promptly submit the financial plan and budget to the Mayor for transmission to the President and Congress under section 446 of the District of Columbia Self-Government and Governmental Reorganization Act.

(C) DISAPPROVAL OF COUNCIL'S REVISED FINANCIAL PLAN AND BUDGET.—

(i) IN GENERAL.—If, after reviewing the revised financial plan and budget for a fiscal year submitted by the Council under subparagraph (A) in accordance with the procedures described in this subsection, the Authority determines that the revised financial plan and budget does not meet the applicable requirements under section 201, the Authority shall—

(I) disapprove the financial plan and budget;

(II) provide the Mayor, the Council, the President, and Congress with a statement containing the reasons for such disapproval and describing the amount of any shortfall in the financial plan and budget; and

(III) approve and recommend a financial plan and budget for the District government which meets the applicable requirements under section 201, and submit such financial plan and budget to the Mayor, the Council, the President, and Congress.

(ii) TRANSMISSION OF REJECTED FINANCIAL PLAN AND BUDGET.—The Council shall promptly submit the revised financial plan and budget disapproved by the Authority under this subparagraph to the Mayor for transmission to the President and Congress under section 446 of the District of Columbia Self-Government and Governmental Reorganization Act.

(D) DEEMED APPROVAL AFTER 15 DAYS.—

(i) IN GENERAL.—If the Authority has not provided the Mayor, the Council, the President, and Congress with a notice certifying approval under subparagraph (B)(i) or a statement of disapproval under subparagraph (C) upon the expiration of the 15-day period which begins on the date the Authority receives the revised financial plan and budget submitted by the Council under subparagraph (A), the Authority shall be deemed to have approved the revised financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (B)(i).

(ii) EXPLANATION OF FAILURE TO RESPOND.—If clause (i) applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in such clause.

(6) DEADLINE FOR TRANSMISSION OF FINANCIAL PLAN AND BUDGET BY AUTHORITY.—Notwithstanding any other provision of this section, not later than the June 15 preceding each fiscal year which is a control year, the Authority shall—

(A) provide Congress with a notice certifying its approval of the Council's initial financial plan and budget for the fiscal year under paragraph (4)(A);

(B) provide Congress with a notice certifying its approval of the Council's revised financial plan and budget for the fiscal year under paragraph (5)(B); or

(C) submit to Congress an approved and recommended financial plan and budget of the Authority for the District government for the fiscal year under paragraph (5)(C).

(d) ACTION UPON DISAPPROVAL OF MAYOR'S PRELIMINARY FINANCIAL PLAN AND BUDGET.—

(1) STATEMENT OF DISAPPROVAL.—If the Authority determines that the financial plan and budget for the fiscal year submitted by the Mayor under subsection (a) does not meet the requirements applicable under section 201, the Authority shall disapprove the financial plan and budget, and shall provide the Mayor and the Council with a statement containing—

(A) the reasons for such disapproval;

(B) the amount of any shortfall in the financial plan and budget; and

(C) any recommendations for revisions to the financial plan and budget the Authority considers appropriate to ensure that the financial plan and budget meets the requirements applicable under section 201.

(2) AUTHORITY REVIEW OF MAYOR'S REVISED FINANCIAL PLAN AND BUDGET.—

(A) SUBMISSION OF MAYOR'S REVISED FINANCIAL PLAN AND BUDGET.—Not later than 15 days after receiving the statement from the Authority under paragraph (1), the Mayor shall promptly submit to the Authority and the Council a revised financial plan and budget for the fiscal year which addresses the reasons for the Authority's disapproval cited in the statement.

(B) APPROVAL OF MAYOR'S REVISED FINANCIAL PLAN AND BUDGET.—If the Authority determines that the revised financial plan and budget for the fiscal year submitted by the Mayor under subparagraph (A) meets the requirements applicable under section 201—

(i) the Authority shall approve the financial plan and budget and shall provide the Mayor, the Council, the President, and Congress with a notice certifying its approval; and

(ii) the Mayor shall promptly submit the financial plan and budget to the Council pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act.

(C) DISAPPROVAL OF MAYOR'S REVISED FINANCIAL PLAN AND BUDGET.—

(i) IN GENERAL.—If the Authority determines that the revised financial plan and budget for the fiscal year submitted by the Mayor under subparagraph (A) does not meet the requirements applicable under section 201, the Authority shall—

(I) disapprove the financial plan and budget;

(II) shall provide the Mayor, the Council, the President, and Congress with a statement containing the reasons for such disapproval; and

(III) recommend a financial plan and budget for the District government which meets the requirements applicable under section 201 and submit such financial plan and budget to the Mayor and the Council.

(ii) SUBMISSION OF REJECTED FINANCIAL PLAN AND BUDGET.—The Mayor shall promptly submit the revised financial plan and budget disapproved by the Authority under this subparagraph to the Council pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act.

(D) DEEMED APPROVAL AFTER 15 DAYS.—

(i) IN GENERAL.—If the Authority has not provided the Mayor, the Council, the President, and Congress with a notice certifying approval under subparagraph (B)(i) or a statement of disapproval under subparagraph (C) upon the expiration of the 15-day period which begins on the date the Authority receives the revised financial plan and budget submitted by the Mayor under subparagraph (A), the Authority shall be deemed to have approved the revised financial plan and budget and to have provided the Mayor, the Council, the President, and Congress with the notice certifying approval described in subparagraph (B)(i).

(ii) EXPLANATION OF FAILURE TO RESPOND.—If clause (i) applies with respect to a financial plan and budget, the Authority shall provide the Mayor, the Council, the President and Congress with an explanation for its failure to provide the notice certifying approval or the statement of disapproval during the 15-day period described in such clause.

(3) ACTION BY COUNCIL.—

(A) ADOPTION OF FINANCIAL PLAN AND BUDGET.—Notwithstanding the first sentence of section 446 of the District of Columbia Self-Government and Governmental Reorganization Act, not later than 30 days after receiving the Mayor's approved revised financial plan and budget for the fiscal year under paragraph (2)(B) or (in the case of a financial plan and budget disapproved by the Authority) the financial plan and budget recommended by the Authority under paragraph (2)(C)(i)(III), the Council shall by Act adopt a financial plan and budget for the fiscal year which shall serve as the adoption of the budgets of the District government for the fiscal year under such section, and shall submit the financial plan and budget to the Mayor and the Authority.

(B) REVIEW BY AUTHORITY.—The financial plan and budget submitted by the Council under subparagraph (A) shall be subject to review by the Authority and revision by the Council in the same manner as the financial plan and budget submitted by the Council after an approved preliminary financial plan and budget of the Mayor under paragraphs (3), (4), (5), and (6) of subsection (c).

(e) REVISIONS TO FINANCIAL PLAN AND BUDGET.—

(1) PERMITTING MAYOR TO SUBMIT REVISIONS.—The Mayor may submit proposed revisions to the financial plan and budget for a control year to the Authority at any time during the year.

(2) PROCESS FOR REVIEW, APPROVAL, DISAPPROVAL, AND COUNCIL ACTION.—Except as provided in paragraph (3), the procedures described in subsections (b), (c), and (d) shall apply with respect to a proposed revision to a financial plan and budget in the same manner as such procedures apply with respect to the original financial plan and budget, except that subparagraph (B) of subsection (c)(1) (relating to deemed approval by the Authority of a preliminary financial plan and budget of the Mayor) shall be applied as if the reference to the term ''30-day period'' were a reference to ''20-day period''.

(3) EXCEPTION FOR REVISIONS NOT AFFECTING APPROPRIATIONS.—To the extent that a proposed revision to a financial plan and budget adopted by the Council pursuant to this subsection does not increase the amount of spending with respect to any account of the District government, the revision shall become effective upon the Authority's approval of such revision (subject to review by Congress under section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act).

(f) CONFORMING AMENDMENT TO BUDGET PROCESS REQUIREMENTS UNDER HOME RULE ACT.—

(1) SUBMISSION OF UNBALANCED BUDGETS.—Section 603 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–313, D.C. Code) is amended—

(A) in subsection (c), by striking ''The Council'' the first place it appears and inserting ''Except as provided in subsection (f), the Council'';

(B) in subsection (d), by striking ''The Mayor'' and inserting ''Except as provided in subsection (f), the Mayor''; and

(C) by adding at the end the following new subsection:

''(f) In the case of a fiscal year which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995)—

''(1) subsection (c) (other than the fourth sentence) and subsection (d) shall not apply; and

''(2) the Council may not approve, and the Mayor may not forward to the President, any budget which is not consistent with the financial plan and budget established for the fiscal year under subtitle A of title II of such Act.''.

(2) EXPEDITED PROCEDURES FOR DISAPPROVAL OF ITEMS AND PROVISIONS OF COUNCIL BUDGET BY MAYOR.—Section 404(f) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–227(f), D.C. Code) is amended by adding at the end the following new sentence: ''In the case of any budget act for a fiscal year which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995), this subsection shall apply as if the reference in the second sentence to 'ten-day period' were a reference to 'five-day period' and the reference in the third sentence to 'thirty calendar days' were a reference to '5 calendar days'.''.

(g) PERMITTING MAYOR AND COUNCIL TO SPECIFY EXPENDITURES UNDER SCHOOL BOARD BUDGET DURING CONTROL YEAR.—

(1) MAYOR'S ESTIMATE INCLUDED IN ANNUAL FINANCIAL PLAN AND BUDGET.—Section 2(h) of the Act entitled ''An Act to fix and regulate the salaries of teachers, school officers, and other employees of the board of education of the District of Columbia'', approved June 20, 1906 (sec. 31–103, D.C. Code) is amended by striking the period at the end and inserting the following: '', except that in the case of a year which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995), the Mayor shall transmit the same together with the Mayor's own request for the amount of money required for the public schools for the year.''.

(2) SPECIFICATION OF EXPENDITURES.—Section 452 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 31–104, D.C. Code) is amended by adding at the end the following new sentence: ''This section shall not apply with respect to the annual budget for any fiscal year which is a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995).''.

(h) PERMITTING SEPARATION OF EMPLOYEES IN ACCORDANCE WITH FINANCIAL PLAN AND BUDGET.—The fourth sentence of section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–242(3), D.C. Code) is amended by striking ''pursuant to procedures'' and all that follows through ''Act of 1991'' and inserting the following: ''in the implementation of a financial plan and budget for the District government approved under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995''.

SEC. 203. REVIEW OF ACTIVITIES OF DISTRICT GOVERNMENT TO ENSURE COMPLIANCE WITH APPROVED FINANCIAL PLAN AND BUDGET.

(a) REVIEW OF COUNCIL ACTS.—

(1) SUBMISSION OF ACTS TO AUTHORITY.—The Council shall submit to the Authority each Act passed by the Council and signed by the Mayor during a control year or vetoed by the Mayor and repassed by two-thirds of the Council present and voting during a control year, and each Act passed by the Council and allowed to become effective without the Mayor's signature during a control year, together with the estimate of costs accompanying such Act required under section 602(c)(3) of the District of Columbia Self-Government and Governmental Reorganization Act (as added by section 301(d)).

(2) PROMPT REVIEW BY AUTHORITY.—Upon receipt of an Act from the Council under paragraph (1), the Authority shall promptly review the Act to determine whether it is consistent with the applicable financial plan and budget approved under this subtitle and with the estimate of costs accompanying the Act (described in paragraph (1)).

(3) ACTIONS BY AUTHORITY.—

(A) APPROVAL.—Except as provided in subparagraph (C), if the Authority determines that an Act is consistent with the applicable financial plan and budget, the Authority shall notify the Council that it approves the Act, and the Council shall submit the Act to Congress for review in accordance with section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act.

(B) FINDING OF INCONSISTENCY.—Except as provided in subparagraph (C), if the Authority determines that an Act is significantly inconsistent with the applicable financial plan and budget, the Authority shall—

(i) notify the Council that of its finding;

(ii) provide the Council with an explanation of the reasons for its finding; and

(iii) to the extent the Authority considers appropriate, provide the Council with recommendations for modifications to the Act.

(C) EXCEPTION FOR EMERGENCY ACTS.—Subparagraphs (A) and (B) shall not apply with respect to any act which the Council determines according to section 412(a) of the District of Columbia Self-Government and Governmental Reorganization Act should take effect immediately because of emergency circumstances.

(4) EFFECT OF FINDING.—If the Authority makes a finding with respect to an Act under paragraph (3)(B), the Council may not submit the Act to Congress for review in accordance with section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act.

(5) DEEMED APPROVAL.—If the Authority does not notify the Council that it approves or disapproves an Act submitted under this subsection during the 7-day period which begins on the date the Council submits the Act to the Authority, the Authority shall be deemed to have approved the Act in accordance with paragraph (3)(A). At the option of the Authority, the previous sentence shall be applied as if the reference to ''7-day period'' were a reference to ''14-day period'' if during such 7-day period the Authority so notifies the Council and the Mayor.

(6) PRELIMINARY REVIEW OF PROPOSED ACTS.—At the request of the Council, the Authority may conduct a preliminary review of proposed legislation before the Council to determine whether the legislation as proposed would be consistent with the applicable financial plan and budget approved under this subtitle, except that any such preliminary review shall not be binding on the Authority in reviewing any Act subsequently submitted under this subsection.

(b) EFFECT OF APPROVED FINANCIAL PLAN AND BUDGET ON CONTRACTS AND LEASES.—

(1) MANDATORY PRIOR APPROVAL FOR CERTAIN CONTRACTS AND LEASES.—

(A) IN GENERAL.—In the case of a contract or lease described in subparagraph (B) which is proposed to be entered into by the District government during a control year, the Mayor (or the appropriate officer or agent of the District government) shall submit the proposed contract or lease to the Authority. The Authority shall review each contract or lease submitted under this subparagraph, and the Mayor (or the appropriate officer or agent of the District government) may not enter into the contract or lease unless the Authority determines that the proposed contract or lease is consistent with the financial plan and budget for the fiscal year.

(B) CONTRACTS AND LEASES DESCRIBED.—A contract or lease described in this subparagraph is—

(i) a labor contract entered into through collective bargaining; or

(ii) such other type of contract or lease as the Authority may specify for purposes of this subparagraph.

(2) AUTHORITY TO REVIEW OTHER CONTRACTS AND LEASES AFTER EXECUTION.—

(A) IN GENERAL.—In addition to the prior approval of certain contracts and leases under paragraph (1), the Authority may require the Mayor (or the appropriate officer or agent of the District government) to submit to the Authority any other contract (including a contract to carry out a grant) or lease entered into by the District government during a control year which is executed after the Authority has approved the financial plan and budget for the year under section 202(c) or 202(d), or any proposal of the District government to renew, extend, or modify a contract or lease during a control year which is made after the Authority has approved such financial plan and budget.

(B) REVIEW BY AUTHORITY.—The Authority shall review each contract or lease submitted under subparagraph (A) to determine if the contract or lease is consistent with the financial plan and budget for the fiscal year. If the Authority determines that the contract or lease is not consistent with the financial plan and budget, the Mayor shall take such actions as are within the Mayor's powers to revise the contract or lease, or shall submit a proposed revision to the financial plan and budget in accordance with section 202(e), so that the contract or lease will be consistent with the financial plan and budget.

(3) SPECIAL RULE FOR FISCAL YEAR 1995.—The Authority may require the Mayor to submit to the Authority any proposal to renew, extend, or modify a contract or lease in effect during fiscal year 1995 to determine if the renewal, extension, or modification is consistent with the budget for the District of Columbia under the District of Columbia Appropriations Act, 1995.

(4) SPECIAL RULE FOR CONTRACTS SUBJECT TO COUNCIL APPROVAL.—In the case of a contract or lease which is required to be submitted to the Authority under this subsection and which is subject to approval by the Council under the laws of the District of Columbia, the Mayor shall submit such contract or lease to the Authority only after the Council has approved the contract or lease.

(c) RESTRICTIONS ON REPROGRAMMING OF AMOUNTS IN BUDGET DURING CONTROL YEARS.—

(1) SUBMISSIONS OF REQUESTS TO AUTHORITY.—If the Mayor submits a request to the Council for the reprogramming of any amounts provided in a budget for a fiscal year which is a control year after the budget is adopted by the Council, the Mayor shall submit such request to the Authority, which shall analyze the affect of the proposed reprogramming on the financial plan and budget for the fiscal year and submit its analysis to the Council not later than 15 days after receiving the request.

(2) NO ACTION PERMITTED UNTIL ANALYSIS RECEIVED.—The Council may not adopt a reprogramming during a fiscal year which is a control year, and no officer or employee of the District government may carry out any reprogramming during such a year, until the Authority has provided the Council with an analysis of a request for the reprogramming in accordance with paragraph (1).

SEC. 204. RESTRICTIONS ON BORROWING BY DISTRICT DURING CONTROL YEAR.

(a) PRIOR APPROVAL REQUIRED.—

(1) IN GENERAL.—The District government may not borrow money during a control year unless the Authority provides prior certification that both the receipt of funds through such borrowing and the repayment of obligations incurred through such borrowing are consistent with the financial plan and budget for the year.

(2) REVISIONS TO FINANCIAL PLAN AND BUDGET PERMITTED.—If the Authority determines that the borrowing proposed to be undertaken by the District government is not consistent with the financial plan and budget, the Mayor may submit to the Authority a proposed revision to the financial plan and budget in accordance with section 202(e) so that the borrowing will be consistent with the financial plan and budget as so revised.

(3) BORROWING DESCRIBED.—This subsection shall apply with respect to any borrowing undertaken by the District government, including borrowing through the issuance of bonds under part E of title IV of the District of Columbia Self-Government and Governmental Reorganization Act, the exercise of authority to obtain funds from the United States Treasury under title VI of the District of Columbia Revenue Act of 1939 (sec. 47–3401, D.C. Code), or any other means.

(4) SPECIAL RULES FOR TREASURY BORROWING DURING FISCAL YEAR 1995.—

(A) NO PRIOR APPROVAL REQUIRED DURING INITIAL PERIOD FOLLOWING APPOINTMENT.—The District government may requisition advances from the United States Treasury under title VI of the District of Columbia Revenue Act of 1939 (sec. 47–3401, D.C. Code) without the prior approval of the Authority during the 45-day period which begins on the date of the appointment of the members of the Authority (subject to the restrictions described in such title, as amended by subsection (c)).

(B) CRITERIA FOR APPROVAL DURING REMAINDER OF FISCAL YEAR.—The District government may requisition advances described in subparagraph (A) during the portion of fiscal year 1995 occurring after the expiration of the 45-day period described in such subparagraph if the Authority finds that—

(i) such borrowing is appropriate to meet the needs of the District government to reduce deficits and discharge payment obligations; and

(ii) the District government is making appropriate progress toward meeting its responsibilities under this Act (and the amendments made by this Act).

(b) DEPOSIT OF FUNDS OBTAINED THROUGH TREASURY WITH AUTHORITY.—

(1) AUTOMATIC DEPOSIT DURING CONTROL YEAR.—If the Mayor requisitions funds from the Secretary of the Treasury pursuant to title VI of the District of Columbia Revenue Act of 1939 (sec. 47–3401, D.C. Code) during a control year (beginning with fiscal year 1996), such funds shall be deposited by the Secretary into an escrow account held by the Authority, to be used as follows:

(A) The Authority shall expend a portion of the funds for its operations during the fiscal year in which the funds are requisitioned, in such amount and under such conditions as are established under the budget of the Authority for the fiscal year under section 106(a).

(B) The Authority shall allocate the remainder of such funds to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate, consistent with the financial plan and budget for the year and with any other withholding of funds by the Authority pursuant to this Act.

(2) OPTIONAL DEPOSIT DURING FISCAL YEAR 1995.—

(A) DURING INITIAL PERIOD FOLLOWING APPOINTMENT.—If the Mayor requisitions funds described in paragraph (1) during the 45-day period which begins on the date of the appointment of the members of the Authority, the Secretary of the Treasury shall notify the Authority, and at the request of the Authority shall deposit such funds into an escrow account held by the Authority in accordance with paragraph (1).

(B) DURING REMAINDER OF FISCAL YEAR.—If the Mayor requisitions funds described in paragraph (1) during the portion of fiscal year 1995 occurring after the expiration of the 45-day period described in subparagraph (A), the Secretary of the Treasury shall deposit such funds into an escrow account held by the Authority in accordance with paragraph (1) at the request of the Authority.

(c) CONDITIONS ON REQUISITIONS FROM TREASURY.—Title VI of the District of Columbia Revenue Act of 1939 (sec. 47–3401, D.C. Code) is amended by striking all after the heading and inserting the following:

"SEC. 601. TRANSITIONAL PROVISION FOR SHORT-TERM ADVANCES.

''(a) TRANSITIONAL SHORT-TERM ADVANCES MADE BEFORE OCTOBER 1, 1995.—

''(1) IN GENERAL.—If the conditions in paragraph (2) are satisfied, the Secretary shall make an advance of funds from time to time, out of any money in the Treasury not otherwise appropriated, for the purpose of assisting the District government in meeting its general expenditures, as authorized by Congress.

''(2) CONDITIONS TO MAKING ANY TRANSITIONAL SHORT-TERM ADVANCE BEFORE OCTOBER 1, 1995.—The Secretary shall make an advance under this subsection if the following conditions are satisfied:

''(A) the Mayor delivers to the Secretary a requisition for an advance under this section;

''(B) as of the date on which the requisitioned advance is to be made, the Authority has not approved a financial plan and budget for the District government as meeting the requirements of the District of Columbia Financial Responsibility and Management Assistance Act of 1995;

''(C) the date on which the requisitioned advance is to be made is not later than September 30, 1995;

''(D) the District government has delivered to the Secretary—

''(i) a schedule setting forth the anticipated timing and amounts of requisitions for advances under this subsection; and

''(ii) evidence demonstrating to the satisfaction of the Secretary that the District government is effectively unable to obtain credit in the public credit markets or elsewhere in sufficient amounts and on sufficiently reasonable terms to meet the District government's financing needs;

''(E) the Secretary determines that there is reasonable assurance of reimbursement for the advance from the amount authorized to be appropriated as the annual Federal payment to the District of Columbia under title V of the District of Columbia Self-Government and Governmental Reorganization Act for the fiscal year ending September 30, 1996; and

''(F) except during the 45-day period beginning on the date of the appointment of the members of the Authority, the Authority makes the findings described in section 204(a)(4)(B) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

''(3) AMOUNT OF ANY TRANSITIONAL SHORT-TERM ADVANCE MADE BEFORE OCTOBER 1, 1995.—

''(A) IN GENERAL.—Except as provided in subparagraph (C), if the conditions described in subparagraph (B) are satisfied, each advance made under this subsection shall be in the amount designated by the Mayor in the Mayor's requisition for such advance, except that—

''(i) the total amount requisitioned under this subsection during the 30-day period which begins on the date of the first requisition made under this subsection may not exceed 33⅓ percent of the fiscal year 1995 limit;

''(ii) the total amount requisitioned under this subsection during the 60-day period which begins on the date of the first requisition made under this subsection may not exceed 66⅔ percent of the fiscal year 1995 limit; and

''(iii) the total amount requisitioned under this subsection after the expiration of the 60-day period which begins on the date of the first requisition made under this subsection may not exceed 100 percent of the fiscal year 1995 limit.

''(B) CONDITIONS APPLICABLE TO DESIGNATED AMOUNT.—Subparagraph (A) applies if the Mayor determines that the amount designated in the Mayor's requisition for such advance is needed to accomplish the purpose described in paragraph (1), and (except during the 45-day period beginning on the date of the appointment of the members of the Authority) the Authority approves such amount.

''(C) AGGREGATE MAXIMUM AMOUNT OUTSTANDING.—The sum of the anticipated principal and interest requirements of all advances made under this subsection may not be greater than the fiscal year 1995 limit.

''(D) FISCAL YEAR 1995 LIMIT DESCRIBED.—In this paragraph, the 'fiscal year 1995 limit' means the amount authorized to be appropriated to the District of Columbia as the annual Federal payment to the District of Columbia under title V of the District of Columbia Self-Government and Governmental Reorganization Act for the fiscal year ending September 30, 1995.

''(4) MATURITY OF ANY TRANSITIONAL SHORT-TERM ADVANCE MADE BEFORE OCTOBER 1, 1995.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), each advance made under this subsection shall mature on the date designated by the Mayor in the Mayor's requisition for such advance.

''(B) LATEST PERMISSIBLE MATURITY DATE.—Notwithstanding subparagraph (A), the maturity date for any advance made under this subsection shall not be later than October 1, 1995.

''(5) INTEREST RATE.—Each advance made under this subsection shall bear interest at an annual rate equal to the rate determined by the Secretary at the time that the Secretary makes such advance taking into consideration the prevailing yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of such advance, plus ⅛ of 1 percent.

''(6) DEPOSIT OF ADVANCES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), each advance made under this subsection for the account of the District government shall be deposited by the Secretary into such account as is designated by the Mayor in the Mayor's requisition for such advance.

''(B) EXCEPTION.—Notwithstanding subparagraph (A), if (in accordance with section 204(b)(2) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995) the Authority delivers a letter requesting the Secretary to deposit all advances made under this subsection for the account of the District government in an escrow account held by the Authority, each advance made under this subsection for the account of the District government after the date of such letter shall be deposited by the Secretary into the escrow account specified by the Authority in such letter.

''(b) TRANSITIONAL SHORT-TERM ADVANCES MADE ON OR AFTER OCTOBER 1, 1995 AND BEFORE FEBRUARY 1, 1996.—

''(1) IN GENERAL.—If the conditions in paragraph (2) are satisfied, the Secretary shall make an advance of funds from time to time, out of any money in the Treasury not otherwise appropriated, for the same purpose as advances are made under subsection (a).

''(2) TERMS AND CONDITIONS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), paragraphs (2), (4), and (5) of subsection (a) (other than subparagraph (F) of paragraph (2)) shall apply to any advance made under this subsection.

''(B) EXCEPTIONS.—

''(i) NEW CONDITIONS PRECEDENT TO MAKING ADVANCES.—The conditions described in subsection (a)(2) shall apply with respect to making advances on or after October 1, 1995, in the same manner as such conditions apply with respect to making advances before October 1, 1995, except that—

''(I) subparagraph (C) (relating to the last day on which advances may be made) shall be applied as if the reference to 'September 30, 1995' were a reference to 'January 31, 1996';

''(II) subparagraph (E) (relating to the Secretary's determination of reasonable assurance of reimbursement from the annual Federal payment appropriated to the District of Columbia) shall be applied as if the reference to 'September 30, 1996' were a reference to 'September 30, 1997';

''(III) the Secretary may not make an advance under this subsection unless all advances made under subsection (a) are fully reimbursed by withholding from the annual Federal payment appropriated to the District of Columbia for the fiscal year ending September 30, 1996, under title V of the District of Columbia Self-Government and Governmental Reorganization Act, and applying toward reimbursement for such advances an amount equal to the amount needed to fully reimburse the Treasury for such advances; and

''(IV) the Secretary may not make an advance under this subsection unless the Authority has provided the Secretary with the prior certification described in section 204(a)(1) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

''(ii) NEW LATEST PERMISSIBLE MATURITY DATE.—The provisions of subsection (a)(4) shall apply with respect to the maturity of advances made after October 1, 1995, in the same manner as such provisions apply with respect to the maturity of advances made before October 1, 1995, except that subparagraph (B) of such subsection (relating to the latest permissible maturity date) shall apply as if the reference to 'October 1, 1995' were a reference to 'October 1, 1996'.

''(C) NEW MAXIMUM AMOUNT OUTSTANDING.—

''(i) IN GENERAL.—Except as provided in clause (iii), if the conditions described in

clause (ii) are satisfied, each advance made under this subsection shall be in the amount designated by the Mayor in the Mayor's requisition for such advance.

''(ii) CONDITIONS APPLICABLE TO DESIGNATED AMOUNT.— Clause (i) applies if the Mayor determines that the amount designated in the Mayor's requisition for such advance is needed to accomplish the purpose described in paragraph (1), and the Authority approves such amount.

''(iii) AGGREGATE MAXIMUM AMOUNT OUTSTANDING.—The sum of the anticipated principal and interest requirements of all advances made under this paragraph may not be greater than 60 percent of the fiscal year 1996 limit.

''(D) DEPOSIT OF ADVANCES.—As provided in section 204(b) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, each advance made under this subsection for the account of the District shall be deposited by the Secretary into an escrow account held by the Authority.

''(E) FISCAL YEAR 1996 LIMIT DESCRIBED.—In this paragraph, the 'fiscal year 1996 limit' means the amount authorized to be appropriated to the District of Columbia as the annual Federal payment to the District of Columbia under title V of the District of Columbia Self-Government and Governmental Reorganization Act for the fiscal year ending September 30, 1996.

''(c) TRANSITIONAL SHORT-TERM ADVANCES MADE ON OR AFTER FEBRUARY 1, 1996 AND BEFORE OCTOBER 1, 1996.—

''(1) IN GENERAL.—If the conditions in paragraph (2) are satisfied, the Secretary shall make an advance of funds from time to time, out of any money in the Treasury not otherwise appropriated, for the same purpose as advances are made under subsection (a).

''(2) TERMS AND CONDITIONS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), subsection (b)(2) shall apply to any advance made under this subsection.

''(B) EXCEPTIONS.—The conditions applicable under subsection (b)(2) (other than paragraph (2)(B) of subsection (a)) shall apply with respect to making advances on or after February 1, 1996, and before October 1, 1996, in the same manner as such conditions apply to making advances under such subsection, except that—

''(i) in applying subparagraph (C) of subsection (a)(2) (as described in subsection (b)(2)(B)(i)(I)), the reference to 'October 1, 1995' shall be deemed to be a reference to 'September 30, 1996';

''(ii) subparagraph (C)(iii) of subsection (b)(2) shall apply as if the reference to '60 percent' were a reference to '40 percent'; and

''(iii) no advance may be made unless the Secretary has been provided the certifications and information described in paragraphs (3) through (6) of section 602(b).

''(d) TRANSITIONAL SHORT-TERM ADVANCES MADE ON OR AFTER OCTOBER 1, 1996 AND BEFORE OCTOBER 1, 1997.—

''(1) IN GENERAL.—If the conditions in paragraph (2) are satisfied, the Secretary shall make an advance of funds from time to time, out of any money in the Treasury not otherwise appropriated, for the same purpose as advances are made under subsection (a).

''(2) TERMS AND CONDITIONS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), paragraphs (2), (4), and (5) of subsection (a) (other than subparagraphs (B) and (F) of paragraph (2)) shall apply to any advance made under this subsection.

''(B) EXCEPTIONS.—

''(i) NEW CONDITIONS PRECEDENT TO MAKING ADVANCES.—The conditions described in subsection (a)(2) shall apply with respect to making advances on or after October 1, 1996, and before October 1, 1997, in the same manner as such conditions apply with respect to making advances before October 1, 1995, except that—

''(I) subparagraph (C) (relating to the last day on which advances may be made) shall be applied as if the reference to 'September 30, 1995' were a reference to 'September 30, 1997';

''(II) subparagraph (E) (relating to the Secretary's determination of reasonable assurance of reimbursement from the annual Federal payment appropriated to the District of Columbia) shall be applied as if the reference to 'September 30, 1996' were a reference to 'September 30, 1997';

''(III) the Secretary may not make an advance under this subsection unless all advances made under subsections (b) and (c) are fully reimbursed by withholding from the annual Federal payment appropriated to the District of Columbia for the fiscal year ending September 30, 1997, under title V of the District of Columbia Self-Government and Governmental Reorganization Act, and applying toward reimbursement for such advances an amount equal to the amount needed to fully reimburse the Treasury for such advances; and

''(IV) the Secretary may not make an advance under this subsection unless the Secretary has been provided the certifications and information described in paragraphs (3) through (6) of section 602(b).

''(ii) NEW LATEST PERMISSIBLE MATURITY DATE.—The provisions of subsection (a)(4) shall apply with respect to the maturity of advances made under this subsection, in the same manner as such provisions apply with respect to the maturity of advances made before October 1, 1995, except that subparagraph (B) of such subsection (relating to the latest permissible maturity date) shall apply as if the reference to 'September 30, 1995' were a reference to 'September 30, 1997'.

''(C) NEW MAXIMUM AMOUNT OUTSTANDING.—

''(i) IN GENERAL.—Except as provided in clause (iii), if the conditions described in clause (ii) are satisfied, each advance made under this subsection shall be in the amount designated by the Mayor in the Mayor's requisition for such advance.

''(ii) CONDITIONS APPLICABLE TO DESIGNATED AMOUNT.— Clause (i) applies if the Mayor determines that the amount designated in the Mayor's requisition for such advance is needed to accomplish the purpose described in paragraph (1), and the Authority approves such amount.

''(iii) AGGREGATE MAXIMUM AMOUNT OUTSTANDING.—The sum of the anticipated principal and interest requirements of all advances made under this paragraph may not be greater than 100 percent of the fiscal year 1997 limit.

''(iv) FISCAL YEAR 1997 LIMIT DESCRIBED.—In this subparagraph, the 'fiscal year 1997 limit' means the amount authorized to be appropriated to the District of Columbia as the annual Federal payment to the District of Columbia under title V of the District of Columbia Self-Government and Governmental Reorganization Act for the fiscal year ending September 30, 1997.

''(D) DEPOSIT OF ADVANCES.—As provided in section 204(b) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, each advance made under this subsection for the account of the District shall be deposited by the Secretary into an escrow account held by the Authority.

''SEC. 602. SHORT-TERM ADVANCES FOR SEASONAL CASH-FLOW MANAGEMENT.

''(a) IN GENERAL.—If the conditions in subsection (b) are satisfied, the Secretary shall make an advance of funds from time to time, out of any money in the Treasury not otherwise appropriated, for the purpose of assisting the District government in meeting its general expenditures, as authorized by Congress, at times of seasonal cash-flow deficiencies.

''(b) CONDITIONS TO MAKING ANY SHORT-TERM ADVANCE.—The Secretary shall make an advance under this section if—

''(1) the Mayor delivers to the Secretary a requisition for an advance under this section;

''(2) the date on which the requisitioned advance is to be made is in a control period;

''(3) the Authority certifies to the Secretary that—

''(A) the District government has prepared and submitted a financial plan and budget for the District government;

''(B) there is an approved financial plan and budget in effect under the District of Columbia Financial Responsibility and Management Assistance Act of 1995 for the fiscal year for which the requisition is to be made;

''(C) at the time of the Mayor's requisition for an advance, the District government is in compliance with the financial plan and budget;

''(D) both the receipt of funds from such advance and the reimbursement of Treasury for such advance are consistent with the financial plan and budget for the year; and

''(E) such advance will not adversely affect the financial stability of the District government;

''(4) the Authority certifies to the Secretary, at the time of the Mayor's requisition for an advance, that the District government is effectively unable to obtain credit in the public credit markets or elsewhere in sufficient amounts and on sufficiently reasonable terms to meet the District government's financing needs;

''(5) the Inspector General of the District of Columbia certifies to the Secretary the information described in paragraph (3) by providing the Secretary with a certification conducted by an outside auditor under a contract entered into pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985;

''(6) the Secretary receives such additional certifications and opinions relating to the financial position of the District government as the Secretary determines to be appropriate from such other Federal agencies and instrumentalities as the Secretary determines to be appropriate; and

''(7) the Secretary determines that there is reasonable assurance of reimbursement for the advance from the amount authorized to be appropriated as the annual Federal payment to the District of Columbia under title V of the District of Columbia Self-Government and Governmental Reorganization Act for the fiscal year following the fiscal year in which such advance is made.

''(c) AMOUNT OF ANY SHORT-TERM ADVANCE.—

''(1) IN GENERAL.—Except as provided in paragraph (3), if the conditions in paragraph (2) are satisfied, each advance made under this section shall be in the amount designated by the Mayor in the Mayor's requisition for such advance.

''(2) CONDITIONS APPLICABLE TO DESIGNATED AMOUNT.—Paragraph (1) applies if—

''(A) the Mayor determines that the amount designated in the Mayor's requisition for such advance is needed to accomplish the purpose described in subsection (a); and

''(B) the Authority—

''(i) concurs in the Mayor's determination under subparagraph (A); and

''(ii) determines that the reimbursement obligation of the District government for an advance made under this section in the

amount designated in the Mayor's requisition is consistent with the financial plan for the year.

''(3) MAXIMUM AMOUNT OUTSTANDING.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the unpaid principal balance of all advances made under this section in any fiscal year of the District government shall not at any time be greater than 100 percent of applicable limit.

''(B) SPECIAL RULE FOR FISCAL YEAR 1997.—The unpaid principal balance of all advances made under this section in fiscal year 1997 of the District government shall not at any time be greater than the difference between—

''(i) 150 percent of the applicable limit for such fiscal year; and

''(ii) the unpaid principal balance of any advances made under section 601(d).

''(C) APPLICABLE LIMIT DEFINED.—In this paragraph, the 'applicable limit' for a fiscal year is the amount authorized under title V of the District of Columbia Self-Government and Governmental Reorganization Act for appropriation as the Federal payment to the District of Columbia for the fiscal year following the fiscal year in which the advance is made.

''(d) MATURITY OF ANY SHORT-TERM ADVANCE.—

''(1) IN GENERAL.—Except as provided in paragraph (3), if the condition in paragraph (2) is satisfied, each advance made under this section shall mature on the date designated by the Mayor in the Mayor's requisition for such advance.

''(2) CONDITION APPLICABLE TO DESIGNATED MATURITY.—Paragraph (1) applies if the Authority determines that the reimbursement obligation of the District government for an advance made under this section having the maturity date designated in the Mayor's requisition is consistent with the financial plan for the year.

''(3) LATEST PERMISSIBLE MATURITY DATE.—Notwithstanding paragraph (1), the maturity date for any advance made under this section shall not be later than 11 months after the date on which such advance is made.

''(e) INTEREST RATE.—Each advance made under this section shall bear interest at an annual rate equal to a rate determined by the Secretary at the time that the Secretary makes such advance taking into consideration the prevailing yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of such advance, plus ⅛ of 1 percent.

''(f) 10 BUSINESS-DAY ZERO BALANCE REQUIREMENT.—After the expiration of the 12-month period beginning on the date on which the first advance is made under this section, the Secretary shall not make any new advance under this section unless the District government has—

''(1) reduced to zero at the same time the principal balance of all advances made under this section at least once during the previous 12-month period; and

''(2) not requisitioned any advance to be made under this section in any of the 10 business days following such reduction.

''(g) DEPOSIT OF ADVANCES.—As provided in section 204(b) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, advances made under this section for the account of the District government shall be deposited by the Secretary into an escrow account held by the Authority.

''SEC. 603. SECURITY FOR ADVANCES.

''(a) IN GENERAL.—The Secretary shall require the District government to provide such security for any advance made under this title as the Secretary determines to be appropriate.

''(b) AUTHORITY TO REQUIRE SPECIFIC SECURITY.—As security for any advance made under this title, the Secretary may require the District government to—

''(1) pledge to the Secretary specific taxes and revenue of the District government, if such pledging does not cause the District government to violate existing laws or contracts; and

''(2) establish a debt service reserve fund pledged to the Secretary.

''SEC. 604. REIMBURSEMENT TO THE TREASURY.

''(a) REIMBURSEMENT AMOUNT.—

''(1) IN GENERAL.—Except as provided in paragraph (2), on any date on which a reimbursement payment is due to the Treasury under the terms of any advance made under this title, the District shall pay to the Treasury the amount of such reimbursement payment out of taxes and revenue collected for the support of the District government.

''(2) EXCEPTIONS FOR TRANSITIONAL ADVANCES.—

''(A) ADVANCES MADE BEFORE OCTOBER 1, 1995.—

''(i) FINANCIAL PLAN AND BUDGET APPROVED.—If the Authority approves a financial plan for the District government before October 1, 1995, the District government may use the proceeds of any advance made under section 602 to discharge its obligation to reimburse the Treasury for any advance made under section 601(a).

''(ii) FINANCIAL PLAN AND BUDGET NOT APPROVED.—If the Authority has not approved a financial plan and budget for the District government by October 1, 1995, the annual Federal payment appropriated to the District government for the fiscal year ending September 30, 1996, shall be withheld and applied to discharge the District government's obligation to reimburse the Treasury for any advance made under section 601(a).

''(B) ADVANCES MADE ON OR AFTER OCTOBER 1, 1995.—

''(i) FINANCIAL PLAN AND BUDGET APPROVED.—If the Authority approves a financial plan and budget for the District government during fiscal year 1996, the District may use the proceeds of any advance made under section 602 to discharge its obligation to reimburse the Treasury for any advance made under section 601(b).

''(ii) FINANCIAL PLAN AND BUDGET NOT APPROVED.—If the Authority has not approved a financial plan and budget for the District government by October 1, 1996, the annual Federal payment appropriated to the District government for the fiscal year ending September 30, 1997, shall be withheld and applied to discharge the District government's obligation to reimburse the Treasury for any advance made under section 601(b).

''(b) REMEDIES FOR FAILURE TO REIMBURSE.—If, on any date on which a reimbursement payment is due to the Treasury under the terms of any advance made under this title, the District government does not make such reimbursement payment, the Secretary shall take the actions listed in this subsection.

''(1) WITHHOLD ANNUAL FEDERAL PAYMENT.—Notwithstanding any other law, before turning over to the Authority (on behalf of the District government under section 205 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995) any annual Federal payment appropriated to the District government for any fiscal year under title V of the District of Columbia Self-Government and Governmental Reorganization Act (if any), the Secretary shall withhold from such annual Federal payment, and apply toward reimbursement for the payment not made, an amount equal to the amount needed to fully reimburse the Treasury for the payment not made.

''(2) WITHHOLD OTHER FEDERAL PAYMENTS.—If, after the Secretary takes the action described in paragraph (1), the Treasury is not fully reimbursed, the Secretary shall withhold from each grant, entitlement, loan, or other payment to the District government by the Federal Government not dedicated to making entitlement or benefit payments to individuals, and apply toward reimbursement for the payment not made, an amount that, when added to the amount withheld from each other such grant, entitlement, loan, or other payment, will be equal to the amount needed to fully reimburse the Treasury for the payment not made.

''(3) ATTACH AVAILABLE DISTRICT REVENUES.—If, after the Secretary takes the actions described in paragraphs (1) and (2), the Treasury is not fully reimbursed, the Secretary shall attach any and all revenues of the District government which the Secretary may lawfully attach, and apply toward reimbursement for the payment not made, an amount equal to the amount needed to fully reimburse the Treasury for the payment not made.

''(4) TAKE OTHER ACTIONS.—If, after the Secretary takes the actions described in paragraphs (1) through (3), the Treasury is not fully reimbursed, the Secretary shall take any and all other actions permitted by law to recover from the District government the amount needed to fully reimburse the Treasury for the payment not made.

''SEC. 605. DEFINITIONS.

''For purposes of this title—

''(1) the term 'Authority' means the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995;

''(2) the term 'control period' has the meaning given such term under section 305(4) of such Act;

''(3) the term 'District government' has the meaning given such term under section 305(5) of such Act;

''(4) the term 'financial plan and budget' has the meaning given such term under section 305(6) of such Act; and

''(5) the term 'Secretary' means the Secretary of the Treasury.''.

(d) EXPENDITURE OF FUNDS FROM ACCOUNT IN ACCORDANCE WITH AUTHORITY INSTRUCTIONS.—Any funds allocated by the Authority to the Mayor from the escrow account described in subsection (b)(1) may be expended by the Mayor only in accordance with the terms and conditions established by the Authority at the time the funds are allocated.

(e) PROHIBITION AGAINST BORROWING WHILE SUIT PENDING.—The Mayor may not requisition advances from the Treasury pursuant to title VI of the District of Columbia Revenue Act of 1939 if there is an action filed by the Mayor or the Council which is pending against the Authority challenging the establishment of or any action taken by the Authority.

SEC. 205. DEPOSIT OF ANNUAL FEDERAL PAYMENT WITH AUTHORITY.

(a) IN GENERAL.—

(1) DEPOSIT INTO ESCROW ACCOUNT.—In the case of a fiscal year which is a control year, the Secretary of the Treasury shall deposit the annual Federal payment to the District of Columbia for the year authorized under title V of the District of Columbia Self-Government and Governmental Reorganization Act into an escrow account held by the Authority, which shall allocate the funds to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate to implement the financial plan for the year. In establishing such terms

and conditions, the Authority shall give priority to using the Federal payment for cash flow management and the payment of outstanding bills owed by the District government.

(2) EXCEPTION FOR AMOUNTS WITHHELD FOR ADVANCES.—Paragraph (1) shall not apply with respect to any portion of the Federal payment which is withheld by the Secretary of the Treasury in accordance with section 604 of title VI of the District of Columbia Revenue Act of 1939 (as added by section 204(c)) to reimburse the Secretary for advances made under title VI of such Act.

(b) EXPENDITURE OF FUNDS FROM ACCOUNT IN ACCORDANCE WITH AUTHORITY INSTRUCTIONS.—Any funds allocated by the Authority to the Mayor from the escrow account described in paragraph (1) may be expended by the Mayor only in accordance with the terms and conditions established by the Authority at the time the funds are allocated.

SEC. 206. EFFECT OF FINDING OF NON-COMPLIANCE WITH FINANCIAL PLAN AND BUDGET.

(a) SUBMISSION OF REPORTS.—Not later than 30 days after the expiration of each quarter of each fiscal year (beginning with fiscal year 1996), the Mayor shall submit reports to the Authority describing the actual revenues obtained and expenditures made by the District government during the quarter with its cash flows during the quarter, and comparing such actual revenues, expenditures, and cash flows with the most recent projections for these items.

(b) DEMAND FOR ADDITIONAL INFORMATION.—If the Authority determines, based on reports submitted by the Mayor under subsection (a), independent audits, or such other information as the Authority may obtain, that the revenues or expenditures of the District government during a control year are not consistent with the financial plan and budget for the year, the Authority shall require the Mayor to provide such additional information as the Authority determines to be necessary to explain the inconsistency.

(c) CERTIFICATION OF VARIANCE.—

(1) IN GENERAL.—After requiring the Mayor to provide additional information under subsection (b), the Authority shall certify to the Council, the President, the Secretary of the Treasury, and Congress that the District government is at variance with the financial plan and budget unless—

(A)(i) the additional information provides an explanation for the inconsistency which the Authority finds reasonable and appropriate, or

(ii) the District government adopts or implements remedial action (including revising the financial plan and budget pursuant to section 202(e)) to correct the inconsistency which the Authority finds reasonable and appropriate, taking into account the terms of the financial plan and budget; and

(B) the Mayor agrees to submit the reports described in subsection (a) on a monthly basis for such period as the Authority may require.

(2) SPECIAL RULE FOR INCONSISTENCIES ATTRIBUTABLE TO ACTS OF CONGRESS.—

(A) DETERMINATION BY AUTHORITY.—If the Authority determines that the revenues or expenditures of the District government during a control year are not consistent with the financial plan and budget for the year as approved by the Authority under section 202 as a result of the terms and conditions of the budget of the District government for the year as enacted by Congress or as a result of any other law enacted by Congress which affects the District of Columbia, the Authority shall so notify the Mayor.

(B) CERTIFICATION.—In the case of an inconsistency described in subparagraph (A), the Authority shall certify to the Council, the President, the Secretary of the Treasury, and Congress that the District government is at variance with the financial plan and budget unless the District government adopts or implements remedial action (including revising the financial plan and budget pursuant to section 202(e)) to correct the inconsistency which the Authority finds reasonable and appropriate, taking into account the terms of the financial plan and budget.

(d) EFFECT OF CERTIFICATION.—If the Authority certifies to the Secretary of the Treasury that a variance exists—

(1) the Authority may withhold any funds deposited with the Authority under section 204(b) or section 205(a) which would otherwise be expended on behalf of the District government; and

(2) the Secretary shall withhold funds otherwise payable to the District of Columbia under such Federal programs as the Authority may specify (other than funds dedicated to making entitlement or benefit payments to individuals), in such amounts and under such other conditions as the Authority may specify.

SEC. 207. RECOMMENDATIONS ON FINANCIAL STABILITY AND MANAGEMENT RESPONSIBILITY.

(a) IN GENERAL.—The Authority may at any time submit recommendations to the Mayor, the Council, the President, and Congress on actions the District government or the Federal Government may take to ensure compliance by the District government with a financial plan and budget or to otherwise promote the financial stability, management responsibility, and service delivery efficiency of the District government, including recommendations relating to—

(1) the management of the District government's financial affairs, including cash forecasting, information technology, placing controls on expenditures for personnel, reducing benefit costs, reforming procurement practices, and placing other controls on expenditures;

(2) the relationship between the District government and the Federal Government;

(3) the structural relationship of departments, agencies, and independent agencies within the District government;

(4) the modification of existing revenue structures, or the establishment of additional revenue structures;

(5) the establishment of alternatives for meeting obligations to pay for the pensions of former District government employees;

(6) modifications or transfers of the types of services which are the responsibility of and are delivered by the District government;

(7) modifications of the types of services which are delivered by entities other than the District government under alternative service delivery mechanisms (including privatization and commercialization);

(8) the effects of District of Columbia laws and court orders on the operations of the District government;

(9) the establishment of a personnel system for employees of the District government which is based upon employee performance standards; and

(10) the improvement of personnel training and proficiency, the adjustment of staffing levels, and the improvement of training and performance of management and supervisory personnel.

(b) RESPONSE TO RECOMMENDATIONS FOR ACTIONS WITHIN AUTHORITY OF DISTRICT GOVERNMENT.—

(1) IN GENERAL.—In the case of any recommendations submitted under subsection (a) during a control year which are within the authority of the District government to adopt, not later than 90 days after receiving the recommendations, the Mayor or the Council (whichever has the authority to adopt the recommendation) shall submit a statement to the Authority, the President, and Congress which provides notice as to whether the District government will adopt the recommendations.

(2) IMPLEMENTATION PLAN REQUIRED FOR ADOPTED RECOMMENDATIONS.—If the Mayor or the Council (whichever is applicable) notifies the Authority and Congress under paragraph (1) that the District government will adopt any of the recommendations submitted under subsection (a), the Mayor or the Council (whichever is applicable) shall include in the statement a written plan to implement the recommendation which includes—

(A) specific performance measures to determine the extent to which the District government has adopted the recommendation; and

(B) a schedule for auditing the District government's compliance with the plan.

(3) EXPLANATIONS REQUIRED FOR RECOMMENDATIONS NOT ADOPTED.—If the Mayor or the Council (whichever is applicable) notifies the Authority, the President, and Congress under paragraph (1) that the District government will not adopt any recommendation submitted under subsection (a) which the District government has authority to adopt, the Mayor or the Council shall include in the statement explanations for the rejection of the recommendations.

(c) IMPLEMENTATION OF REJECTED RECOMMENDATIONS BY AUTHORITY.—

(1) IN GENERAL.—If the Mayor or the Council (whichever is applicable) notifies the Authority, the President, and Congress under subsection (b)(1) that the District government will not adopt any recommendation submitted under subsection (a) which the District government has authority to adopt, the Authority may by a majority vote of its members take such action concerning the recommendation as it deems appropriate, after consulting with the Committee on Government Reform and Oversight of the House of Representatives and the Committee on Governmental Affairs of the Senate.

(2) EFFECTIVE DATE.—This subsection shall apply with respect to recommendations of the Authority made after the expiration of the 6-month period which begins on the date of the enactment of this Act.

SEC. 208. SPECIAL RULES FOR FISCAL YEAR 1996.

(a) ADOPTION OF TRANSITION BUDGET.—Notwithstanding any provision of section 202 to the contrary, in the case of fiscal year 1996, the following rules shall apply:

(1) Not later than 45 days after the appointment of its members, the Authority shall review the proposed budget for the District of Columbia for such fiscal year submitted to Congress under section 446 of the District of Columbia Self-Government and Governmental Reorganization Act (taking into account any items or provisions disapproved by the Mayor or disapproved by the Mayor and reenacted by the Council under section 404(f) of the District of Columbia Self-Government and Governmental Reorganization Act, as amended by section 202(f)(2)) and the multiyear plan for the District of Columbia prepared pursuant to section 443 of the District of Columbia Self-Government and Governmental Reorganization Act, and shall submit any recommendations for modifications to such financial plan and budget to promote the financial stability of the District government to the Mayor, the Council, the President, and Congress.

(2) Not later than 15 days after receiving the recommendations of the Authority submitted under paragraph (1), the Council (in consultation with the Mayor) shall promptly adopt a revised budget for the fiscal year (in this section referred to as the ''transition

budget''), and shall submit the transition budget to the Authority, the President, and Congress.

(3) Not later than 15 days after receiving the transition budget from the Council under paragraph (2), the Authority shall submit a report to the Mayor, the Council, the President, and Congress analyzing the budget (taking into account any items or provisions disapproved by the Mayor or disapproved by the Mayor and reenacted by the Council under section 404(f) of the District of Columbia Self-Government and Governmental Reorganization Act, as amended by section 202(f)(2)), and shall include in the report such recommendations for revisions to the transition budget as the Authority considers appropriate to promote the financial stability of the District government during the fiscal year.

(b) FINANCIAL PLAN AND BUDGET.—

(1) DEADLINE FOR SUBMISSION.—For purposes of section 202, the Mayor shall submit the financial plan and budget for fiscal year 1996 as soon as practicable after the date of the enactment of this Act (in accordance with guidelines established by the Authority).

(2) ADOPTION BY COUNCIL.—In accordance with the procedures applicable under section 202 (including procedures providing for review by the Authority)—

(A) the Council shall adopt the financial plan and budget for the fiscal year (including the supplemental budget incorporated in the financial plan and budget) prior to the submission by the Mayor of the financial plan and budget for fiscal year 1997 under section 202(a); and

(B) the financial plan and budget adopted by the Council (and, in the case of a financial plan and budget disapproved by the Authority, together with the financial plan and budget approved and recommended by the Authority) shall be submitted to Congress (in accordance with the procedures applicable under such section) as a supplemental budget request for fiscal year 1996 (in accordance with section 446 of the District of Columbia Self-Government and Governmental Reorganization Act).

(3) TRANSITION BUDGET AS TEMPORARY FINANCIAL PLAN AND BUDGET.—Until the approval of the financial plan and budget for fiscal year 1996 by the Authority under this subsection, the transition budget established under subsection (a) (as enacted by Congress) shall serve as the financial plan and budget adopted under this subtitle for purposes of this Act (and any provision of law amended by this Act) for fiscal year 1996.

(c) RESTRICTIONS ON ADVANCES FROM TREASURY.—

(1) MONTHLY DETERMINATION OF PROGRESS TOWARD FINANCIAL PLAN AND BUDGET.—During each month of fiscal year 1996 prior to the adoption of the financial plan and budget, the Authority shall determine whether the District government is making appropriate progress in preparing and adopting a financial plan and budget for the fiscal year under this subtitle.

(2) CERTIFICATION.—The Authority shall provide the President and Congress with a certification if the Authority finds that the District government is not making appropriate progress in developing the financial plan and budget for a month, and shall notify the President and Congress that the certification is no longer in effect if the Authority finds that the District government is making such progress after the certification is provided.

(3) PROHIBITION AGAINST ALLOCATION OF ADVANCES IF CERTIFICATION IN EFFECT.—At any time during which a certification under paragraph (2) is in effect, Authority may not allocate any funds obtained through advances to the Mayor under title VI of the District of Columbia Revenue Act of 1939 from the escrow account in which the funds are held.

SEC. 209. CONTROL PERIODS DESCRIBED.

(a) INITIATION.—For purposes of this Act, a ''control period'' is initiated upon the occurrence of any of the following events (as determined by the Authority based upon information obtained through the Mayor, the Inspector General of the District of Columbia, or such other sources as the Authority considers appropriate):

(1) The requisitioning by the Mayor of advances from the Treasury of the United States under title VI of the District of Columbia Revenue Act of 1939 (sec. 47–3401, D.C. Code), or the existence of any unreimbursed amounts obtained pursuant to such authority.

(2) The failure of the District government to provide sufficient revenue to a debt service reserve fund of the Authority under subtitle B.

(3) The default by the District government with respect to any loans, bonds, notes, or other form of borrowing.

(4) The failure of the District government to meet its payroll for any pay period.

(5) The existence of a cash deficit of the District government at the end of any quarter of the fiscal year in excess of the difference between the estimated revenues of the District government and the estimated expenditures of the District government (including repayments of temporary borrowings) during the remainder of the fiscal year or the remainder of the fiscal year together with the first 6 months of the succeeding fiscal year (as determined by the Authority in consultation with the Chief Financial Officer of the District of Columbia).

(6) The failure of the District government to make required payments relating to pensions and benefits for current and former employees of the District government.

(7) The failure of the District government to make required payments to any entity established under an interstate compact to which the District of Columbia is a signatory.

(b) TERMINATION.—

(1) IN GENERAL.—A control period terminates upon the certification by the Authority that—

(A) the District government has adequate access to both short-term and long-term credit markets at reasonable interest rates to meet its borrowing needs; and

(B) for 4 consecutive fiscal years (occurring after the date of the enactment of this Act) the expenditures made by the District government during each of the years did not exceed the revenues of the District government during such years (as determined in accordance with generally accepted accounting principles, as contained in the comprehensive annual financial report for the District of Columbia under section 448(a)(4) of the District of Columbia Self-Government and Governmental Reorganization Act).

(2) CONSULTATION WITH INSPECTOR GENERAL.—In making the determination under this subsection, the Authority shall consult with the Inspector General of the District of Columbia.

(c) CONTROL PERIOD DEEMED TO EXIST UPON ENACTMENT.—For purposes of this subtitle, a control period is deemed to exist upon the enactment of this Act.

Subtitle B—Issuance of Bonds

SEC. 211. AUTHORITY TO ISSUE BONDS.

(a) IN GENERAL.—

(1) REQUEST OF MAYOR.—Subject to the requirements of this subtitle, the Authority may at the request of the Mayor pursuant to an Act of the Council issue bonds, notes, or other obligations to borrow funds to obtain funds for the use of the District government, in such amounts and in such manner as the Authority considers appropriate.

(2) SPECIAL RULE FOR INSTRUMENTALITIES WITH INDEPENDENT BORROWING AUTHORITY.—In the case of an agency or instrumentality of the District government which under law has the authority to issue bonds, notes, or obligations to borrow funds without the enactment of an Act of the Council, the Authority may issue bonds, notes, or other obligations to borrow funds for the use or functions of such agency or instrumentality at the request of the head of the agency or instrumentality.

(b) DEPOSIT OF FUNDS OBTAINED THROUGH BORROWING WITH AUTHORITY.—Any funds obtained by the District government through borrowing by the Authority pursuant to this subtitle shall be deposited into an escrow account held by the Authority, which shall allocate such funds to the District government in such amounts and at such times as the Authority considers appropriate, consistent with the specified purposes of such funds and the applicable financial plan and budget under subtitle A.

(c) USES OF FUNDS OBTAINED THROUGH BONDS.—Any funds obtained through the issuance of bonds, notes, or other obligations pursuant to this subtitle may be used for any purpose (consistent with the applicable financial plan and budget) under subtitle A for which the District government may use borrowed funds under the District of Columbia Self-Government and Governmental Reorganization Act and for any other purpose which the Authority considers appropriate.

SEC. 212. PLEDGE OF SECURITY INTEREST IN REVENUES OF DISTRICT GOVERNMENT.

(a) IN GENERAL.—The Authority may pledge or grant a security interest in revenues to individuals or entities purchasing bonds, notes, or other obligations issued pursuant to this subtitle.

(b) DEDICATION OF REVENUE STREAM FROM DISTRICT GOVERNMENT.—The Authority shall require the Mayor—

(1) to pledge or direct taxes or other revenues otherwise payable to the District government (which are not otherwise pledged or committed), including payments from the Federal Government, to the Authority for purposes of securing repayment of bonds, notes, or other obligations issued pursuant to this subtitle; and

(2) to transfer the proceeds of any tax levied for purposes of securing such bonds, notes, or other obligations to the Authority immediately upon collection.

SEC. 213. ESTABLISHMENT OF DEBT SERVICE RESERVE FUND.

(a) IN GENERAL.—As a condition for the issuance of bonds, notes, or other obligations pursuant to this subtitle, the Authority shall establish a debt service reserve fund in accordance with this section.

(b) REQUIREMENTS FOR FUND.—

(1) FUND DESCRIBED.—A debt service reserve fund established by the Authority pursuant to this subsection shall consist of such funds as the Authority may make available, and shall be a trust fund held for the benefit and security of the obligees of the Authority whose bonds, notes, or other obligations are secured by such fund.

(2) USES OF FUNDS.—Amounts in a debt service reserve fund may be used solely for the payment of the principal of bonds secured in whole or in part by such fund, the purchase or redemption of such bonds, the payment of interest on such bonds, or the payment of any redemption premium required to be paid when such bonds and notes are redeemed prior to maturity.

(3) RESTRICTIONS ON WITHDRAWALS.—

(A) IN GENERAL.—Amounts in a debt service reserve fund may not be withdrawn from the fund at any time in an amount that would reduce the amount of the fund to less than the minimum reserve fund requirement established for such fund in the resolution of the Authority creating such fund, except for withdrawals for the purpose of making payments when due of principal, interest, redemption premiums and sinking fund payments, if any, with respect to such bonds for the payment of which other moneys of the Authority are not available, and for the purpose of funding the operations of the Authority for a fiscal year (in such amounts and under such conditions as are established under the budget of the Authority for the fiscal year under section 106(a)).

(B) USE OF EXCESS FUNDS.—Nothing in subparagraph (A) may be construed to prohibit the Authority from transferring any income or interest earned by, or increments to, any debt service reserve fund due to the investment thereof to other funds or accounts of the Authority (to the extent such transfer does not reduce the amount of the debt service reserve fund below the minimum reserve fund requirement established for such fund) for such purposes as the Authority considers appropriate to promote the financial stability and management efficiency of the District government.

SEC. 214. OTHER REQUIREMENTS FOR ISSUANCE OF BONDS.

(a) MINIMUM DEBT SERVICE RESERVE FUND REQUIREMENT.—The Authority may not at any time issue bonds, notes, or other obligations pursuant to this subtitle which are secured in whole or in part by a debt service reserve fund under section 213 if issuance of such bonds would cause the amount in the debt reserve fund to fall below the minimum reserve requirement for such fund, unless the Authority at the time of issuance of such bonds shall deposit in the fund an amount (from the proceeds of the bonds to be issued or from other sources) which when added to the amount already in such fund will cause the total amount on deposit in such fund to equal or exceed the minimum reserve fund requirement established by the Authority at the time of the establishment of the fund.

(b) AMOUNTS INCLUDED IN AGGREGATE LIMIT ON DISTRICT BORROWING.—Any amounts provided to the District government through the issuance of bonds, notes, or other obligations to borrow funds pursuant to this subtitle shall be taken into account in determining whether the amount of funds borrowed by the District of Columbia during a fiscal year exceeds the limitation on such amount provided under section 603(b) of the District of Columbia Self-Government and Governmental Reorganization Act.

SEC. 215. NO FULL FAITH AND CREDIT OF THE UNITED STATES.

The full faith and credit of the United States is not pledged for the payment of any principal of or interest on any bond, note, or other obligation issued by the Authority pursuant to this subtitle. The United States is not responsible or liable for the payment of any principal of or interest on any bond, note, or other obligation issued by the Authority pursuant to this subtitle.

Subtitle C—Other Duties of Authority

SEC. 221. DUTIES OF AUTHORITY DURING YEAR OTHER THAN CONTROL YEAR.

(a) IN GENERAL.—During the period beginning upon the termination of a control period pursuant to section 209(b) and ending with the suspension of its activities pursuant to section 107(a), the Authority shall conduct the following activities:

(1) The Authority shall review the budgets of the District government adopted by the Council under section 446 of the District of Columbia Self-Government and Governmental Reorganization Act for each fiscal year occurring during such period.

(2) At such time prior to the enactment of such budget by Congress as the Authority considers appropriate, the Authority shall prepare a report analyzing the budget and submit the report to the Mayor, the Council, the President, and Congress.

(3) The Authority shall monitor the financial status of the District government and shall submit reports to the Mayor, the Council, the President, and Congress if the Authority determines that a risk exists that a control period may be initiated pursuant to section 209(a).

(4) The Authority shall carry out activities under subtitle B with respect to bonds, notes, or other obligations of the Authority outstanding during such period.

(b) REQUIRING MAYOR TO SUBMIT BUDGETS TO AUTHORITY.—With respect to the budget for each fiscal year occurring during the period described in subsection (a), at the time the Mayor submits the budget of the District government adopted by the Council to the President under section 446 of the District of Columbia Self-Government and Governmental Reorganization Act, the Mayor shall submit such budget to the Authority.

SEC. 222. GENERAL ASSISTANCE IN ACHIEVING FINANCIAL STABILITY AND MANAGEMENT EFFICIENCY.

In addition to any other actions described in this title, the Authority may undertake cooperative efforts to assist the District government in achieving financial stability and management efficiency, including—

(1) assisting the District government in avoiding defaults, eliminating and liquidating deficits, maintaining sound budgetary practices, and avoiding interruptions in the delivery of services;

(2) assisting the District government in improving the delivery of municipal services, the training and effectiveness of personnel of the District government, and the efficiency of management and supervision; and

(3) making recommendations to the President for transmission to Congress on changes to this Act or other Federal laws, or other actions of the Federal Government, which would assist the District government in complying with an approved financial plan and budget under subtitle A.

SEC. 223. OBTAINING REPORTS.

The Authority may require the Mayor, the Chair of the Council, the Chief Financial Officer of the District of Columbia, and the Inspector General of the District of Columbia, to prepare and submit such reports as the Authority considers appropriate to assist it in carrying out its responsibilities under this Act, including submitting copies of any reports regarding revenues, expenditures, budgets, costs, plans, operations, estimates, and other financial or budgetary matters of the District government.

SEC. 224. REPORTS AND COMMENTS.

(a) ANNUAL REPORTS TO CONGRESS.—Not later than 30 days after the last day of each fiscal year which is a control year, the Authority shall submit a report to Congress describing—

(1) the progress made by the District government in meeting the objectives of this Act during the fiscal year;

(2) the assistance provided by the Authority to the District government in meeting the purposes of this Act for the fiscal year; and

(3) any other activities of the Authority during the fiscal year.

(b) REVIEW AND ANALYSIS OF PERFORMANCE AND FINANCIAL ACCOUNTABILITY REPORTS.—

(1) IN GENERAL.—The Authority shall review each report prepared and submitted by the Mayor under section 456 of the District of Columbia Self-Government and Governmental Reorganization Act (as added by section 3(a) of the Federal Payment Reauthorization Act of 1994), and shall submit a report to Congress analyzing the completeness and accuracy of such reports.

(2) SUBMISSION OF REPORTS BY MAYOR.—Section 456 of the District of Columbia Self-Government and Governmental Reorganization Act, as added by section 3(a) of the Federal Payment Reauthorization Act of 1994, is amended by adding at the end the following new subsection:

''(e) SUBMISSION OF REPORTS TO DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—In the case of any report submitted by the Mayor under this section for a fiscal year (or any quarter of a fiscal year) which is a control year under the District of Columbia Financial Responsibility and Management Assistance Act of 1995, the Mayor shall submit the report to the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of such Act in addition to any other individual to whom the Mayor is required to submit the report under this section.''.

(c) COMMENTS REGARDING ACTIVITIES OF DISTRICT GOVERNMENT.—At any time during a control year, the Authority may submit a report to Congress describing any action taken by the District government (or any failure to act by the District government) which the Authority determines will adversely affect the District government's ability to comply with an approved financial plan and budget under subtitle A or will otherwise have a significant adverse impact on the best interests of the District of Columbia.

(d) REPORTS ON EFFECT OF FEDERAL LAWS ON DISTRICT GOVERNMENT.—At any time during any year, the Authority may submit a report to the Mayor, the Council, the President, and Congress on the effect of laws enacted by Congress on the financial plan and budget for the year and on the financial stability and management efficiency of the District government in general.

(e) MAKING REPORTS PUBLICLY AVAILABLE.—The Authority shall make any report submitted under this section available to the public, except to the extent that the Authority determines that the report contains confidential material.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. OTHER DISTRICT BUDGET REFORMS.

(a) INCLUSION OF ALL FUNDS OF DISTRICT IN BUDGET OF DISTRICT GOVERNMENT.—

(1) IN GENERAL.—Section 103 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–202, D.C. Code) is amended—

(A) by amending paragraph (10) to read as follows:

''(10) The term 'District revenues' means all funds derived from taxes, fees, charges, miscellaneous receipts, the annual Federal payment to the District authorized under title V, grants and other forms of financial assistance, or the sale of bonds, notes, or other obligations, and any funds administered by the District government under cost sharing arrangements.'';

(B) by amending paragraph (14) to read as follows:

''(14) The term 'resources' means revenues, balances, enterprise or other revolving funds, and funds realized from borrowing.''; and

(C) by amending paragraph (15) to read as follows:

''(15) The term 'budget' means the entire request for appropriations or loan or spending authority for all activities of all departments or agencies of the District of Columbia financed from all existing, proposed or anticipated resources, and shall include both operating and capital expenditures.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply with respect to revenues, resources, and budgets of the District of Columbia for fiscal years beginning with fiscal year 1996.

(b) RESTRICTIONS ON REPROGRAMMING OF FUNDS.—

(1) IN GENERAL.—Section 446 of such Act (sec. 47–304, D.C. Code) is amended by adding at the end the following: ''After the adoption of the annual budget for a fiscal year (beginning with the annual budget for fiscal year 1995), no reprogramming of amounts in the budget may occur unless the Mayor submits to the Council a request for such reprogramming and the Council approves the request, but only if any additional expenditures provided under such request for an activity are offset by reductions in expenditures for another activity.''.

(2) CONFORMING AMENDMENT.—Section 5 of D.C. Law 3–100 (sec. 47–364, D.C. Code) is hereby repealed.

(c) PERMITTING COUNCIL TO REQUEST BUDGET ADJUSTMENTS FROM MAYOR.—Section 442 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–301, D.C. Code) is amended by adding at the end the following new subsection:

''(d) The Mayor shall prepare and submit to the Council a proposed supplemental or deficiency budget recommendation under subsection (c) if the Council by resolution requests the Mayor to submit such a recommendation.''.

(d) REQUIRING BUDGETARY IMPACT STATEMENTS TO ACCOMPANY ACTS OF COUNCIL.—

(1) IN GENERAL.—Section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–233(c), D.C. Code) is amended by adding at the end the following new paragraph:

''(3) The Council shall submit with each Act transmitted under this subsection an estimate of the costs which will be incurred by the District of Columbia as a result of the enactment of the Act in each of the first 4 fiscal years for which the Act is in effect, together with a statement of the basis for such estimate.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to Acts of the Council transmitted on or after October 1, 1995.

(e) EXTENSION OF AUTHORIZATION OF ANNUAL FEDERAL PAYMENT.—Section 503(c) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 47–3406.1(c), D.C. Code), as added by section 2 of the Federal Payment Reauthorization Act of 1994, is amended by striking ''fiscal year 1996'' and inserting ''each of the fiscal years 1996, 1997, 1998, and 1999''.

SEC. 302. ESTABLISHMENT OF CHIEF FINANCIAL OFFICER OF DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Part B of title IV of the District of Columbia Self-Government and Governmental Reorganization Act is amended by adding at the end the following new section:

''CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

''SEC. 424. (a) ESTABLISHMENT OF OFFICE.—

''(1) IN GENERAL.—There is hereby established within the executive branch of the government of the District of Columbia an Office of the Chief Financial Officer of the District of Columbia (hereafter referred to as the 'Office'), which shall be headed by the Chief Financial Officer of the District of Columbia (hereafter referred to as the 'Chief Financial Officer').

''(2) OFFICE OF THE TREASURER.—The Office shall include the Office of the Treasurer, which shall be headed by the Treasurer of the District of Columbia, who shall be appointed by the Chief Financial Officer and subject to the Chief Financial Officer's direction and control.

''(3) TRANSFER OF OTHER OFFICES.—Effective with the appointment of the first Chief Financial Officer under subsection (b), the functions and personnel of the following offices are transferred to the Office:

''(A) The Controller of the District of Columbia.

''(B) The Office of the Budget.

''(C) The Office of Financial Information Services.

''(D) The Department of Finance and Revenue.

''(4) SERVICE OF HEADS OF OTHER OFFICES.—

''(A) OFFICE HEADS APPOINTED BY MAYOR.—With respect to the head of the Office of the Budget and the head of the Department of Finance and Revenue—

''(i) the Mayor shall appoint such individuals with the advice and consent of the Council, subject to the approval of the Authority during a control year; and

''(ii) during a control year, the Authority may remove such individuals from office for cause, after consultation with the Mayor.

''(B) OFFICE HEADS APPOINTED BY CHIEF FINANCIAL OFFICER.—With respect to the Controller of the District of Columbia and the head of the Office of Financial Information Services—

''(i) the Chief Financial Officer shall appoint such individuals subject to the approval of the Mayor; and

''(ii) the Chief Financial Officer may remove such individuals from office for cause, after consultation with the Mayor.

''(b) APPOINTMENT.—

''(1) IN GENERAL.—

''(A) CONTROL YEAR.—During a control year, the Chief Financial Officer shall be appointed by the Mayor as follows:

''(i) Prior to the appointment of the Chief Financial Officer, the Authority may submit recommendations for the appointment to the Mayor.

''(ii) In consultation with the Authority and the Council, the Mayor shall nominate an individual for appointment and notify the Council of the nomination.

''(iii) After the expiration of the 7-day period which begins on the date the Mayor notifies the Council of the nomination under clause (ii), the Mayor shall notify the Authority of the nomination.

''(iv) The nomination shall be effective subject to approval by a majority vote of the Authority.

''(B) OTHER YEARS.—During a year other than a control year, the Chief Financial Officer shall be appointed by the Mayor with the advice and consent of the Council. Prior to appointment, the Authority may submit recommendations for the appointment.

''(2) REMOVAL.—

''(A) CONTROL YEAR.—During a control year, the Chief Financial Officer may be removed for cause by the Authority or by the Mayor with the approval of the Authority.

''(B) OTHER YEARS.—During a year other than a control year, the Chief Financial Officer shall serve at the pleasure of the Mayor, except that the Chief Financial Officer may only be removed for cause.

''(3) SALARY.—The Chief Financial Officer shall be paid at an annual rate determined by the Mayor, except that such rate may not exceed the rate of basic pay payable for level IV of the Executive Schedule.

''(c) FUNCTIONS DURING CONTROL YEAR.—During a control year, the Chief Financial Officer shall have the following duties:

''(1) Preparing the financial plan and budget for the use of the Mayor for purposes of subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

''(2) Preparing the budgets of the District of Columbia for the year for the use of the Mayor for purposes of part D.

''(3) Assuring that all financial information presented by the Mayor is presented in a manner, and is otherwise consistent with, the requirements of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

''(4) Implementing appropriate procedures and instituting such programs, systems, and personnel policies within the Officer's authority, to ensure that budget, accounting and personnel control systems and structures are synchronized for budgeting and control purposes on a continuing basis.

''(5) With the approval of the Authority, preparing and submitting to the Mayor and the Council—

''(A) annual estimates of all revenues of the District of Columbia (without regard to the source of such revenues), including proposed revenues, which shall be binding on the Mayor and the Council for purposes of preparing and submitting the budget of the District government for the year under part D, except that the Mayor and the Council may prepare the budget based on estimates of revenues which are lower than those prepared by the Chief Financial Officer; and

''(B) quarterly re-estimates of the revenues of the District of Columbia during the year.

''(6) Supervising and assuming responsibility for financial transactions to ensure adequate control of revenues and resources, and to ensure that appropriations are not exceeded.

''(7) Maintaining systems of accounting and internal control designed to provide—

''(A) full disclosure of the financial impact of the activities of the District government;

''(B) adequate financial information needed by the District government for management purposes;

''(C) effective control over, and accountability for, all funds, property, and other assets of the District of Columbia; and

''(D) reliable accounting results to serve as the basis for preparing and supporting agency budget requests and controlling the execution of the budget.

''(8) Submitting to the Council a financial statement of the District government, containing such details and at such times as the Council may specify.

''(9) Supervising and assuming responsibility for the assessment of all property subject to assessment and special assessments within the corporate limits of the District of Columbia for taxation, preparing tax maps, and providing such notice of taxes and special assessments (as may be required by law).

''(10) Supervising and assuming responsibility for the levying and collection of all taxes, special assessments, licensing fees, and other revenues of the District of Columbia (as may be required by law), and receiving all amounts paid to the District of Columbia from any source (including the Authority).

''(11) Maintaining custody of all public funds belonging to or under the control of the District government (or any department or agency of the District government), and depositing all amounts paid in such depositories and under such terms and conditions as may be designated by the Council or the Authority.

''(12) Maintaining custody of all investment and invested funds of the District government or in possession of the District government in a fiduciary capacity, and maintaining the safekeeping of all bonds and notes of the District government and the receipt and delivery of District government bonds and notes for transfer, registration, or exchange.

''(13) Apportioning the total of all appropriations and funds made available during the year for obligation so as to prevent obligation or expenditure in a manner which would result in a deficiency or a need for supplemental appropriations during the year, and (with respect to appropriations and funds available for an indefinite period and all authorizations to create obligations by contract in advance of appropriations) apportioning the total of such appropriations, funds, or authorizations in the most effective and economical manner.

''(14) Certifying all contracts (whether directly or through delegation) prior to execution as to the availability of funds to meet the obligations expected to be incurred by the District government under such contracts during the year.

''(15) Prescribing the forms of receipts, vouchers, bills, and claims to be used by all agencies, offices, and instrumentalities of the District government.

''(16) Certifying and approving prior to payment all bills, invoices, payrolls, and other evidences of claims, demands, or charges against the District government, and determining the regularity, legality, and correctness of such bills, invoices, payrolls, claims, demands, or charges.

''(17) In coordination with the Inspector General of the District of Columbia, performing internal audits of accounts and operations and records of the District government, including the examination of any accounts or records of financial transactions, giving due consideration to the effectiveness of accounting systems, internal control, and related administrative practices of the departments and agencies of the District government.

''(d) FUNCTIONS DURING ALL YEARS.—At all times, the Chief Financial Officer shall have the following duties:

''(1) Exercising responsibility for the administration and supervision of the District of Columbia Treasurer (except that the Chief Financial Officer may delegate any portion of such responsibility as the Chief Financial Officer considers appropriate and consistent with efficiency).

''(2) Administering all borrowing programs of the District government for the issuance of long-term and short-term indebtedness.

''(3) Administering the cash management program of the District government, including the investment of surplus funds in governmental and non-governmental interest-bearing securities and accounts.

''(4) Administering the centralized District government payroll and retirement systems.

''(5) Governing the accounting policies and systems applicable to the District government.

''(6) Preparing appropriate annual, quarterly, and monthly financial reports of the accounting and financial operations of the District government.

''(7) Not later than 120 days after the end of each fiscal year (beginning with fiscal year 1995), preparing the complete financial statement and report on the activities of the District government for such fiscal year, for the use of the Mayor under section 448(a)(4) of the District of Columbia Self-Government and Governmental Reorganization Act.

''(e) FUNCTIONS OF TREASURER.—At all times, the Treasurer shall have the following duties:

''(1) Assisting the Chief Financial Officer in reporting revenues received by the District government, including submitting annual and quarterly reports concerning the cash position of the District government not later than 60 days after the last day of the quarter (or year) involved. Such reports shall include:

''(A) Comparative reports of revenue and other receipts by source, including tax, nontax, and Federal revenues, grants and reimbursements, capital program loans, and advances. Each source shall be broken down into specific components.

''(B) Statements of the cash flow of the District government for the preceding quarter or year, including receipts, disbursements, net changes in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment. Such statements shall reflect the actual, planned, better or worse dollar amounts and the percentage change with respect to the current quarter, year-to-date, and fiscal year.

''(C) Quarterly cash flow forecast for the quarter or year involved, reflecting receipts, disbursements, net change in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment with respect to the actual dollar amounts for the quarter or year, and projected dollar amounts for each of the 3 succeeding quarters.

''(D) Monthly reports reflecting a detailed summary analysis of all District of Columbia government investments, including, but not limited to—

''(i) the total of long-term and short-term investments;

''(ii) a detailed summary analysis of investments by type and amount, including purchases, sales (maturities), and interest;

''(iii) an analysis of investment portfolio mix by type and amount, including liquidity, quality/risk of each security, and similar information;

''(iv) an analysis of investment strategy, including near-term strategic plans and projects of investment activity, as well as forecasts of future investment strategies based on anticipated market conditions, and similar information;

''(v) an analysis of cash utilization, including—

''(I) comparisons of budgeted percentages of total cash to be invested with actual percentages of cash invested and the dollar amounts;

''(II) comparisons of the next return on invested cash expressed in percentages (yield) with comparable market indicators and established District of Columbia government yield objectives; and

''(III) comparisons of estimated dollar return against actual dollar yield.

''(E) Monthly reports reflecting a detailed summary analysis of long-term and short-term borrowings inclusive of debt as authorized by section 603, in the current fiscal year and the amount of debt for each succeeding fiscal year not to exceed 5 years. All such reports shall reflect—

''(i) the amount of debt outstanding by type of instrument;

''(ii) the amount of authorized and unissued debt, including availability of short-term lines of credit, United States Treasury borrowings, and similar information;

''(iii) a maturity schedule of the debt;

''(iv) the rate of interest payable upon the debt; and

''(v) the amount of debt service requirements and related debt service reserves.

''(2) Such other functions assigned to the Chief Financial Officer under subsection (c) or subsection (d) as the Chief Financial Officer may delegate.

''(f) DEFINITIONS.—In this section—

''(1) the term 'Authority' means the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995;

''(2) the term 'control year' has the meaning given such term under section 305(4) of such Act; and

''(3) the term 'District government' has the meaning given such term under section 305(5) of such Act.''.

(b) PROHIBITING DELEGATION OF CHIEF FINANCIAL OFFICER'S AUTHORITY.—Section 422(6) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–242(6), D.C. Code) is amended by adding at the end the following: ''Nothing in the previous sentence may be construed to permit the Mayor to delegate any functions assigned to the Chief Financial Officer of the District of Columbia under section 424, without regard to whether such functions are assigned to the Chief Financial Officer under such section during a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995) or during any other year.''.

(c) CONFORMING AMENDMENT.—Effective upon the appointment of the Chief Financial Officer of the District of Columbia under section 424(b) of the District of Columbia Self-Government and Governmental Reorganization Act (as added by subsection (a)), D.C. Law 3–138 (sec. 47–314 et seq., D.C. Code) is repealed.

(d) CLERICAL AMENDMENT.—The table of contents of part B of title IV of the District of Columbia Self-Government and Governmental Reorganization Act is amended by adding at the end the following new item:

''Sec. 424. Chief Financial Officer of the District of Columbia.''.

SEC. 303. REVISIONS TO POWERS AND DUTIES OF INSPECTOR GENERAL OF DISTRICT OF COLUMBIA.

(a) APPOINTMENT AND TERM OF SERVICE; INDEPENDENCE OF BUDGET.—Section 208(a) of the District of Columbia Procurement Practices Act of 1985 (sec. 1–1182.8(a), D.C. Code) is amended by striking paragraphs (1) and (2) and inserting the following:

''(1)(A) There is created within the executive branch of the government of the District of Columbia the Office of the Inspector General. The Office shall be headed by an Inspector General appointed pursuant to subparagraph (B), who shall serve for a term of 6 years and shall be subject to removal only for cause by the Mayor (with the approval of the District of Columbia Financial Responsibility and Management Assistance Authority in a control year) or (in the case of a control year) by the Authority. The Inspector General may be reappointed for additional terms.

''(B) During a control year, the Inspector General shall be appointed by the Mayor as follows:

''(i) Prior to the appointment of the Inspector General, the Authority may submit recommendations for the appointment to the Mayor.

''(ii) In consultation with the Authority and the Council, the Mayor shall nominate an individual for appointment and notify the Council of the nomination.

''(iii) After the expiration of the 7-day period which begins on the date the Mayor notifies the Council of the nomination under clause (ii), the Mayor shall notify the Authority of the nomination.

''(iv) The nomination shall be effective subject to approval by a majority vote of the Authority.

''(C) During a year which is not a control year, the Inspector General shall be appointed by the Mayor with the advice and consent of the Council. Prior to appointment, the Authority may submit recommendations for the appointment.

''(D) The Inspector General shall be appointed without regard to party affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial management analysis, public administration, or investigations.

''(E) The Inspector General shall be paid at an annual rate determined by the Mayor, except that such rate may not exceed the rate of basic pay payable for level IV of the Executive Schedule.

''(2) The annual budget for the Office shall be adopted as follows:

''(A) The Inspector General shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia under part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act for the year, annual estimates of the expenditures and appropriations necessary for the operation of the Office for the year. All such estimates shall be forwarded by the Mayor to the Council of the District of Columbia for its action pursuant to sections 446 and 603(c) of such Act, without revision but subject to recommendations. Notwithstanding any other provision of such Act, the Council may comment or make recommendations concerning such estimates, but shall have no authority to revise such estimates.

''(B) Upon receipt of the annual Federal payment for the District of Columbia authorized under title V of the District of Columbia Self-Government and Governmental Reorganization Act, the Mayor shall deposit a portion of the payment (equal to the estimate of necessary appropriations described in subparagraph (A)) into a dedicated fund within the government of the District of Columbia.

''(C) Amounts deposited in the dedicated fund described in subparagraph (B) shall be available solely for the operation of the Office, and shall be paid to the Inspector General by the Mayor (acting through the Chief Financial Officer of the District of Columbia) in such installments and at such times as the Inspector General requires.''.

(b) ADDITIONAL POWERS AND DUTIES.—

(1) IN GENERAL.—Section 208(a)(3) of the District of Columbia Procurement Practices Act of 1985 (sec. 1–1182.8(a)(3), D.C. Code) is amended—

(A) by striking ''and'' at the end of subparagraph (E);

(B) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

''(G) Pursuant to a contract described in paragraph (4), provide certifications under section 602(b)(5) of title VI of the District of Columbia Revenue Act of 1939;

''(H) Pursuant to a contract described in paragraph (4), audit the complete financial statement and report on the activities of the District government for such fiscal year, for the use of the Mayor under section 448(a)(4) of the District of Columbia Self-Government and Governmental Reorganization Act; and

''(I) Not later than 30 days before the beginning of each fiscal year (beginning with fiscal year 1996) and in consultation with the Mayor, the Council, and the Authority, establish an annual plan for audits to be conducted under this paragraph during the fiscal year under which the Inspector General shall report only those variances which are in an amount equal to or greater than $1,000,000 or 1 percent of the applicable annual budget for the program in which the variance is found (whichever is lesser).''.

(2) LIMITATION ON CONTRACT WITH OUTSIDE AUDITOR.—Section 208(a) of such Act (sec. 1–1182.8(a), D.C. Code) is amended by adding at the end the following new paragraph:

''(4) The Inspector General shall enter into a contract with an auditor who is not an officer or employee of the Office to—

''(A) audit the financial statement and report described in paragraph (3)(H) for a fiscal year, except that the financial statement and report may not be audited by the same auditor (or an auditor employed by or affiliated with the same auditor) for more than 3 consecutive fiscal years; and

''(B) audit the certification described in paragraph (3)(G).''.

(3) SUBPOENA POWER.—Section 208(c) of such Act (sec. 1–1182.8(c), D.C. Code) is amended—

(A) by striking ''(c)'' and inserting ''(c)(1)''; and

(B) by adding at the end the following new paragraph:

''(2)(A) The Inspector General may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter under investigation by the Inspector General.

''(B) If a person refuses to obey a subpoena issued under subparagraph (A), the Inspector General may apply to the Superior Court of the District of Columbia for an order requiring that person to appear before the Inspector General to give testimony, produce evidence, or both, relating to the matter under investigation. Any failure to obey the order of the court may be punished by the Superior Court as civil contempt.''.

(4) REFERRAL OF FINDINGS OF CRIMINAL ACTIVITY TO ATTORNEY GENERAL.—Section 208 of such Act (sec. 1–1182.8, D.C. Code) is amended by adding at the end the following new subsection:

''(f) In carrying out the duties and responsibilities established under this section, the Inspector General shall report expeditiously to the Attorney General whenever the Inspector General has reasonable grounds to believe there has been a violation of Federal or District criminal law.''.

(c) REVISION OF CURRENT POWERS AND DUTIES.—

(1) LIAISON REPRESENTATIVE FOR ALL EXTERNAL AUDITS OF DISTRICT GOVERNMENT.—Section 208(a)(3)(B) of such Act (sec. 1–1182.8(a)(3)(B), D.C. Code) is amended by striking ''executive branch''.

(2) APPLICATION OF GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.—Section 208(b) of such Act (sec. 1–1182.8(b), D.C. Code) is amended by inserting ''accounting and'' after ''accepted''.

(3) ACCESS TO ALL NECESSARY RECORDS.—Section 208(c)(1) of such Act (sec. 1–1182.8(c), D.C. Code), as amended by subsection (b)(3), is amended by striking ''relating to contracts and procurement''.

(4) SUBMISSION OF REPORTS TO AUTHORITY DURING CONTROL YEAR.—Section 208(d) of such Act (sec. 1–1182.8(d), D.C. Code) is amended—

(A) in paragraph (1), by striking ''the Mayor and the Council'' and inserting ''the Authority (or, with respect to a fiscal year which is not a control year, the Mayor and the Council)''; and

(B) in paragraph (2), by striking ''the Mayor'' and inserting ''the Authority, the Mayor,''.

(5) MAKING REPORTS PUBLICLY AVAILABLE.—Section 208(d) of such Act (sec. 1–1182.8(d), D.C. Code) is amended by adding at the end the following new paragraph:

''(4) The Inspector General shall make each report submitted under this subsection available to the public, except to the extent that the report contains information determined by the Inspector General to be privileged.''.

(6) RESPONDING TO REQUESTS OF AUTHORITY.—Section 208(e) of such Act (sec. 1–1182.8(e), D.C. Code) is amended by striking ''the Director'' and inserting ''the Authority''.

(d) DEFINITIONS.—Section 208 of such Act (sec. 1–1182.8, D.C. Code), as amended by subsection (b)(4), is amended by adding at the end the following new subsection:

''(g) In this section—

''(1) the term 'Authority' means the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995;

''(2) the term 'control year' has the meaning given such term under section 305(4) of such Act; and

''(3) the term 'District government' has the meaning given such term under section 305(5) of such Act.''.

(e) DEADLINE FOR APPOINTMENT.—

(1) IN GENERAL.—Not later than 30 days after its members are appointed, the Authority shall appoint the Inspector General of the District of Columbia pursuant to section 208(a)(1) of the District of Columbia Procurement Practices Act of 1985 (as amended by subsection (a)).

(2) TRANSITION RULE.—The term of service of the individual serving as the Inspector General under section 208(a) of the District of Columbia Procurement Practices Act of 1985 prior to the appointment of the Inspector General by the Authority under section 208(a)(1) of such Act (as amended by subsection (a)) shall expire upon the appointment of the Inspector General by the Authority.

SEC. 304. COUNCIL APPROVAL OF CERTAIN CONTRACTS.

(a) IN GENERAL.—Section 451 of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–1130, D.C. Code) is amended—

(1) by amending the heading to read as follows: ''SPECIAL RULES REGARDING CERTAIN CONTRACTS'';

(2) by striking ''No contract'' and inserting ''(a) CONTRACTS EXTENDING BEYOND ONE YEAR.—No contract''; and

(3) by adding at the end the following new subsection:

''(b) CONTRACTS EXCEEDING CERTAIN AMOUNT.—

''(1) IN GENERAL.—No contract involving expenditures in excess of $1,000,000 during a 12-month period may be made unless the Mayor submits the contract to the Council for its approval and the Council approves the contract (in accordance with criteria established by act of the Council).

''(2) DEEMED APPROVAL.—For purposes of paragraph (1), the Council shall be deemed to approve a contract if—

''(A) during the 10-day period beginning on the date the Mayor submits the contract to the Council, no member of the Council introduces a resolution approving or disapproving the contract; or

''(B) during the 45-calendar day period beginning on the date the Mayor submits the contract to the Council, the Council does not disapprove the contract.''.

(b) CLERICAL AMENDMENT.—The table of contents of the District of Columbia Self-Government and Governmental Reorganization Act is amended by amending the item relating to section 451 to read as follows:

''Sec. 451. Special rules regarding certain contracts.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contracts made on or after the date of the enactment of this Act.

SEC. 305. DEFINITIONS.

In this Act, the following definitions apply:

(1) The term ''Authority'' means the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a).

(2) The term ''Council'' means the Council of the District of Columbia.

(3) The term ''control period'' has the meaning given such term in section 209.

(4) The term ''control year'' means any fiscal year for which a financial plan and budget approved by the Authority under section 202(b) is in effect, and includes fiscal year 1996.

(5) The term ''District government'' means the government of the District of Columbia, including any department, agency or instrumentality of the government of the District of Columbia; any independent agency of the District of Columbia established under part F of title IV of the District of Columbia Self-Government and Governmental Reorganization Act or any other agency, board, or commission established by the Mayor or the Council; the courts of the District of Columbia; the Council of the District of Columbia; and any other agency, public authority, or public benefit corporation which has the authority to receive monies directly or indirectly from the District of Columbia (other than monies received from the sale of goods, the provision of services, or the loaning of funds to the District of Columbia), except that such term does not include the Authority.

(6) The term ''financial plan and budget'' means a financial plan and budget described in subtitle A of title II, and includes the budgets of the District government for the fiscal years which are subject to the financial plan and budget (as described in section 201(b)).

(7) The term ''Mayor'' means the Mayor of the District of Columbia.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Pursuant to the rule, the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 20 minutes, and the gentlewoman from Illinois [Mrs. COLLINS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. CLINGER. Mr. Speaker, as I stated the day the Government Reform and Oversight Committee favorably reported this bill, I believe the district of Columbia will today move one step closer to self-sufficiency, to financial independence, perhaps even to true home rule. The District government is bankrupt. In about 1 month, the city government will not have the money to pay the bills that await. The legislation we are about to pass is designed to reverse that crisis and put the residents of the District and their government back on sound financial track.

While I want the D.C. Subcommittee Chairman, TOM DAVIS, to summarize this legislation, I want to remind my colleagues that while other solutions to the District's problems were available, none of them provide the appropriate answers at this time.

Some have called for a cash bailout—a solution that is simply unacceptable to this Member of Congress and I suspect a majority of my colleagues. It is quite obvious that without meaningful government reform and strong fiscal discipline, there is absolutely no evidence that a large infusion of cash would permanently relieve the underlying causes of the District's current budget crisis.

At the other end of the spectrum, some have called for the District to be placed into receivership—in effect, the total elimination of home rule. While that step is not an option today, nobody should doubt the resolve of this body to take any steps necessary if District government officials do not cooperate with the financial control board established by this legislation. We anticipate that this cooperation will be forthcoming and that home rule will prevail.

Make no mistake, however, pain and suffering is inevitable for the District to bring back its financial health. The day of reckoning has arrived.

Some have questioned the need for a control board in the first place and the appropriateness of Congress, which seems incapable of balancing our own budget, forcing the District to balance its budget in the second. To that I say I agree that we in Congress need an outside discipline to force us to act responsibly just as much or more than the District does.

Just as I believe a balanced budget amendment would have made it easier for Congress to say no to otherwise meritorious proposals, I also believe the existence of the control board and its threat of a hammer will make it easier for the mayor and the council to make the kind of tough decisions that are going to be necessary. It is my fervent hope that those decisions will in fact be made by the major and council and that it will not be necessary for the control board to be relevant.

Last, I want to express my personal appreciation to the Members and staff responsible for bringing this bill to the floor. TOM DAVIS and ELEANOR HOLMES NORTON have worked as an effective team to help solve the District's problems and bring economic vigor and vitality to the entire Washington region. I also thank those staff who worked tirelessly in drafting this bill and the committee report.

I encourage each Member of the House to support this fine legislation.

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

Mrs. COLLINS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, I wish to congratulate and commend the D.C. Subcommittee's ranking member, ELEANOR HOLMES NORTON, and the Subcommittee's Chair, TOM DAVIS, for the fine work that they did on this legislation which is so sorely needed. They put in many long arduous hours to produce this legislation. It took some tough negotiations, but they delivered the bill in time to meet the critical need for congressional action before the April recess. I would be remiss if I did not commend Chairman CLINGER for insisting that the committee reach a bipartisan solution to the needs of the District. That effort is evidenced by the 45-to-0 vote to report it to the House.

As we can all see, H.R. 1345 is a complex bill which attempts to carefully balance the interests of the District and Federal governments. The bill provides the District with desperately needed relief from the extreme financial crisis confronting it and yet it does so in a way that keeps the Congress out of the day-to-day internal affairs of the District government, while assuring the continued delivery of essential services to local residents, Federal agencies, and the many millions of visitors who come to the Nation's Capital each year.

I am pleased that this bill won the unanimous support of the Members serving on our committee, and that it enjoys the broad bipartisan support of so many others. This should ensure that it receives the favorable consideration it deserves. However, I find little delight in what we do here today, because the District's long-standing pursuit of complete self-governance has been set back.

While I recognize that the current fiscal crisis makes the action we take today inevitable, I am determined to ensure that this setback for the District is a temporary one, and I plan to work closely with Chairmen CLINGER and DAVIS, and Delegate NORTON, to take the steps necessary to restore the District's financial health and quickly bring an end to this new authority.

Back in November 1993, this body considered the New Columbia Admission Act, a bill which I cosponsored and strongly supported. That bill provided for D.C. statehood. I strongly believe that its enactment still represents the best action Congress could take to help the District of Columbia. Statehood would give District residents full democratic rights, and give the District government the freedom to manage its own financial affairs, without the restraints imposed by Congress.

In my view, the financial problems of the District of Columbia are grounded in more than declining revenues and management difficulties. They are attributable, to a significant extent, to the extraordinary burdens the Congress placed on the District when it was granted limited Home Rule over 20 years ago, by giving the District the responsibility for numerous functions normally performed by States such as: operating a State court system and prison system; providing mental health, foster care, and adoption services; and bearing the cost of Medicaid and AFDC benefits; to name just a few. At the same time, the Home Rule Charter did not confer State authority. The district's ability to pay for these State

functions was limited by a congressionally imposed ban on taxing nonresident income earned within its borders as other states and many other cities do.

The District leads the Nation in the percentage of income earned in the city by nonresidents. Two of every three dollars earned here are earned by a nonresident. If nonresidents were subject to a flat rate of only 2 percent, the District could raise about $370 million per year. In fact, more than 22,000 of the District government's own employees enjoy life in the suburbs on an income drawn from the city treasury. The District government estimates it could raise $50 million annually by taxing their income. These Catch-22 circumstances are patently unfair and have substantially contributed to the economic distress. They have got to change, and I hope they will soon.

There is also the burden of the unfunded pension liability which must be addressed. In 1979, Congress transferred $2 billion of liability for a pension system it established for police, firefighters, and teachers at a time when District employees were considered Federal employees. Now, largely due to interest, the liability has grown to almost $5 billion. The District contributes about $300 million a year toward this pension system's cost, while the Federal Government contributes only $52 million. The Federal Government is not paying its fair share, while each year the spiraling costs consume more and more of the District's limited revenues.

I am pleased that Members on both sides of the aisle acknowledge that the unfunded pension liability is a problem for which the Federal Government bears some responsibility, and that the D.C. Subcommittee's chair is committed to taking action on this matter during the 104th Congress.

The District's financial stability is also encumbered by the fact that only 43 percent of its real property can be taxed. The rest, 57 percent, is owned by the Federal Government, foreign governments, the District government, or tax exempt entities. With respect to this latter group, I note that the D.C. Council and even some Members are now questioning the propriety of continuing such tax breaks, given the current crisis.

Finally, it is absolutely essential that everyone recognize that the financial crisis confronting the District of Columbia is not a unique one. The hearings which the D.C. Subcommittee held on this matter demonstrated that several other major American cities have reached the brink of insolvency before. In most of those cases, financial control or oversight boards were established by the State legislatures and the boards worked cooperatively with city officials to successfully stabilize each situation. I have no doubt that this will happen here.

The District of Columbia lies in the heart of a metropolitan area that ranks first among the 15 largest metropolitan areas on several desirable income, educational, and employment indices. It ranks at the top in: per capita income; individuals completing more than 16 years of school; and employment in professional, managerial, and technical jobs. It has the lowest rate of unemployment. So clearly, the District is a city rich with talent. The District is a city with resources. The District is a city with a future. It will be back on its feet soon.

Mr. Speaker, I yield the remainder of my time to the gentlewoman from the District of Columbia [Ms. NORTON], who has worked so hard in this instance, and I ask unanimous consent that she be allowed to yield that time in such way as she sees fit.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mr. CLINGER. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. BLILEY], the chairman of the Committee on Commerce and a very active member who has been involved in the District's affairs for many, many years.

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

Mr. BLILEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in strong support of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

The District of Columbia has testified under oath that it expects to run out of money by early May.

Under present law the District is entitled to draw on the U.S. Treasury to pay its bill. This bill places necessary fiscal conditions on any borrowing in accordance with the findings and purposes as stated in the act.

The authority in this bill is the strongest ever created for any U.S. city. It will finally place necessary controls on District spending. The authority will require an accurate, annual balanced budget and a 4-year financial plan. It will have enforcement power.

In the past I worked closely with Delegate NORTON to ensure the financial stability of the District of Columbia. We worked to increase the Federal payment, and we worked to ensure the District would be able to manage itself. Sadly, this has not occurred.

This legislation does not abolish home rule, rather during the control period certain fiscal functions of the District will be supplanted by the Board. By stabilizing the District's finances, the city will emerge in a stronger position that it is today.

Without this bill city workers, residents, businesses, and visitors will continue to live under a cloud of fiscal uncertainty which is present and growing.

The dollar-for-dollar reductions for overspending in last year's budget resolution must be lifted now so that the Treasury will be able to lend through the Authority. The annual Federal payment will serve as the collateral.

The Financial Control Authority created in this bill will control District finance until the city balances four budgets in a row and has repaid any money borrowed with the Authority's cooperation.

The Authority will have five members, appointed by the President after congressional consultation. These members will serve without salaries for 3 years, and they must be District residents.

As soon as this bill is enacted, they must submit a 5-year financial recovery plan to the Authority as soon as practicable.

The Authority will have to review this plan, adopt it or submit modifications to the city council. If the city council proposes modifications which meet with the disapproval of the Authority, it may then submit its own proposal to Congress for consideration.

This plan ensures that all affected parties, the people, the council, the Mayor, the Authority, and the Congress will have their voices heard to ensure our Nation's Capital gets on sounder financial footing.

I commend Representative DAVIS and Delegate NORTON for reaching consensus on this very important initiative, and urge its adoption by the House.

Mr. CLINGER. Mr. Speaker, I yield the balance of my time to the gentleman from Virginia [Mr. DAVIS], the prime author of this legislation, and I ask unanimous consent that he may be permitted to control the balance of the time remaining on the majority side.

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

There was no objection.

Mr. DAVIS. Mr. Speaker, I yield myself such time as I may require.

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

Mr. DAVIS. Mr. Speaker, this emergency legislation is the cornerstone of our Nation's response to the tragic and completely unacceptable financial condition of our Nation's Capital. Life in Washington, DC, is coming apart at the seams. This legislation will halt the decay of the city government's ability to provide basic municipal services to the residents of the District and begin the difficult but necessary process of making the common life of the city whole once again. It is critical not only for this region and for those who live here, but for those who visit here as well.

As chairman of the Subcommittee on the District of Columbia of the Government Reform and Oversight Committee, I rise as the principal sponsor of the District of Columbia Financial Responsibility and Management Assistance Act of 1995. It would not have been possible for this piece of emergency legislation to be here before the House so early in the session without the active cooperation and hard work of many Members and their staffs.

Mr. Speaker, I want to thank on the staff side the GAO staff. I would like to thank John Simmons of Congressman

WALSH's staff, Migo McConey from the Appropriations staff, Cheryl Smith, also of the Appropriations staff, and Brian Seward, as well as Donna Brazile and Cedric Hendricks from the District of Columbia Subcommittee staff, Ron Hamm, our director, Ellen Brown, Howie Dennis, Roland Gunn, who put in numerous hours on this effort, Al Felzenberg, and Ann Mack, Tim Leeth and Kevin Sabo from the Senate staff, and Jim Clarke from the full committee staff.

I also want to express my deep gratitude to the House leadership and to Chairman CLINGER, as well as the gentlewoman from Illinois, Mrs. CARDISS COLLINS, for their willingness to provide the necessary advice and assistance to move this bill forward.

I also want to thank our colleague from the District of Columbia, the gentlewoman from the District of Columbia [Ms. NORTON], who is a true leader and without whose efforts and advice this bill would not be here today. She has shown her leadership once again on this bill, and I look forward to working with her in the future on many other issues concerning the District. And I would say to Congressman WALSH and the gentleman from California, Mr. DIXON, of the District of Columbia Appropriations Subcommittee that their efforts in this regard and their ability to work together as a team have brought this legislation here today, and I thank them for their efforts.

Without their constant personal attention throughout a seemingly endless series of negotiations, we would not be nearly so far along in our response to the problems of the District. I also want to thank the members of the subcommittee, especially my vice-chair, Mr. GUTKNECHT, for their willingness to hold hearings on short notice and to move this legislation on an exceptionally fast tract. But, above all, I am grateful for the willingness of all of the Members involved in this process to reach across party and ideological lines for the good of the entire Nation. This effort has been extraordinary and inspirational. Finally, none of this would have been possible without the long, hard hours of work by the personal and committee staff who have devoted themselves to working out the details of this complex bill. They are all deeply aware of the urgency of the crisis facing the District of Columbia.

The current crisis stems from the unwillingness of the political leadership of the city and of past Congresses to make the hard but necessary decisions to keep the District's spending in line with its income. The result of this policy is not surprising: the District of Columbia is insolvent. If the city were to begin to write the checks necessary to pay all its current bills, it would run out of cash long before it came to the bottom of its stack of bills. The dire condition of the city's finances spills over to and harms the entire region. Currently, the city is not able to make its payments to regional authorities like Metro and Council of Governments. Without the city paying its full share, these vital regional organizations will not be able to carry out their important missions. One of the things this bill seeks to accomplish is the orderly payment of these obligations. Piled up, unpaid bills force many small businesses all across the region to lay off workers, or in some cases, to fail. Thus the whole region suffers as long as the city is broke. The time to act is now.

The city's insolvency is not the result of an unanticipated natural disaster. It is not the result of an inadequate revenue stream. In fact, for a city its size, it has more than adequate revenue to fund the full range of services needed by its citizens. But, beginning with the collapse of real estate values in 1989 and continuing even as I speak, the city simply spends more money than it collects. The District of Columbia's government continues to try to fund everything it wants while neglecting to adequately fund what it truly needs as a municipal government. Much of the money it spends, it does not spend wisely. According to a recent study by Thomas Edmonds and Raymond Keating, during the 1991–92 school year the District spent more per pupil on primary and secondary education than any State in our Nation. Yet, we read in the local press that there are over 8,000 fire code violations in the schools in need of repair. This is but one of many instances of local political decisions that have unintended but completely unacceptable consequences for the city's least powerful and most vulnerable residents.

It would be all too easy for me to place all the blame for the unraveling of the city on poor decisions made by Washington's local political leaders. But, this would be neither an accurate nor a responsible course for me to take. Our Constitution clearly gives Congress the responsibility ''to exercise exclusive Legislation in all Cases whatsover,'' in the seat of the national government. Congress has not always used this power wisely. There has been an understandable reluctance to interfere with local political decisions. This reluctance, has perhaps, at times slipped over into failure to provide proper oversight. There has been a spirit of generosity that gave the District government access to $1.277 billion more cash during the Kelly administration than previously scheduled payments dictated. This generosity became indulgence. The result of inadequate congressional oversight is not acceptable. We see before us today a broken city. We cannot continue these policies. We must carry out our oversight responsibilities in a more responsible and effective way. The bill before us this afternoon provides us with the appropriate vehicle to meet our responsibility.

H.R. 1345 is designed to provide the strong medicine necessary to heal our beloved but battered Capital City. It establishes the strongest financial oversight authority in our Nation's history. We have looked with great care at what other cities facing similar crises have done to solve their problems. We have studied what has worked well and what has failed. We think we have applied these lessons to the unique and special facts of Washington, DC. We have carefully crafted our nation's response to this crisis. The most important thing we have learned is that no city has been able to solve its problems alone. In the case of other cities, State governments have stepped in to provide assistance. In this respect, Washington, DC, is unique. It has no State to turn to for assistance. The entire American people, acting as a collective body through their elected Representatives in Congress, constitute Washington, DC's state.

I am not going to present a complete outline of this 145-page legislation. I want to focus on its essential features. The central feature of this legislation is the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority to assist our Nation's Capital on its way back to financial soundness. The purpose of the Authority is to help the city knit itself back together. It is designed to work with Congress and the local government without being a component part of either government. I expect it will make many recommendations both to Congress and the city about necessary changes in the management of the city and the role of the Federal Government in the city's life. The Authority is composed of five Presidential appointees who are stakeholders in the city. The President will make these selections after consultation with the relevant committee chairs and the Delegate from the District. The Authority will be assisted by a small professional staff.

The Authority has all the power to accomplish its mission of financial responsibility and management assistance. In dealing with the local government, the initiative generally belongs to local elected leaders. For example, the Mayor still submits his budget the city council. But, it is submitted to the Authority as well. The Authority, as well as the city council, examine the budget critically. If the Authority decides the proposed budget is neither balanced or in not accordance with the city's long-term plan, the Authority cannot approve the budget. It is returned with the Authority's recommendations to the council. After this process works itself out, Congress receives either an Authority-approved budget or the final council-approved budget along with the Authority's comments. Congress retains its responsibility to give final approval to the city's budget.

In addition to the creation of the Authority, this legislation creates a permanent, statutory chief financial officer for the District of Columbia. The

CFO is appointed by the Mayor, in consultation with the city council, and the approval of the Authority. The CFO is responsible for assembling accurate financial information to serve as the foundation of the city's budgetary and spending decisions. The CFO also must certify all bills and contracts, assess and collect all taxes, and provide accurate accounting. This office reports to the Mayor, the council, and the Authority.

The creation of the Authority and of a CFO provides only part of the administrative framework necessary to assist the city back to financial health. The final structural change is the enhancement of the Office of the Inspector General. The IG, like the CFO, is appointed by the Mayor in consultation with the city council and the approval of the Authority. We have taken special care to make sure the IG has the political independence and financial resources to act as a strong watchdog over the city government. In addition to a fixed 6-year term, the budget of the IG can only be changed by Congress. In order to assure the timely dissemination of information, the IG's reports become public documents in a timely manner. The IG reports not only to the Mayor, but also to the council and the Authority. The IG is also responsible for letting the contract for an annual, independent audit of the city's finances.

The Authority, the CFO, and the enhanced IG form the nucleus of a more efficient, responsible, and responsive city government. It provides the city with an ideal opportunity to examine critically the range and level of services it seeks to provide. The locally elected leaders of the city need to decide what they can realistically afford to fund. I hope the enactment of this legislation provides the occasion for a dramatic restructuring of the local government. After the District has begun to make the hard choices necessary to bring their spending in line with their revenue, the question of the proper relationship between the city and the Federal Government will be addressed.

This legislation is not punitive. It is the strong medicine needed to bring the city back to financial health. One of the effects of this legislation will be the restoration of the city's access to the credit markets. This is important for the enhancement of home rule. I hope that the Authority and the city working together with the Congress will, sooner rather than later, be holding groundbreaking ceremonies for the new arena and convention center. These projects will enhance the quality of life not only in the District but throughout the entire region.

We stand at a critical moment in the life of our Nation's Capital. We can no longer afford the price of congressional inaction. The District will soon run out of cash. Under present law, the Mayor can requisition cash from the Federal Treasury. If we fail to act, Mayor Barry will be forced to take the District's bills to the Treasury Department without conditions or restrictions. We must not allow this to happen. If we enact this legislation, when the city runs out of cash, Congress will have put the proper structure in place to regulate and facilitate its access to the Treasury window. There are no viable alternatives. We are in effect pulling the District's credit card to the U.S. Treasury and setting conditions for borrowing that can lead to economic recovery. The present crisis is a direct consequence of destructive fiscal policies. This bill represents fundamental change. I urge you to vote in favor of H.R. 1345.

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

□ 1515

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

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

Ms. NORTON. Mr. Speaker, thanks to Chairman BILL CLINGER, ranking Member CARDISS COLLINS, and subcommittee Chairman TOM DAVIS, we are seeing a rare moment in any Congress, and certainly in this one. A very difficult bill has been crafted and then unanimously embraced in subcommittee and committee because of their leadership. Yet, H.R. 1345 has no precedent in this House. It has substantial precedent in this country, of course. New York City, Philadelphia, and Cleveland, among other jurisdictions, became insolvent and have had similar authorities or boards established to guide them back to fiscal health. To those inclined to harshly judge the District, the selfsame ordeals of these great American cities should give some pause. And, unlike those cities, the District has had to fund not only municipal but also State and county functions as well, among them today's daunting costs of Medicaid and prisons. Before long, the Congress will have to face the reality that no American city today can fund these State and county missions alone and that the District will need more funds from the Congress. Such huge cost, as well as the congressionally imposed unfunded pension liability, in today's atmosphere of urban distress, have simply overwhelmed the city.

Chairman CLINGER and ranking Member COLLINS were executive producers of this effort, setting the tone, steering the course, insisting upon flexibility, yet drawing the bright lines to achieve an effective bill. Subcommittee Chairman TOM DAVIS was the producer. He worked closely with D.C. Appropriations Subcommittee Chairman JIM WALSH, whose strong and skillful leadership is also reflected throughout the bill.

Chairman DAVIS has given the world ''freshman'' new respect for the extraordinary reach of his vision for the bill and the determined skill with which he carried his vision to fruition. Setting for himself the expansive goal of a consensus bill, Chairman DAVIS first wrote H.R. 1345 simultaneously with majority Members in the House and the Senate. Onto this bicameralism, he superimposed bipartisanship, inviting ranking Members to suggest and negotiate changes. Representative JULIAN DIXON, the ranking member of the D.C. Appropriations Subcommittee, was an indispensable party to this bill, bringing unmatched depth, intelligence, and objectivity. Some of our changes were rejected and others compromised, but many were accepted.

The process that Chairman DAVIS developed is what has enabled me to cosponsor H.R. 1345 and to urge my colleagues to vote today for passage. Like all bills that come to the floor, it is the majority's bill, but it has accommodated many changes and compromises not only from me but from the Mayor and the chairman and members of the city council of my city. Thus, this bill is quite literally a collaboration among all directly concerned: The chairs and ranking members of the authorizing and appropriations committees and subcommittees of the House and Senate and the elected representatives of the District of Columbia.

Section upon section of the bill vindicate both the process and the substance of H.R. 1345. Many of the changes are modifications and nuances that only locally elected officials and others who live with the District's problems could recognize. By accepting changes that reflect the experience of governing and living in the District, Chairman DAVIS and his colleagues have gone a long way toward assuring that H.R. 1345 is able to do its job.

Two urgent reasons make this bill not only mandatory but also the only viable option available: First, without the authority established in this bill, the District, already technically insolvent, will run out of cash sufficient to pay its employees and keep services in operation within the next few weeks; second, without the authority established in this bill, the District will bear a destructive penalty for being in violation of existing law that requires a balanced budget, a mandate that cannot possibly be met without spreading the city's huge structural deficit over several years.

However, I am able to cosponsor H.R. 1345, not only because of its urgent necessity. I am a cosponsor of this bill because it does not violate the other essential and overriding principle—the right of District residents to maintain every bit of what limited home rule powers we have managed to achieve. Our democratic right to self-government is more precious to us than to other Americans quite simply because they, all of them, including the four territories, have it, and we don't. For this reason, I have measured self-government by the strictest standard I could locate: whether the provisions of H.R. 1345 are any more intrusive than those of the other similarly situated

jurisdictions. This is the best standard because no one has suggested that with the establishment of similar authorities, New York, Philadelphia, or Cleveland lost their dignity or independence. Anyone who takes the time and trouble to compare H.R. 1345 with prior State statutes, especially New York's law, as I did throughout the negotiations, will find the self-government standard fully met.

The Mayor and the city council retain their respective powers. The initiative in all matters committed to them under the home rule charter remains theirs alone. This is important not only to preserve democracy. It is important because the point of this effort is to encourage elected leaders to take responsibility so that when the authority recedes, their necessary discipline is fully built into the way they conduct the city's business. Thus, the authority is a monitor whose purpose is to check and enforce new rules of fiscal and operational discipline that the Mayor and the council place upon themselves in multiyear plans and annual budgets that these elected officials themselves will write.

I have no doubt that the District will take the initiative to solve its own problems, just as our elected officials have helped make H.R. 1345 a better bill. This morning before this matter had even come to the floor, at the invitation of the Mayor, I went to his cabinet meeting to discuss H.R. 1345 and what it means for District officials. Further, today the Mayor has announced a nationwide search for a chief financial officer, who will be a central figure in the District's financial recovery.

I take special pride in these early initiatives by the Mayor to make H.R. 1345 work and in the recent rough and tough actions of the city council, who even without the monitoring authority, have made courageous cuts and taken their lumps for their trouble.

I take particular comfort from Members of the House, who have uniformly expressed respect and admiration for what authorities like that established in H.R. 1345 have done, working with local officials, in their own cities. Expect no less from the District.

Notwithstanding this crisis, the District remains one of the most promising large cities in the United States. Among the 25 largest cities, we proudly rank first per capita in residents in the Nation's top job categories, third per capita in residents with college and post-college degrees, and fifth per capita in income. In the midst of this crisis, our business community is using its own private resources to build an arena and a convention center which will bring many millions in revenue to the District. This is the raw material for a dazzling comeback.

Just beyond the horizon, the Capital of the United States is a city with a future. But, it is more than that. It is such livable city that more Members of the House and Senate have chosen to live here than in any part of the region. It is city of world class beauty. The District's problems must not be allowed to obscure its potential. With help from the Congress, but under its own initiative and by its own hand, this shall soon be a city on the rise like the sun on a clear morning.

□ 1530

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

Mr. DAVIS. Mr. Speaker, may I inquire of the Chair how much time remains on both sides?

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from Virginia [Mr. DAVIS] has 3 minutes remaining, and the gentlewoman from the District of Columbia [Ms. NORTON] has 7 minutes remaining.

Mr. DAVIS. Mr. Speaker, I ask unanimous consent that both sides be given an additional 5 minutes.

Ms. NORTON. Mr. Speaker, I join in the request of the gentleman.

The SPEAKER pro tempore. Without objection, each side will have an additional 5 minutes.

There was no objection.

Mr. DAVIS. Mr. Speaker, I yield 4 minutes and 30 seconds to the gentleman from New York [Mr. WALSH], the chairman of the Appropriations Subcommittee, who has done so much to help bring this bill to its final stages. We appreciate his efforts.

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

Mr. WALSH. Mr. Speaker, I thank the gentleman for yielding time to me and I thank him for his hard work on a very vigorous project, one sorely in need.

Mr. Speaker, I rise in strong support of H.R. 1345. I think this is a good bill. It is the culmination of many hours and long days of discussions and negotiations. It is a nonpartisan issue. Every one on both sides of the aisle in this body as well as the other body and the White House has worked diligently with one objective in mind, to do what is best for our Nation's Capital.

This bill will establish a financial responsibility and management assistance authority, a control board, consisting of five members to be appointed by the President in consultation with the Congress within 25 days of its enactment.

Results of our hearings indicate that the District's financial management and information systems are inadequate to provide the data that is essential for the efficient operation of the District government. H.R. 1345 establishes a chief financial officer of the District of Columbia who will be appointed by the Mayor and subject to the approval by a majority of the vote of the authority and removed only with authority approval.

The CFO will be responsible for all financial activities of the District government, from revenue estimates and cash receipts to expenditures and cash disbursements. So this is going to be a very important position, in my judgment, the most important position. Because the position is so important, this person must have as much independence to carry out the mission of getting local government back on track financially.

Another position that is key to the success of the authority is an inspector general who also must be truly independent to pursue investigations that will lead to the prevention and detection of fraud and abuse.

We in the Congress must continue our vigilance to ensure the independence of both of these offices.

Mr. Speaker, I want to touch on what I consider to be the crucial issue of the authority. In the event that there is a stalemate, an impasse between the authority and city government, the bill allows the authority to implement its own recommendations, whether they be executive or legislative in nature. This power is absolute and it is absolutely necessary if the authority is to be effective and have the desired impact on the efficient operation of District government.

This authority needs to have control. It is our intention that it have control. In my opinion, the bill before you is drafted so that the authority will have control, the control it needs to get the District government back on a sound financial footing.

We felt very strongly this had to be a tough bill, tough love for our Nation's Capital. This bill meets that standard.

Lastly, Mr. Speaker, the gentleman from Virginia [Mr. DAVIS] talked about the ability of the District to go to the Treasury to borrow. That authority continues under this new regime. And that is important because the individual, the organizations that have loaned money to the District, their interests need to be protected, along with the interests of the District. That will continue under this law and, in fact, ensure that if the District does go back to Treasury and borrow, that the money will go directly to the control board and will be disbursed under their authority.

Finally, I believe, Mr. Speaker, that sufficient safeguards are in place to protect the Federal taxpayer, all Americans who send their tax dollars to support the city.

This is not a partisan bill. The people who really put this together, the gentleman from Virginia [Mr. DAVIS], the gentlewoman from the District of Columbia [Ms. NORTON], did a marvelous job, a truly marvelous job negotiating this. The gentleman from California [Mr. DIXON], former chairman in the seat that I now sit in, lent his toughness and his wisdom to this product. I thank him and I also thank from my staff John Simmons and Migo Miconi who worked so hard to support my activities.

Ms. NORTON. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. DIXON], the ranking minority

member of the Subcommittee on the District of Columbia of the Committee on Appropriations and an unusually wise and knowledgeable and essential partner in the negotiations that led to H.R. 1345.

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

Mr. DIXON. Mr. Speaker, I thank the gentlewoman for her kind remarks and for yielding time to me.

Mr. Speaker, as the ranking minority member of the Committee on Appropriations Subcommittee on the District of Columbia, I rise in support of H.R. 1345, the District of Columbia Financial Responsibility and Management Assistance Act of 1995. We consider this bill at a critical moment in the short history of self-government for the District of Columbia.

The District of Columbia is in a financial crisis that it cannot solve on its own. Like other major cities across the country, the District of Columbia is not alone in feeling the multiple pressures of a dwindling tax base and increasing social service costs. The District, however, carries the additional burden of being the only governmental entity with responsibilities traditionally implemented by State and county, as well as city, governments.

Over the past few months, we have received convincing and mounting evidence that the District of Columbia is nearing a financial collapse. The Mayor has reported to us that the District has a fiscal year 1995 budget gap of $631 million and a precarious cash position. Although the Mayor has proposed to reduce this budget gap by $224 million through reduced agency spending and other initiatives, these actions alone are not sufficient to close a gap which amounts to nearly 20 percent of the District's annual appropriated budget. The General Accounting Office has reported to us that the District will run out of cash this summer and that the city currently does not have enough cash to pay its bills.

In recent years, other cities, including Philadelphia, New York City, and Yonkers, have confronted financial insolvency requiring emergency assistance from their States. But, the District is unable to turn to a State government to provide such extraordinary assistance; the District can turn only to the Federal Treasury and to the Congress for help.

Mr. Speaker, in the process of considering the District's financial crisis, we have tried hard to separate the rhetoric from reality. With the excellent assistance of the General Accounting Office, we have tried to separate fact from fiction. And, while we may disagree with the Mayor about whether the District has too little revenue, too much spending, or simply inefficient management of its resources, I believe that there is no disagreement that the problem is real. The hard reality is that a remedy must be provided before the District becomes insolvent, and the bill before us provides the necessary cure.

H.R. 1345 is not a perfect bill, nor do I agree with all of its provisions. But, I do agree with the bill's fundamental purposes: First, to assist the District in getting immediate control over its deficit spending and, second, to provide for the long-term fiscal stability of the District by providing a comprehensive approach to the fiscal, management, and structural problems in the District Government. This bill provides a speedy recovery to D.C. financial health while preserving home rule for its citizens.

H.R. 1345 has many important provisions. It will enable the city to borrow from the U.S. Treasury to meet its short-term, emergency cash needs, but only with stringent controls that will impose a rigorous fiscal discipline on the city that has not existed before.

The bill creates the strongest Financial Oversight Board ever created for any U.S. city. A five-member authority, appointed by the President with congressional consultation, will have extensive latitude in monitoring and overseeing the District's financial affairs until such time that it has balanced its budget for 4 consecutive years and repaid any funds borrowed on its behalf. Most important, the authority will be comprised of individuals who pay either personal income or business taxes to the District and, thus, have a real stake in the District's future.

During any control period, the authority will make recommendations to the District to promote financial stability and improve the delivery of city services, including reviewing the structural relationship between the District government and the Federal Government. The authority must approve a multi-year financial plan developed by the District aimed at achieving a truly balanced budget by 1999. The authority may reject the city's annual budget, disapprove contracts, and disapprove District borrowing if not consistent with the financial plan and annual budget.

The bill enhances the powers of the District's chief financial officer and inspector general to ensure the integrity and accuracy of financial information presented by the District, and to improve the quality of the city's financial management systems. Because of the significant powers that will reside with these individuals, a difficult issue to resolve in our negotiations was how these individuals should be appointed. The consensus that emerged from our discussions was that both officers would be nominated by the Mayor with the advice and consent of the city council, but subject to confirmation by the authority. Further, only the authority would be permitted to dismiss these key officials.

Mr. Speaker, by granting the authority such broad powers, some may argue that this bill strips away home rule. But, I would argue that the bill carefully protects the prerogative of self-government and that preservation of home rule rests squarely on the shoulder's of the District's elected officials. Only if District officials do not make responsible and fiscally sound decisions, will it be necessary for the authority to step in to implement its own recommendations.

This bill is the product of intense negotiations conducted over the past few weeks. Although these discussions have been difficult, all parties involved have acted in good faith with a common goal of restoring the District of Columbia to sound financial health.

I want to applaud the efforts of the manager of the bill, the distinguished chairman of the Government Reform and Oversight Subcommittee on the District of Columbia, the gentleman from Virginia, TOM DAVIS, who worked tirelessly to bring together a consensus bill in time for the House and Senate to act prior to the April recess.

I also want to pay tribute to the delegate from the District of Columbia, ELEANOR HOLMES NORTON, for her tenacious efforts to preserve the principle of home rule for D.C. residents. She has fought courageously to preserve the rights of locally elected officials to determine the city's financial future, while she led the fight for an agreement that recognizes the seriousness of the District's financial crisis.

My good friend, the gentleman from New York, [Mr. WALSH], the distinguished chairman of the Committee on Appropriations Subcommittee on District of Columbia, also played a critical role in shaping this legislation. I look forward to our continued mutual cooperation as we move later in the year to consider the District's fiscal year 1996 budget. And to the staff, thank you for your excellent work.

With the enactment of this bill, we have a wonderful opportunity for a unique partnership between the District and Federal Government to reinvent and improve the delivery of services to the thousands of District residents who pay hard earned tax dollars and to those local residents who are not getting the quality education, housing, and social services they need and deserve. The road to financial recovery for the District will not be smooth. There may be setbacks and relapses along the way. But, the surgery which the city must undergo—the hard choices, tough decisions, and real actions that have to be taken—will restore the well being of the District and its residents and, ultimately, provide the foundation for a real and lasting recovery for years to come.

Mr. Speaker, I urge adoption of the bill.

□ 1545

Mr. DAVIS. Mr. Speaker, I yield 1 minute and 15 seconds to my colleague, the gentleman from New York [Mr. GILMAN].

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

Mr. GILMAN. Mr. Speaker, I rise today in support of H.R. 1345, the District of Columbia Financial Responsibility and Management Act of 1995. I commend the distinguished gentleman from Virginia [Mr. DAVIS], District of Columbia Subcommittee chairman, and the ranking minority member of the District of Columbia Subcommittee, Ms. NORTON, for the work which they and their staffs have accomplished under severe time constraints. I also wish to commend the gentleman from Pennsylvania [Mr. CLINGER], who serves as the distinguished chairman of our Committee on Government Reform and Oversight, for his efforts in bringing this important measure to the floor

at a time when the District of Columbia has been teetering on the brink of bankruptcy. I am supporting this timely measure because I believe that it will provide workable solutions to the severe financial problems that have beset our Nation's Capital City. The financial recovery and management responsibility authority will provide fiscal oversight while preserving the essence of home rule.

At this urgent time, Mr. Speaker, I wish to commend what has been an exemplary bipartisan effort to attack an extremely pressing problem. I encourage support of this bill which will help bring financial stability and budgetary control to the District of Columbia.

Ms. NORTON. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. WYNN], a Member from this region who has been helpful to the District.

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

Mr. WYNN. Mr. Speaker, I thank the gentlewoman for yielding to me, and for her kind remarks.

Mr. Speaker, I do rise as a Member of our region representing Prince Georges and Montgomery Counties, the neighbors to the north and east of the District of Columbia. Let me begin by extending commendations to the chairman, the gentleman from Pennsylvania [Mr. CLINGER], and to the ranking member, the gentlewoman from Michigan [Miss COLLINS], and also to the subcommittee chairman, the gentleman from Virginia [Mr. DAVIS], a freshman who has done exemplary work on this project. I am certainly appreciative, and all of my constituents are appreciative.

Finally, let me note the outstanding work of the gentlewoman from the District of Columbia [Ms. NORTON], who has done yeoman's work on this bill in both being an advocate for the District of Columbia and a strong negotiator here in Congress, in helping to bring this measure to fruition.

Mr. Speaker, we in the suburbs do recognize the importance of the District of Columbia to the Nation's vitality. That is why I am here to support the District of Columbia Financial Responsibility and Management Assistance Act. I hope my colleagues in this body also recognize the importance of the District of Columbia as the seat of our Nation's Capital and would also support this measure.

Looking at our current situation, Mr. Speaker, it is in fact a crisis. There have been some mistakes on the part of the District of Columbia, but the Congress also bears a significant part of the responsibility for this situation. We have helped create this structural deficit that includes congressionally imposed unfunded pension liabilities, so it is good that both parties have come together.

Again, the gentleman from Virginia [Mr. DAVIS] has been inclusive in allowing the District of Columbia officials to participate and accepting their suggestions as to how to make this proposal work. Mr. Speaker, it retains the strong role of the District officials, the Mayor, and the council. It also maintains limited home rule.

I believe the bill is a significant movement in the right direction toward correcting the problems of the District of Columbia, and urge its adoption.

Ms. NORTON. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER], my good and helpful friend, a member of the Committee on Appropriations, and a leader of this region.

Mr. HOYER. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I want to first of all say that I have served here for some time, and without reference to anybody else in comparison, I do not think anybody else in this body represents their area better than she does. It is obviously a difficult area to represent in that everybody is watching it, every day. As she says, so many people live here. She does an extraordinary job in bringing the message of the District of Columbia, its hopes and aspirations, to this body. I commend her for her leadership on this bill.

Mr. Speaker, those of us in the Washington metropolitan area are also proud of the fact that we act together in a bipartisan fashion. We are very proud of the fact that TOM DAVIS has done such an extraordinary job in his leadership in bringing all of the various points of view together. As always, it is a pleasure to deal and work with my chairman, the gentleman from California [Mr. DIXON], and the chairman, the gentleman from New York [Mr. WALSH], on this matter.

Mr. Speaker, this legislation before us is a useful, important, and necessary vehicle to move the District of Columbia in the direction of getting its fiscal house in order. It contains tough provisions which require the District to be responsible and accountable by requiring accurate annual budgets and a 4-year financial plan. More, it cuts off the District's direct entitlement to drawing funds from the Treasury should it run out of money.

Consequently, without this control board the District will live under a growing dark cloud of financial uncertainty. If the District lives under such a dark cloud, the Maryland and Virginia suburbs, as well as the rest of the country, will be adversely affected. A healthy Capital City makes for a healthier Nation and is, as well, critical to a healthy Washington metropolitan area.

In closing, as we do our part in protecting the viability and stability of the Nation's Capital, it is my expectation, as the gentlewoman from the District of Columbia has said, that we will receive and are receiving full cooperation from the District of Columbia.

Mr. Speaker, I urge my colleagues to support this act.

If I might, Mr. Speaker, just make one additional statement, I have had discussions with the gentleman from Virginia [Mr. DAVIS], the chairman of the subcommittee, with reference to an item regarding the financing and the obligations of the District of Columbia with reference to the Washington Metropolitan Area Transit Authority. I was hoping we could deal with that on this legislation.

It is my understanding, however, that the gentleman from Virginia will have another piece of legislation dealing with the convention center. I have talked to the gentlewoman from the District of Columbia about this. I do not believe this is controversial in any way, and I hope we can deal with it on that legislation.

Mr. DAVIS. Mr. Speaker, if the gentleman will yield, the gentleman is correct. I think it will be addressed in that vehicle hopefully in the May timeframe.

Mr. HOYER. I thank the gentleman, and again I congratulate my colleague from Washington, DC.

Ms. NORTON. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentlewoman from the District of Columbia [Ms. NORTON] has 3 minutes remaining, and the gentleman from Virginia [Mr. DAVIS] has 2¼ minutes remaining.

Ms. NORTON. Mr. Speaker, I yield 2 minutes to my good friend and always ally, the gentleman from Virginia [Mr. MORAN], also a Member from this region.

Mr. MORAN. Mr. Speaker, I thank my friend from the District of Columbia for yielding to me, but most importantly, for the role she has played within the Washington metropolitan region. When her leadership was called for, she came through in flying colors. As has been said previously, I do not think any constituency represented by any Member of this body is served better than by the gentlewoman from the District of Columbia [Ms. NORTON].

In fact, this was a perfect time to demagog to achieve short-term political benefits at the long-term expense of the health of the District of Columbia. She chose instead to work in a constructive fashion.

Likewise, I think we ought to give some credit, as I said in the full committee, to the gentleman from Georgia, Mr. GINGRICH, the Speaker, in having the foresight to make the gentleman from Virginia, TOM DAVIS, the chairman of this subcommittee. The fact is that he could not have chosen better.

The gentleman from Virginia has proven himself fully worthy of the task. He deserves a great deal of credit, not just from us in the Washington region, but from this entire body.

Mr. Speaker, this is a terribly important first step, but it is only a first step. This board will distribute the limited resources that are available to the

District of Columbia, and I know that it is going to do a responsible job in that, but it is only a first step in that those resources are too limited. We need to take many more steps.

One such step may be giving the responsibility for Lorton, for example, over to the Federal Bureau of Prisons, because that is a State function, and the city has only normal city resources available to it. We ought to examine other steps like that.

We also ought to look at possibilities of setting aside large tax-free zones. The board might want to take the initiative to seek out consortia, bankers, developers, city planners, and find areas in the city that are currently not yielding any Federal revenue, so it would not cost us anything in terms of Federal income taxes, but perhaps take the initiative to give the city an opportunity to rebuild its tax base. That ultimately is what is needed.

The fact is this entire body ought to be proud of this piece of legislation. It is the right thing to do, done by the right people in the right way.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hope the House will regard this as a historic day for a new beginning, not a sad day, but a day that marked the period when the District shot out of its doldrums, the kind of doldrums many large cities find themselves in today.

I am appreciative for the work of the subcommittee, particularly the gentleman from Virginia [Mr. DAVIS]. As a native Washingtonian in a region without borders, he has made that understood by the way he has transformed the committee process for these purposes.

Mr. DAVIS. Mr. Speaker, I yield myself 2¼ minutes.

Mr. Speaker, debt service is one of the basic functions of a municipal government. One of the stated purposes of this act is to assist the District of Columbia in attaining and then maintaining access to the credit and bond markets.

The subcommittee has tried to make abundantly clear that existing debt and its debt service payments are of concern. Lack of timely debt service payment would be counter to one of the major purposes of this legislation. Debt service is a foundational part of the District of Columbia budgets. The subcommittee expects that already dedicated funds be used to pay debt service.

If those funds are not sufficient, then other available funds can and should be used by either the District government or the Authority to ensure timely payment of debt service.

Mr. Speaker, I would also like to put into the RECORD additional cosponsors: the gentleman from Texas [Mr. ARMEY], the gentleman from Missouri [Mr. GEPHARDT], the gentleman from Louisiana [Mr. LIVINGSTON], the gentleman from Indiana [Mr. BURTON], the gentleman from Texas [Mr. DELAY], the gentleman from Michigan [Mr. BONIOR], the gentleman from New York [Mr. GILMAN], the gentleman from Indiana [Mr. MCINTOSH], the gentleman from New Jersey [Mr. FRELINGHUYSEN], the gentleman from Georgia [Mr. KINGSTON], the gentleman from Texas [Mr. BONILLA], the gentleman from Illinois [Mr. DURBIN], the gentleman from Pennsylvania [Mr. FOX], the gentleman from New Jersey [Mr. PAYNE], the gentleman from New York [Mr. OWENS], the gentleman from Georgia [Mr. LEWIS], the gentlewoman from Florida [Mrs. MEEK], the gentleman from New York [Mr. TOWNS], the gentleman from Maryland [Mr. MFUME], the gentleman from New Mexico [Mr. RICHARDSON], the gentleman from Maryland [Mr. EHRLICH], the gentleman from New Mexico [Mr. SCHIFF], the gentleman from New Hampshire [Mr. ZELIFF], the gentleman from Washington [Mr. TATE], the gentleman from Michigan [Mr. CHRYSLER], the gentleman from Florida [Mr. SCARBOROUGH], the gentlewoman from Georgia [Ms. MCKINNEY], the gentlewoman from Ohio [Ms. KAPTUR], and the gentleman from Virginia [Mr. PAYNE].

Finally, Mr. Speaker, I want to thank several individuals I did not thank in my opening colloquy. Mr. Noah Wofsy, the legislative counsel, did an outstanding job, working many late hours around the clock to satisfy the many demands placed upon him, in a timely manner. We are very, very grateful for his efforts, Noah. I want to thank him.

Also I want to thank Mr. Ed Desev and Alice Rivlin from the President's Office and OMB, who worked with us in drafting this legislation. Finally, from my staff, I want to thank Mr. John Hishta, Chip Nottingham, and Cathy Walsh, who were very helpful in coordinating this.

With that, Mr. Speaker, I would urge adoption of H.R. 1345.

Mr. BONILLA. Mr. Speaker, I rise in support of H.R. 1345, the District of Columbia Financial Responsibility and Management Assistance Act. Unfortunately, the continued deterioration of the District's financial status and the inaction of local officials has left us no other choice but to pursue this legislation. The oversight board created by this bill will stabilize the District's financial health. For far too many years local officials have been unwilling to accept responsibility and make the tough decisions that must be made. Presently, the demands of municipal unions are given priority over the needs of schoolchildren. This govenrment-union conglomerate threatens the safety of this community. Citizens do not know from one day to the next if they will have police, fire, and medical protection, or if they will have basic services like waste disposal or street repair.

Mr. Speaker, I am concerned for the long-term future of the District of Columbia. The Oversight Board will help bring financial stability to the District government, but what happens after the Board dissolves? The Congress must help the District maintain long-term stability, stability that will exist long after the Financial Oversight Board dissolves. To attain this security, I propose the adoption of a city manager form of government. This form of government would bring long-term fiscal accountability to the city. I support maintaining home rule for the citizens of Washington, DC, and believe that a city manager would be instrumental in preventing the need for future Federal intervention.

Currently, the city bureaucracy is bloated and out of control. There is no accountability and a clear lack of professionalism. A financial control board can help bring the current crisis under control, but this Board should not be a permanent fixture for the District government. If an oversight board is in place for only 5 years, as currently suggested, then long-term solvency can only be solved by restructuring the D.C. government.

A city manager would increase bureaucratic efficiency. A full-time, professional city manager would be responsible for the bureaucratic structure presently controlled by the Mayor. The manager would be hired by, and accountable to, the city council, with appointments and terminations to be approved by the House and Senate oversight subcommittees. Appointing a professional to run the city would increase the likelihood that congressionally mandated cuts and reforms would be appropriately instituted. The District government needs a leader who can insure tax dollars are not wasted and services are delivered.

The council-manager form of government is compatible with the implementation of a financial oversight board. The District faces many problems that can only be solved by making tough decisions that will undoubtedly be unpopular with some constituents. A city manager will make home rule finally work. HUD Secretary Henry Cisneros and California Governor Pete Wilson both served as mayors under a council-manager form of government in San Antonio and San Diego respectively. These are 2 of the 10 largest cities in the country. As a matter of fact, many of the Nation's most successfully run cities have council-manager systems in place. Some examples are: Dallas, TX; Phoenix, AZ; Austin, TX; San Jose, CA; Cincinnati, OH; Norfolk, VA; Little Rock, AR; and St. Louis, MO.

Sadly, elected representatives in the District of Columbia have addressed political problems without concern for the consequences. The division of responsibilities between the District and Congress has led, and perhaps encouraged, local officials to finger point rather than solve problems.

Mr. Speaker, I believe the District of Columbia is one of the greatest cities in the world. All America has a vested interest in seeing this city succeed. We cannot succeed without consideration of a long-term solution. I trust the Congress will give this proposal serious consideration.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to express my full support for moving forward with taking emergency steps to restore the District of Columbia to a sound financial status. I also want to congratulate Chairmen THOMAS DAVIS of Virginia and JAMES WALSH of New York, and Washington, DC Delegate ELEANOR HOLMES NORTON for all their hard work.

As a member of the Subcommittee on the District of Columbia, I am disturbed by the reports of fiscal mismanagement throughout the

District, and I share my colleagues' concern about this current financial crisis.

Having spent time in this city as a child, and now as a U.S. Representative, residents of the District and visitors to our Nation's Capital deserve better. They deserve to know how their money is being spent and they deserve more accountability. And, frankly, so do all the American people. It is our Nation's Capital, and it should reflect America at its best.

That is why I joined as a cosponsor of H.R. 1345, the D.C. Financial Responsibility and Management Assistance Act of 1995. I believe that the proposed Financial Control Board will help put the District of Columbia back on the right track.

I have spent the first 3 months of my term in committee hearings on this matter, and from what I have learned, the Financial Board is the only true option we have to making the city solvent again. This Control Board will have the authority to review city budgets, all District master plans, labor contracts before they are approved, all city borrowing, including loans from the U.S. Treasury and borrowing for the D.C. government. The Board will continue to operate at full authority until the District balances its budget for at least 4 straight years and it remain in a reduced oversight capacity until the city pays off all loans taken out under its authority. A five-member board will be individuals with proven financial or management expertise.

Mr. Speaker, I urge the Board to be formed as soon as possible so that the city will be returned to a fiscally sound status, such that all citizens, especially its children, are given a better quality of life by the District's government.

Miss COLLINS of Michigan. Mr. Speaker, I want to add my voice today to those who have offered their support for H.R. 1345, the District of Columbia Financial Responsibility and Management Assistance Act.

In a Congress where recent debates have given new meaning to the word ''partisan,'' this bill is indeed a rarity. It is a rapid bipartisan response to a crisis which, by its very nature, has invited partisanship at every turn.

Also, unlike many other critical bills in this Congress, H.R. 1345 has had appropriate deliberations. In addition to meeting with D.C. government officials, the Subcommittee on the District of Columbia heard testimony from State and municipal officials who have worked extensively with municipal financial control boards. Because control boards are rarely used, the knowledge derived from the testimony of these experts was priceless.

Finally, subcommittee members and staff worked around the clock to incorporate what they had learned into the legislation before us today. This is a model bill, and I hope that other committees will take heed of our example.

I yield back the balance of my time.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Pennsylvania [Mr. CLINGER], that the House suspend the rules and pass the bill, H.R. 1345, as amended.

The question was taken, and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DAVIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1345, the bill just considered and passed.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Virginia?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON S. 244, THE PAPERWORK REDUCTION ACT OF 1995

Mr. DAVIS. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform and Oversight be given until midnight tonight to file the conference report on S. 244, the Paperwork Reduction Act of 1995.

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

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 5 p.m.

Accordingly (at 3'oclock and 59 minutes p.m.), the House stood in recess until 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. HASTINGS of Washington] at 5 p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 831) an Act to amend the Internal Revenue Code of 1986 to permanently extend the deduction for the health insurance costs of self-employed individuals, to repeal the provision permitting nonrecognition of gain on sale and exchanges effectuating policies of the Federal Communications Commission, and for other purposes.

FISHERMEN'S PROTECTIVE ACT AMENDMENTS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 716.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 716, on which the yeas and nays are ordered.

The vote was take by electronic device, and there were—yeas 384, nays 0, not voting 51, as follows:

[Roll No. 280]

YEAS—384

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bevill
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brownback
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Filner
Flanagan
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Funderburk
Furse
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Moorhead
Moran
Morella
Murtha
Myers

Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Oxley
Packard
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—51

Becerra
Berman
Bilbray
Brown (FL)
Brown (OH)
Bryant (TN)
Chenoweth
Condit
Crapo
Dickey
Dooley
Dornan
Fattah
Fields (TX)
Flake
Foglietta
Fowler
Frisa
Gallegly
Gejdenson
Gingrich
Inglis
Istook
Jefferson
Kleczka
Lantos
Laughlin
Lincoln
Lowey
Lucas
McCollum
McDade
McDermott
Moakley
Montgomery
Nadler
Olver
Owens
Pallone
Parker
Payne (NJ)
Pryce
Reynolds
Richardson
Rush
Thornton
Torres
Tucker
Watts (OK)
Williams
Wise

☐ 1700

Ms. DUNN of Washington changed her vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. PALLONE. Mr. Speaker, during rollcall vote No. 280 on H.R. 716, I was unavoidably detained. Had I been present I would have voted ''yea.''

PERSONAL EXPLANATION

Mr. BROWN of Ohio. Mr. Speaker, I would have voted ''yes'' on rollcall 280, H.R. 716. The bells in my office did not work and I did not hear the rollcall until the second rollcall, when it was brought to my attention.

PERSONAL EXPLANATION

Mr. WATTS of Oklahoma. Mr. Speaker, I was unavoidably detained during rollcall vote 280. Had I been here, I would have voted ''aye.''

SENSE OF THE HOUSE REGARDING AMERICAN CITIZENS HELD IN IRAQ

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 120, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and agree to the resolution, House Resolution 120, as amended, on which the yeas the nays are ordered.

The vote was taken by electronic device, and there were—yeas 399, nays 0, not voting 36, as follows:

[Roll No. 281]

YEAS—399

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Filner
Flanagan
Foley
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—36

Becerra
Berman
Condit
Crapo
Dickey
Dooley
Fattah
Fields (TX)
Flake
Foglietta
Fowler
Gallegly
Gejdenson
Gingrich
Inglis
Istook
Jefferson
Kleczka
Lantos
Laughlin
Lincoln
Lowey
Lucas
McCollum
McDade
McDermott
Moakley
Olver
Pryce
Reynolds
Richardson
Rush
Thornton
Torres
Williams
Wise

☐ 1721

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. STUPAK. Mr. Speaker, I was not here on Thursday, March 30, as I was in Michigan attending a funeral. I missed two rollcall votes: rollcall vote No. 278 and rollcall vote No. 279.

If I had been here, I would have voted ''no'' on rollcall 278 and ''no'' on rollcall 279.

I ask that this be reflected in the RECORD.

□ 1745

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MISSILE PROLIFERATION, ONE OF THE GREATEST THREATS TO AMERICA IN THE 21ST CENTURY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to call attention to an issue that is dominating much of the discussion of the House and Senate Armed Services and National Security Committees dealing with missile defense.

Those of us who saw CNN yesterday report that the Russians have now decided to offer for sale the SS25 missile launch architecture to other nations of the world realize that the potential for this technology, that in fact could launch an intercontinental ballistic missile to any part of our country, is in fact being offered for sale to Third World nations and to nations to be used as a space launch assembly. This greatly concerns me and many of my colleagues, Mr. Speaker, because of the potential for a rogue nation to obtain this technology in a very short period of time.

In addition, we see where the Iranians are now putting together cruise missiles along the Straits of Hormuz, which could threaten the shipping lanes in that area.

Mr. Speaker, the bottom line is that one of the greatest threats that we will have to face as we approach the 21st century is that of missile proliferation.

In fact, Mr. Speaker, there are three specific areas we have to focus on. The first deals with cruise missiles, low-flying, the kind of missiles we saw Saddham Hussein use in Desert Storm against the Israelis, known as the SCUDS.

Cruise missiles are currently in the hands of 77 nations around the world, Mr. Speaker. In fact, 20 nations of the world are not producing cruise missiles. In fact, we in this country, much to my objection, just allowed the technology to be transferred to China to allow them to increase their cruise missile technology in terms of their motors to drive those cruise missiles.

It is an area we need to focus on, and Mr. Speaker, one that we are not putting enough emphasis on in terms of national security interests.

Mr. Speaker, the second concern dealing with missiles deals with theater missiles, those systems that could protect our troops from an attack in a theater of operation, like we saw the SCUDS do in Desert Storm. We are working aggressively in this area, Mr. Speaker. The President supports theater missile defense. I support that effort. I want to make sure we give General O'Neill the maximum support possible in terms of theater missile defense.

The third area deals with national missile defense. Most of the public at large in this country does not realize that currently we have no protection against a deliberate or accidental launch of one missile aimed at our mainland.

What further concerns me, Mr. Speaker, is the fact that China now has a missile, the CSS II, that has a range of 2,000 miles. North Korea is developing a missile, the Taipodong II missile, that has a range of several thousand kilometers, that could one day reach Guam and perhaps even Alaska. We have no defense against those kinds of missiles.

In fact, as I mentioned at the onset of my comments tonight, Russia is now offering the SS25 architecture, one of their main missile launch systems, to other nations.

Mr. Speaker, with these things in mind, we are now trying to provide for Members of Congress a detailed assessment of the threat and what our capabilities are in terms of missile defense technology. We are holding five hearings in the Committee on National Security on missile defense, the technology, where we are today, the threat, and what we have bought and what we have received for the dollars we have invested.

Mr. Speaker, I would invite all of our colleagues to come out tomorrow morning in the Rayburn Building in H.R. 2118, the Committee on National Security main hearing room, where we will have assembled the technologies that we have purchased with our missile defense moneys over the past decade or so. Members will be able to see these technologies, ask questions, and be briefed by General O'Neill and those people in the Navy, the Air Force, and the Army who have been working on missile defense technology.

Following that walk-through, which is open to every Member of the House and Senate, we will have a press conference at 11 o'clock and then open the entire display to the public. From 11:00 until 1:00 the public is invited to come to 2118 Rayburn, where they can see the kinds of technology that we have developed over the years and that is ready to go into deployment, in some cases, over the next several years.

Finally, at 2 o'clock in the afternoon in that same hearing room, General O'Neill will come before the Subcommittee on Research and Development of the Committee on National Security, and we will explore in great detail with him the technologies that are in fact available today, those that are being deployed, and those technologies that are on the horizon for us to be researching and looking to implement.

Mr. Speaker, I would ask all of our colleagues to join in this assessment of where we are going with missile defense technology, and to join with a bipartisan effort in making sure that Members of Congress understand the threat that is there. Some would say that with the demise of the former Soviet Union there is no more threat.

Mr. Speaker, one only has to look at what is happening in the real world to understand that we are today unprotected.

THE CROWN JEWELS OF THE REPUBLICAN CONTRACT WITH AMERICA GO TO WEALTHY CORPORATIONS, NOT TO MIDDLE-INCOME AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, the Speaker said it all over the weekend. He talked about the crown jewel, or the crowning achievement of the Republican Contract on America; that is, the coming tax cuts.

I would say it is a crowning achievement for certain, because we are talking about $188 billion over 5 years. That is even more than these precious jewels on this crown here could represent: $630 billion over 10 years. This is quite an achievement.

We have been cutting and hacking our way through domestic programs the school lunch program, the Women, Infants, and Children Program, and a whole host of other things that are important to middle-income Americans. We are putting that in the pot. That is going to help begin to pay for the crowning achievement, for the crown jewels.

We could say, in fact, that figuratively the Speaker and his party have been taking dollars and cents out of the pockets of middle-income and less-well-off Americans, thrown them all together in one big pot, in order to buy a crown for those who are already at the top.

Mr. Speaker, one of the most startling proposals, and this wasn't in the contract to come forward, but it has been added after some corporate armtwisting and lobbying, big business got a very, very special break here. Everyone's eyes start to glaze over a bit when you talk taxes, so I guess no one thought much when suddenly the Republican contract had a little addition; that is, a repeal of the alternative corporate minimum tax.

What does that mean? Let us go back to 1982, before we had a corporate alternative minimum tax. Here is what it meant back then.

From 1982 to 1985, AT&T—American Telephone and Telegraph—had profits of $24,898,000,000, and guess how much they paid in taxes: nothing. In fact, after $24,898,000,000 in profits over that 4-year period, they were entitled to a $635.5 million tax credit. That is, working Americans people who go to work every day, and every day the Government takes something out of their paycheck, a little bit of that went to give AT&T a tax credit for taxes that it did not pay.

Who else? What else did this mean back in 1982? The Boeing Company was doing a little better back then. They were selling more airplanes. They had profits of $2,271,000. How much did they pay in taxes? Not one red cent. In fact, they got a refundable tax credit of $121 million. The list goes on; Texaco, $1.5 billion, a $68 million credit.

Finally, Mr. Speaker, the loser at the bottom of this list of 50, Middle South utilities, with a puny $2.5 billion in profits, paid nothing, but they were not eligible for a credit. They did not get the crown. However, maybe under this new proposal they will.

It is ironic that the Republican tax proposal would not give a refundable tax credit for children. That is right, for people who are already at the bottom of the rung, people earning around $20,000 to $25,000 a year, they cannot get a refundable tax credit for their children, but our corporations now will be able to get refundable tax credits.

Doesn't that make you feel a lot better? Doesn't that give you a little bit better idea what this is all about?

The estimates are that these credits would flow to the largest corporations in this country; 90 percent of the alternative minimum tax that was paid in 1990 was paid by firms with assets of more than $250 million. Three-quarters—75 percent—of those firms had assets of more than $2 billion, so it is those poor struggling firms with only $2 billion in assets to whom we are going to extend a refundable tax credit through this legislation this week.

Working Americans, the day after the crowning achievement of the gentleman from Georgia [Mr. GINGRICH], the Contract With America, passes, will go to work and the Government will still take a nice piece of change out of their paycheck. That will not change a bit, particularly if you only earned $20,000 or $25,000 a year. However, the corporation you work for might just get a nice big, fat tax break, particularly if they are worth more than $2 billion. Think about it.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

[Mr. WYNN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

URGING MEMBERS TO JOIN IN SIGNING THE STOCKMAN DISCHARGE PETITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROHRABACHER] is recognized for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, I would like to draw the attention of my colleagues to the fact that since we have been negotiating and working out problems here on the floor, trying to save the taxpayer $100 million here and $1 billion here and $1 billion there, that billions of taxpayers dollars have been ripped off and sent to special interest groups, powerful interest groups, domestically and internationally. We are talking about the Mexican bailout.

Yes, in the name of bailing out a country that made horrible decisions, economic decisions, and is governed by a corrupt elite, the American taxpayer has been ripped off to the tune of tens of billions of dollars, and the cash is still flowing.

As we speak, every debate that goes on, the cash is still flowing to a corrupt Mexican elite, and to Wall Street speculators that decided instead of investing in the United States of American to create jobs here, they would invest in Mexico, to get a higher rate of return. As soon as they lost their shirt, because it was a risky investment, they come back to the American people and ask us to use our hard-earned money to bail them out. It is a sin. It is a crime against our own people that millions, and yes, billions of dollars are being spent for that purpose.

Mr. Speaker, I would ask my colleagues to join the gentlewoman from Ohio, MARCY KAPTUR, and myself and others who are dedicated to stop this flow of billions of dollars. Already tens of billions of dollars have gone. We can stop it before it is $50 billion by signing the Stockman discharge petition. If we can get 218 signatures on a petition from the rest of our colleagues, we can bring this issue to the floor for a vote.

I ask my colleagues to join me, and I ask the American people to see if their Congressmen have signed the Stockman discharge petition. How can we in good faith cut the services for the American people? Yes, I think it is important to do that if we are going to bring down the budget deficit, so future generations do not have to pay for those services, but it is immoral for us to cut the benefits and services that our people have paid for over their lives in order not to balance the budget, but instead, to give us revenue to send to people who speculate in foreign countries and to prop up a corrupt Mexican elite, an elite that ends up shooting their own brothers and sisters; an elite that is so corrupt that when they cross the border, their former deputy Attorney General ends up being arrested in this country.

We cannot permit the hard-earned dollars of our taxpayers to keep flowing in that direction while we try to balance the budget by just taking a little bit here and saving a little bit there. Let us get to this very serious issue. I think the American people ought to know that while we are debating these types of peripheral issues, that a large chunk of cash, larger than any of the issues we are talking about, is flowing in this direction.

Mr. Speaker, I would please ask my colleagues to sign the Stockman discharge petition, and I would ask the American people to see if their Congressman has, indeed, gone along with this righteous attempt to protect the hard-earned taxpayers' dollars that should be going either to bring down the deficit, or providing the services that are necessary for our own people.

□ 1800

Mr. Speaker, I yield to my friend the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I thank the gentleman for yielding.

I would just like to endorse his proposal to the membership to sign House Discharge Petition 2, the Stockman-Sanders discharge petition. There is a bill ready to come to the floor supported by a large number of Members on both sides of the aisle, and I want to commend the gentleman from California for bringing the importance of this to the American people as well as the membership.

As one of the signers of that discharge petition, I know that it is the only alternative we have left to get a full debate in this House on Executive action that has gone beyond the bounds of precedent.

Mr. ROHRABACHER. It is a bit cynical, I believe, for us not to mention this, and to keep talking about other issues, about how we are trying to bring down the budget deficit.

How can we debate bringing down the budget deficit by $100 million here or we are going to cut this benefit over here that is going to bring down the deficit supposedly by $2 billion, when billions and billions of more dollars are actually continuing to flow to bail out Mexico and these Wall Street speculators? It is a sin against our own people.

Sign the Stockman discharge petition.

A BALANCED BUDGET

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of

the House, the gentlewoman form Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, is it any wonder that the citizens of the United States grow increasingly cynical about this Congress? Expediency and the next election will dominate this week's likely battle over the Republican proposed tax cuts and their impact on our worsening budget deficit. We have got a bidding war underway here to see who can flatter the most voters. Cutting spending, reducing the deficit and balancing the budget may not be popular with the hotshot pollsters who have got their eye on next year's elections but is it not time that we do what is right for America and for America's future?

Keep this in mind. According to the Congressional Research Service, the United States budget has not been balanced since 1969. President Clinton in 1993 and 1994, to his credit, began to make a dent in this fiscal mess. Every Member here who supported him in that effort did what was right. The annual deficit was projected to be close to $300 billion a couple of years ago but has been brought down now to around $170 billion, still not perfect but a whole lot better. In fact, the deficit as a share of our total gross domestic product has been cut by more than half, from nearly 5 percent in 1992 to about 2.5 percent today. This level is lower than at any time since 1979, which means it is not so much of a drag on the economy. This marks the first time since Harry Truman was President that the deficit has gone down 3 years in a row. But overall, our Nation has accumulated an unpaid debt of over $4.7 trillion as of January of this year, over $3 trillion of that $4.7 trillion total, nearly three-quarter of it, during the 12 years of the so-called supply side economics. Last year alone as a result, taxpayers, us, we had to pay nearly $300 billion just in interest on the accumulated debt accounting for about 15 percent of total Federal spending.

Of this $300 billion in interest that people are paying, $44 billion of it is being paid to foreign creditors we are borrowing from to finance our overspending. The interest we pay on the debt just this year is enough to pay the entire defense budget of the Nation for 1 year as well as all of the medical costs for our veterans and the entire cost of our college student loan program.

So what does the Republican Contract on America intend to do about all of this? It intends to enact a tax cut that will make matters $700 billion worse over 10 years.

After we have cut the deficit by $130 billion over the last 3 years, which is not small potatoes, we are now going to throw reason out the window and sop up all our progress. What is really sad about all of this is that interest rates in America are rising, 7 times in the last year, to offset our prior credit orgy. So even if a tax cut passed, the benefit to any family in America has been lost already by higher interest rates they are paying due to our Nation's accumulated debt and its draw on our credit markets.

Is it not time for some courage and wisdom in this Congress? Is it not time to vote for what is right for the next generation, not the next election? Is it not time for statesmen and stateswomen to be elected here and send the election hucksters back home?

It is time to vote for a balanced budget.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. CHABOT] is recognized for 5 minutes.

[Mr. CHABOT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

[Ms. DeLAURO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

POST MOUNTS CAMPAIGN FOR CASTRO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. DIAZ-BALART] is recognized for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, sometimes it is amazing to see the campaign on behalf of one of the last remaining tyrants in the world that is engaged upon by our local newspaper here, the Washington Post.

In the last 3 days, we have five articles or op-ed pieces in this newspaper desperately trying to defend Castro, desperately trying.

''Proposed Republican Bill on Cuba Could Hurt Canadian Economy.'' That is one article.

''U.S. Alarms Canada with Cuba Shift.''

''Adrift on Cuba.''

''Get off Cuba's Back.''

''A Bill That Will Help Castro.''

By the way, this bill that has been introduced in the Senate by Senator HELMS and here by Congressman BURTON already with a substantial number of us cosponsoring it, this bill that this op-ed piece in the Washington Post from yesterday, under the headline ''A Bill That Will Help Castro,'' this theory that this bill helps Castro, it is interesting. It happens to be Castro's main objective in terms of defeat. Yet article after article after article, we see allegations that, for example, two things, and this is another op-ed in the Washington Post from today. This op-ed says, ''Two things seem to be driving our anti-Castro policy. Cubans in Florida and sheer vengeance.''

Where do we see, for example, when black Americans try to influence policy on Haiti and on South Africa and Irish-Americans try to influence policy with regard to Northern Ireland and Jewish-Americans try to influence policy with regard to the Middle East, where are five articles or op-ed pieces in the Washington Post in 3 days criticizing that? I think that this has to be called what it is. This is despicable. If it were targeted on the Irish-American community or the black community or the Jewish community, it would be rightfully called for what it is, it would be called racist. Yet it is all right to say that Cuban-Americans cannot lobby in the United States so that the country where they were born in and where relatives of theirs still have to live is free. That is incorrect according to article after article and op-ed after op-ed.

Let me just say to these folks at the Washington Post, a little balance would perhaps be logical. If you are going to have five articles and op-eds in 3 days defending Castro, for example, one of them here ''Adrift on Cuba,'' a savage attack on an American patriot who happens to be in the State Department, Ambassador Michael Skol, a savage attack, probably leaked by someone in the National Security Council, notice this, attacks Michael Skol because Skol testified here in Congress that Castro last July had ordered over 40 men, women, and children sent to their deaths when he ordered the sinking of a tugboat that has been reported after pleas and pleas and pleas from this Congress and elsewhere, it was finally reported in the media. And Michael Skol pointed it out.

Look at what this article says. ''But neither the National Security Council nor the intelligence community has evidence that the sinking was ordered according to U.S. officials,'' probably Mr. Morton Halperin at the National Security Council, probably once again the folks around the President who continue to try to pressure the President into throwing a signal of friendship, sending a signal of friendship to the Cuban tyrant.

Listen to this. ''Because the Cuban government insists the sinking was accidental, Skol's testimony was taken by Cuban officials as an accusation that Castro had personally ordered it.''

Well, what happened if that was not the case? If anyone knows anything about the Cuban situation, you know that nothing happens in Cuba, much less do security officials dare to sink purposefully as the evidence has conclusively pointed to, much less do they purposely sink a ship with over 70 refugees if they do not have the direct order of their commander in chief. All the evidence points to that and Ambassador Skol is criticized.

We are going to continue talking about this, Mr. speaker. But this is very serious and apparently continues to come out of the Clinton National Security Council and something has got to be done about it.

ECONOMIC UPDATES FROM JOINT ECONOMIC COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, I rise tonight to announce to the House that over the last several days, together with my Joint Economic Committee staff, we have prepared five papers that demonstrate very well why all Members of the House should support this week the final element of the Contract With America. These are five papers which are very easy reading and I would just like to tell you what the five papers are and if you are interested in having a copy, you can call my office and obtain one.

The first one is ''The Contract and Economic Growth.'' The first paper makes note that economic growth has been forecast by the Clinton administration over the coming years to grow at only about 2.3 to 2.5 percent. We point out in this that the economic policies that are contained in this week's tax package will promote the kind of growth that will get us back to where we need to be. You do not have to ask us, because this issue has been studied by others and many others from outside the Congress agree that that will happen.

The second paper is ''The Contract Means More Personal Incomes for Families.'' As the economy grows and expands, everybody's share will be bigger, from low-income people to high-income people. As a matter of fact, by the year 2002, it is projected that our economy will be $1.1 trillion larger than it is today.

The claims of supporters of the contract are realistic. Several studies, including those by DRI/McGraw-Hill, Laurence Meyers and Associates, and the Institute for Policy Innovation all agree.

The third paper is ''The Contract and Take Home Pay.'' It is important to make note that the $500 per child tax credit helps those families that need it the most. For example, we point out in this paper that if you are a family with an income of $25,000, a family of four, that 100 percent of your tax, remaining tax liability will be alleviated by the $500 tax credit. If you are in the $30,000 tax bracket, 48 percent of your tax liability will be alleviated with the Contract With America. If you are in the $45,000 incomes category for a family of four, your tax liability will be reduced by 21.5 percent. And if you are in the whopping $50,000 category, your tax liability will be reduced by 17.8 percent. Very significant for today's families.

We also point out in paper No. 4 entitled ''The Contract and Victory Over Government Day,'' for those of you who have not heard, Victory Over Government Day is the day when we finally get on our own to earn a living for our family and do not have to send any more money to the Government, this year Victory Over Government Day will be June 4. Under President Clinton's proposed budget by the year 2002, Victory Over Government Day will be 3 days later, on June 7.

Under the provisions of the contract and the tax package we will pass this week, Victory Over Government Day will shrink back to May 26, a difference of 12 days that the American family can work for themselves instead of sending money to Government.

□ 1815

Finally, the paper, the fifth paper, entitled ''The Contract and the Future,'' points out that the contract helps parents provide for their children's future and for their inheritance in four important ways.

First, the contract improves take-home pay for families because with an expanding economy we can all expect to make more.

Second, the contract provides for the super-IRA provision and, in so doing, allows increased savings. The contract allows the family to plan more efficiently for college or for retirement.

Third, the contract helps families plan for their future by reducing the benefits tax on seniors who work. As we all know, in 1993 President Clinton and the Democrats increased the taxes on senior citizens' Social Security, and of course that is repealed.

The fourth and final way the contract helps families provide is by reducing the estate tax and thereby reducing the taxes on inheritance. And, of course, that allows parents to pass more along to their children to help them in the outyears.

So these are five papers that we have spent a lot of time researching, writing, putting together, verifying. They are important points I think that are made in these papers, and we will be more than happy to provide them to any Member who wishes to have them.

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from North Dakota [Mr. POMEROY] is recognized for 5 minutes.

[Mr. POMEROY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

STUDENT LOAN PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, we are confronted with yet another proposal for change. Too much change in too short a time—a ''dizzying disorientation,'' said the writer Toffler.

The majority has outlined plans to abolish or restructure four programs that provide aid to college students.

The drastic changes proposed will add almost $13 billion, over the next 5 years, to the cost of going to college.

Needy students from across the country who now make the choice to go to college will no longer have a chance to do so.

Four programs are targeted—College Work Study; Perkins Student Loans; Stafford Interest-Deferred Student Loans; and Supplemental Education Opportunity Grants.

This elimination and restructuring of college student aid programs come hot on the heels of $1.7 billion in cuts in other education programs serving low- and middle-income families.

Under College Work Study, Federal dollars are provided to colleges to provide jobs for low- and middle-income students.

Three quarters of a million students who worked their way through college last year, will not have that opportunity next year.

Under the Perkins Loan Program, the Federal Government provides money to colleges to establish low-interest loan funds for their students.

Another three quarters of a million students who borrowed Perkins money for their education last year, will not have that opportunity next year.

Stafford loans allow low- or middle-income students to borrow money for their education and defer repayment of the loan, including interest, until 6 months after graduation.

Under the Stafford Loan Program, needy students can attend and complete college, without having to worry about loan repayments until they have jobs.

Four and a half million students who received Stafford loans last year, without the burden of interest repayment while studying, will carry that burden next year.

And, the Supplemental Educational Opportunity Grant Program is a direct grant program that goes primarily to low-income, truly needy students.

Nearly a million truly needy students who received grants under this program last year will not receive those grants next year. That program will be eliminated, if the majority prevails.

The pace of proposed change at which the proponents of change have been operating is unprecedented in the history of Congress.

But, they want change for the sake of change.

They want to restructure or eliminate programs and change public policy affecting millions of college students, who have been working for the future.

In a mad rush to do something different, they can not be sure that they are doing something better.

They fail to hear Karr, who commented, ''The more things change, the more they remain the same.''

They miss the point of Patton, a great Army general, who stated, ''Weapons change, but man who uses them changes not at all.''

They have the votes. They will try to change these programs, but they can not crush the spirit that created them.

These programs were prudent when they were created, and they are prudent now.

Those who blindly push for change have not considered the wise words of Shelley, whose poetry is as penetrating in 1995 as it was in 1821,

I am the daughter of earth and water,
And the nursling of the sky,
I pass through the pores
of the oceans and shores,
I change, but I can not die.

If they want real change, they should change the minimum wage.

If they want meaningful change, they should change the tax cut they have proposed for the wealthiest Americans to focus on working families and the middle class.

If they want change that makes a difference, they should change their Personal Responsibility Act and restore school lunch programs for children.

If they want significant change, they should change their minds about cutting college student aid programs.

We will fight these changes to the long-standing effective college student aid programs.

Dr. Martin Luther King, Jr., in accepting the Nobel Peace Prize in 1964, said, ''The tortious road millions are traveling to find a new sense of dignity, will, I am convinced be widened into a superhighway of justice.''

Today's college student deserves to learn about Toffler, Karr, Patton, Shelley, and King.

Change for the sake of change is obviously useless. Secretary Riley had it right when he said, ''Education is a national priority.'' Education of our youth is an investment in our Nation's future.

REQUEST FOR PERMISSION FOR 5–MINUTE SPECIAL ORDER

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

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

Mr. OWENS. Mr. Speaker, reserving the right to object, is there a list of Members for 5-minutes?

The SPEAKER pro tempore. There is.

Mr. OWENS. There is a list? Can we follow the list?

The SPEAKER pro tempore. The Chair is endeavoring to go across the aisle, and the gentleman is on the list.

Mr. OWENS. Can we follow the list?

The SPEAKER pro tempore. We are following the list, but they are asking for unanimous consent. Is the gentleman objecting?

Mr. OWENS. Well, I thought the practice was to follow the list, and then after the list is finished to entertain unanimous-consent requests.

The SPEAKER pro tempore. The Chair is just trying to recognize Members seeking unanimous consent to address the House by alternating recognition from side to side where Members are absent.

Mr. OWENS. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

STUDENT FINANCIAL AID

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, on Friday, March 31, two colleagues of mine, Representative GEORGE MILLER and Representative ANNA ESHOO and I did something that the leadership of this body does not want to do.

We held a hearing on the impact of the proposals by the Republican majority to cut the present system of Federal student financial aid.

We held a hearing to educate the public about these stealth proposals which would terminate investments in education to fund tax cuts for the wealthy.

We held a hearing in order that Congress may hear from the students, parents, and administrators who would be affected by these proposals.

We held a hearing because the Republican majority of this body does not want people to know the full impact of the Draconian budget slashing that the Republican majority needs to pay for their tax cut for the wealthy.

This body has passed legislation already, Mr. Speaker, which was proposed by the Republican majority which will rescind nearly $200 million from our fiscal year 1995 student aid programs. This body will take up legislation later this week which would set in motion a series of budget cuts which will terminate what remains of it by enacting the largest tax giveaway to the rich that we have seen in recent memories.

What does the Republican majority propose?

They are proposing the elimination of the deferred interest of Stafford and Perkins loans programs which enables students to obtain loans without having to pay interest during the time they are in school.

The Republican majority is proposing eliminating campus-based programs such as college work-study which provides not only a job to help pay for an education but a job with purpose and meaning.

The Republican majority is proposing eliminating the supplemental educational opportunity grant which goes to help the most needy students for whom a Pell grant is not enough.

The Republican majority is proposing passing on to students, families, and administrators over a quarter of a billion dollars a year in increased educational costs just to the people of California. For our freshmen coming in this year, this coming year, this is a $1 billion fee hike over the course of their education for 4 years that families, students, and schools must absorb.

In my congressional district, nearly 16,000 students would lost their Stafford loan benefits at an increased cost of over $11 million. Nearly 7,000 students would lose their supplemental education opportunity grants, an annual loss of $2.3 million for those families.

Two thousand three hundred students in San Francisco would lose college work-study. And the majority, the Republican majority, would hand them a bill of $2.5 million to make. All told, just for the students, families, and administrators in San Francisco, over $17 million annually in costs would be passed back to the students, with no expectation on how those millions would be made up.

But the most telling points, the most poignant testimony, the most powerful arguments against this upside-down policy came from those who would be directly affected by those proposals.

We had an extraordinary panel of seven students and parents. The students were hard-working young men and women, bright, intelligent future leaders of our country and their parents who work hard and sacrifice to give their children every advantage, an education.

Here are some of their voices.

One senior at San Francisco State University testified. His name was Michael Rodriguez. Michael is 27, born and raised in San Francisco, and was a Marine for 9 years. He was assigned to both the Panama invasion and Operation Desert Storm and participated in the liberation of Kuwait.

During his combat assignment he was filling out his application and financial aid forms for San Francisco State. Here is what he had to say. Here is what Michael Rodriguez had to say:

For me, financial aid has allowed me to achieve my goals, for which I am thankful. I give thanks every day that programs like financial aid exist for students like myself. Students are cutting their time at school in half so they can work full-time in order to support themselves as financial aid money is becoming scarce. Financial aid, in my opinion, creates a win-win situation. Financial aid is capital investment for the future.

Diana Summy Hunt, a student at the University of San Francisco, said this about work-study: ''This program has permitted me to work on campus at the financial aid office as a receptionist and file clerk. On the average, I work 18 hours per week, which allows me to pay for my books and supplies, not to mention it has also given me a variety of job experiences.''

''It is not easy,'' she said, ''juggling classes and a job. College work-study enables me to do both. If these programs were eliminated, I can honestly say that I have no idea where I will find these funds. My mother's and my finances are already stretched. What will people do to better themselves if education is out of the question?''

Perhaps one of the most heartfelt testimonials came from Ronelle Garibaldi, a member of a two-income family whose son, Michael, also attends

the University of San Francisco. She said:

Our children's education has been a family project. We all contribute as much as possible.

Our second son, who was also accepted here at the University, is instead attending a community college until his brother finishes here to help defer costs. We feel there are no extras in our life we can eliminate. However, because we believe so strongly in higher education, the sacrifices go almost unnoticed.

Mr. Speaker, I urge our colleagues to reject any of the ill-conceived proposals made by the Republican majority to eliminate this opportunity for higher education for our young people and thus weaken our country.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1271, FAMILY PRIVACY PROTECTION ACT OF 1995

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–97) on the resolution (H. Res. 125) providing for the consideration of the bill (H.R. 1271) to provide protection for family privacy, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 660, HOUSING FOR OLDER PERSONS ACT OF 1995

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–98) on the resolution (H. Res. 126) providing for the consideration of the bill (H.R. 660) to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons, which was referred to the House Calendar and ordered to be printed.

□ 1830

ANOTHER JEWEL FOR MR. MURDOCH

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, I must say I rise tonight, and I am very saddened by what we now know happened last week. We know that we are going to be taking up the tax bill this week, but last week we took up a bill that we thought we knew what was in. We thought it was closing loopholes. We thought that it was going to shut off tax breaks to owners who were selling their broadcast stations or whatever to minorities, the infamous Viacom issue.

And today we now learn that tucked away in there was a nice $63 million jewel for none other than Rupert Murdoch and, of course, Mr. Murdoch also happens to be the publisher of the Speaker's infamous book. Could there be a connect-the-dots here? I do not know. Everybody is saying ''Couldn't possibly be.''

But I must say, as a Member of the House, I really feel we were all hoodwinked, because this did not come up in the House at all. It came up in the Senate, and apparently the Senate yielded, or the House yielded to the Senate in conference on this. None of us were told about this, and this was slipped in.

I was fascinated to read in the press reports this weekend that people were blaming Senator CAROL MOSELEY-BRAUN for this, and I love her quote in the press. She said, ''If I had one bit, one iota of the leverage the Speaker said I do, then I would have kept the tax incentives for everybody,'' because Senator BRAUN has made it very clear she approves of these kind of tax incentives.

So is it not interesting that the tax incentives went down for every other person, every other person, group, or entity except Mr. Murdoch? Now, I suppose this could be just how the stars align, but we all know his long, long-standing tradition of having a book done by Margaret Thatcher when he needed things in the British Parliament, and, of course, he also published Ding Mao Mao's book in China when he was trying to get his broadcast license in there that we have been reading about even more this week, and I just think it is really time we blow the whistle on this kind of special-interest legislation.

Somebody who has got a crown like he has got does not need any more crown jewels, not at a time we are killing school lunches, threatening student loans, zeroing out summer jobs, taking on Big Bird and everything else. Why does he get this huge, wonderful jewel?

Mr. MILLER of California. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I am happy to yield to the gentleman from California.

Mr. MILLER of California. I thank the gentlewoman for yielding.

I want to associate myself with her remarks.

This is simply an outrageous misuse of the public trust to have this item slipped into a conference committee with no notification of the House Members that this matter was in the conference bill, in fact, the appearance of deliberately keeping it from the House Members so this could be voice-voted on the floor last week when Members were concerned with the deductibility of the health care insurance for the self-employed, and then to find out that what we have in here is the most special of special deals for one person when the chairman of the Committee on Ways and Means and others strenuously objected to this kind of matter being brought forward, turned down amendments to try to make some rules that would apply to everybody across the board, now find out the 17 or 18 other similar deals were turned down, but the one for Rupert Murdoch, the one involving the Speaker, was now somehow felt into this legislation.

We started out the 100 days with a book contract with Rupert Murdoch. Now we are ending it with all of the speculation about what that meant, and now, of course, the speculation is no longer speculation. Now we have the concrete treatment of Mr. Murdoch differently than anyone else in the United States at the behest of the leadership——

Mrs. SCHROEDER. Absolutely.

Mr. MILLER of California. In the House and the Senate.

I want to thank the gentlewoman for raising this issue.

Mrs. SCHROEDER. I thank the gentleman from California for bringing it up, because I really feel the Members were also led astray. Members on the conference committee on our side did not know this was happening, and I find it also amazing Mr. Murdoch stands there and with a straight face says, at least through his spokesman, he did not know about this; he did not seek it; and he did not particularly want it.

So I would say he ought to give it back. He ought to give it back.

Mr. MILLER of California. Since Mr. Murdoch is as successful as he is, when you consider all of the things that he has denied knowledge of that affect his business interests, over the last 100 days, but yet somehow he has tremendous success, and apparently it just falls on him.

Mrs. SCHROEDER. One of the other things I find really amazing is that he could be so successful, that this little $63 million jewel could roll off the table, and he just did not even really have to pay much attention to it. It must be nice. Think of the school lunches it would buy and the student loans it would provide.

This is outrageous.

SETTING THE RECORD STRAIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. ARCHER] is recognized for 5 minutes.

Mr. ARCHER. Mr. Speaker, I just happened to be walking through, and we should be accurate in what we say here on the floor of the House.

No. 1, the provision that was put into the health care deductibility for self-employed was engineered and pushed and implemented by CAROL MOSELEY-BRAUN from Chicago, a Democrat Senator, and made its way into the conference report as a result of her compelling arguments that this in effect was a preexisting contractual obligation, a binding contract that was made before the effective date.

So we should fully understand that the gentlewoman from Colorado and the gentleman from California are just ill-informed about this particular provision.

I am not here to defend Rupert Murdoch. I do not know him, and have nothing to do with him. But I will simply say this also: that the facts are that Rupert Murdoch gets no tax benefits out of this provision even though it was engineered by a Democrat Senator from Illinois and put in the bill by a Democrat Senator from Illinois. The benefit does not go to Rupert Murdoch. He gets no tax break out of this provision, and the facts should be presented to the American people rather than all of this continued rhetoric with all of the props of golden crowns and all of the other things that are emotionally presented to this House.

We should deal with the facts as they exist.

Mrs. SCHROEDER. Will the gentleman yield?

Mr. ARCHER. I am happy to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Is the gentleman saying the stories then in the press are incorrect, because they say they are validated?

Mr. ARCHER. I have seen a lot of stories in the press that are inaccurate.

Mrs. SCHROEDER. Is this story incorrect?

Mr. ARCHER. Mr. Speaker, I reclaim my time.

The gentlewoman has a press report that she is holding up for the benefit of this House, and we all know that you cannot rely on the accuracy of press reports. They pick up on certain items that are presented to them, and then they are rapidly put into print. It does not mean they are accurate.

And in this case, the accuracy of the situation is as I stated, and I am not here to defend Rupert Murdoch. But I think the gentlewoman, the Senator from Illinois, who put this into the conference report certainly should be asked. I do not think she was trying to do any sort of a favor for Rupert Murdoch, and as she presented it, she was not trying to give a special favor to anybody, but simply to say that the binding-contract rule to prevent retroactivity should apply with a certainty to this particular transaction.

If this had not been a binding contract, there is no question in my mind that it would never have been embraced in the Senate offer and would never have gotten into the conference report. But it is also very, very important to know that this has absolutely nothing to do with the tax bill and spending reduction bill that will be coming on the floor of this House this week.

So I just wanted to be here to set the record straight on this issue.

FURTHER SETTING THE RECORD STRAIGHT

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

Mrs. SCHROEDER. Mr. Speaker, I just wanted to say that my point was, No. 1, Members did not know that the House had yielded to the Senate on this issue when this bill came to the floor. This was portrayed as a bill in which we were trying to help people get their tax credit back for health care. That is what we were told about.

We were told this was done away with across the board. We were not told there was one special little loophole, oops.

Now, I do not know if the press report is correct or not, but it says it was verified by six Republican staffers. So that is quite a few.

Maybe they were all wrong. I do not know. I am not on the committee.

But as a Member of this House, I resent it when we have a conference report come back with a goodie in it and we are not told about it.

Mr. MILLER of California. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, the whole point of the provision of the Ways and Means bill was to cancel these business deals, to cancel them retroactively, and Rupert Murdoch was able to hold on to his deal, and nobody else was, and those are the facts. Those may not be the facts the gentleman from Texas likes, but those are the facts.

THE FACTS ABOUT HAITI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, last Friday, on March 31, President Clinton and President Jean-Bertrand Aristide and the Secretary General of the United Nations presided over ceremonies in Haiti for the transition from the multinational force led by the United States to the U.N. force. It was an impressive ceremony where the nations of the world, many contingents of the nations of the world, agreed to submit and march under the U.N. banner in order to continue the progress in Haiti toward democracy.

In the United States, this historic landmark received only moderate attention, but throughout the world and the international community, where most of the people of this planet live in underdeveloped nations, there was great rejoicing. I think that this was a special occasion where a new and special high standard was set for the new world order. A model for protecting democracy has been set in place as we go into the new world order.

The U.S. Government also has given new meaning to the concept of superpower. The U.S. superpower was used in this case to nurture democracy. The U.S. superpower was used to give the poorest nation in this hemisphere an opportunity to be born again. The U.S. superpower has demonstrated unmatched generosity and compassion. This is a superpower that has earned the right to prosper for a thousand years. This is a superpower that all Americans should fight to maintain.

The hard job has been done. The great risks have been taken. It took a lot of guts by President Clinton to make unpopular decisions. Troops went into Haiti at great risk, anticipating great risk at first, but the decision was made despite that, and we have moved the situation with almost no casualties. The great risks have been taken.

But now a very important part of the job remains, and that is to help Haiti through a period of economic development. The nations of the world have made a commitment in Paris several months ago; nearly $1.9 billion was committed to various activities to improve the Haitian economy, to jump start the economy until the private sector could take over.

It is unfortunate that despite the fact that this decision was made several months ago, almost no dollars have flowed to Haiti. The bureaucrats of the world, the bureaucrats in the various financial world organizations have moved at such a slow pace that they are tending to smother the greatness of this magnificent international deed.

I would like to quote from Strobe Talbott's report to the Congress some time ago:

> For its part, the international community is doing its fair share by providing aid and technical assistance. Prior to the deployment of the multinational force, international donors and lenders met in Paris in August and determined that Haiti would need $650 million in the first year after democracy was restored. This group met again in Paris last month to review the progress that has been made since President Aristide's return, and the general assessment of this progress was so positive that the donors actually pledged $1.2 billion, nearly double what had originally been proposed. It is anticipated that $900 million of that $1.2 billion will be available over the next 12 to 18 months.

That was anticipated several months ago, but it has not happened. The bureaucrats are not moving the paper. The bureaucrats, because of their indifference or maybe laziness, what ever, the bureaucrats are threatening to smother the progress toward reestablishment of democracy in Haiti.

Troops have been there. Hard political decisions have been made. All has been put in place, but very little is happening.

I think Mr. Strobe Talbott again summed up the situation very well:

> Mr. Chairman, the best defense of our Haiti policy is a simple one: We intervened in Haiti because it was in our national interest. We intervened after every other alternative had been exhausted, and we intervened because it was the right thing to do. Mr. Chairman, the American intervention in Haiti has been successful thus far. Now we must see the job through, and that means until the completion of the United Nations mission 12 months from now. As I have already stressed, we cannot solve Haiti's basic problems. The Haitian people must solve it themselves. But they will do it with the help of the international community.

It would be unwise, most unfortunate, if the international community's bureaucrats, executives, failed to do their job at this point.

Let us move the paper. Let us do the job. Let us complete the job of restoring Haiti's democracy. Let us do what is necessary to rebuild the economy of Haiti.

□ 1845

BALANCING OUR BUDGETS IN A POSITIVE MANNER

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 5 minutes.

Mr. SCARBOROUGH. Mr. Speaker, this week as we start talking about the very important tax debate and the budget debate, I am looking forward to hearing positive discussions on where we move this country over the next 5, 10, 15 years, to see if we will finally come to grips with the economic uncertainties and try to balance our budgets and at the same time try to move forward in a positive manner to make sure we put money back into the pockets of middle-class, working Americans who for too long had seen their money sucked up in Washington and they see absolutely no return for their money.

Unfortunately, instead of this afternoon of hearing discussions along those lines, we have heard that the Republicans have killed school lunch programs, we have heard that the Republicans have killed Big Bird, we have heard that the Republicans are slashing education funding.

Well, let me tell you something: All three of those facts are simply misrepresentations, and they are wrong.

First of all, you are not cutting spending on a bureaucratic program if you spend more money next year than you spent the previous year. Take, for instance, funding for school lunch programs. Over the next 4 years, under the current proposals that passed through this House, we will be spending more money on school lunch programs than we spent in the previous year. Maybe in Washington there is some sort of new math that I do not understand. I am a freshman here. Maybe I am a little shrill, I do not know. The fact of the matter is if you spend more money next year than you spent last year, in middle-class America, where I come from, or in small businesses across the country where I worked, that is called a spending increase. Let us reframe the debate and let us get serious about it.

When you come to the floor and talk about killing Big Bird, when the fact of the matter is the Republican majority voted against killing Big Bird, so to speak, when the Crane amendment was on the floor, then you are not killing Big Bird.

The fact of the matter is it is more Washington-speak, more emotional dribble that is supposed to inflame people and get everybody excited and aroused in the debate, to give this false impression that we are cutting all these spending programs.

I am humored by calls out there where the question is asked, ''Do you believe Republicans are cutting too much?'' Some people are saying ''yes'' because of the debate we are hearing on the floor. The fact of the matter is we have not cut anything yet. We have not gone far enough.

You take educational funding, for instance. We hear talks about how we are cold and cruel and going to be cutting education. Well, let me tell you something, you can be for children and you can be for education without being for a huge Federal educational bureaucracy that has wasted money over the past 20 years and provided little, few results.

Take the Department of Education bureaucracy in Washington, for instance. It was established in 1979. Most everybody understands that it was a payoff from Jimmy Carter to the teachers union, the NEA, to have their own Federal bureaucracy up here. But the fact of the matter is, if you look at the money that has been poured into that bureaucracy over the past 20 years and look at the results, you will see that our children are not getting the best bang for the buck. The fact of the matter is in the years since the Department of Education bureaucracy was established, test scores have gone down, violence in school has gone up, dropout rates have gone up and every other measure by which we measure our educational institutions have shot down.

Let us reframe the debate and say it this way: Because I care for children, because I care for education, I am going to be against blowing more money on a Federal educational bureaucracy, and I am going to allow parents and teachers and students and people in the individual communities to have more of the say-so over how we teach our children than a bureaucrat in Washington.

While we are at it, we can reframe the debate on all these other Federal agencies that have exploded over the past 30 years since the Great Society. We have spent $5 trillion on Lyndon Johnson's so-called war on poverty that ended up being a war on the family, ended up being a war on hard work, and a war on personal discipline, and so forth.

We have to reframe the debate and speak straight to the American people. We owe them that at the least.

REDUCING TAXES: THIS IS THE WEEK THAT WAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, after we finished this week, a lot of people are going to be saying, ''This is the week that was.'' This is the week that we are talking about reducing taxes.

You know, a year and a half ago this body increased taxes over the 5 years of the budget by $25 billion. Economists have come to our budget committee and said tax increases are a depressant on economic growth and job growth.

So some of us thought that it would be good in the Contract With America to take away some of those giant tax increases from a year and a half ago. So the question was: How do we reduce some of those taxes in a way that is going to encourage economic growth, job growth in this country?

Well, I was looking at one bill that was concerned about what the United States was doing to encourage savings and investment as opposed to other countries of the world. Mr. Speaker, that is what this chart shows. I am not sure that everybody can see the chart, but let me just briefly go through the chart that shows that, compared to the other G–7 countries, the industrialized nations of this world, the United States ranks dead last in savings, we rank last in our investment in new machinery and equipment per worker, and, not surprisingly, we rank last in the increase of productivity.

So if we go to all of the economic thought that is prevailing now of what should be done to increase jobs, the suggestion is that we encourage savings and we encourage investment in that new machinery and equipment, that when it is put into the hands of those workers, it makes those workers more efficient, more productive, and ultimately increases our competitive position with the world.

That is why I introduced the bill, Neutral Cost Recovery, 2 years ago, to deal with the unfairness of the way our tax code treats those businesses that buy that machinery and equipment.

The legislation coming out in the tax bill that we are going to be considering for the next 3 days does essentially three things: It increases expensing. In other words, that amount of investment in capital machinery and equipment and facilities that is allowed to be deducted as an expense, as a business expense in the year of purchase, that is increased to $35,000.

No. 2, that the remaining amount of that capital investment that is put on the depreciation schedule will be indexed for inflation and the time value of money. In other words, right now our Tax Code requires that you spread out toward the useful life of that property, 3, 5, 10, 15 years, that you spread out that deduction in what is called the depreciation schedule.

Neutral Cost Recovery indexes what you are otherwise allowed to depreciate for inflation.

The third element is something that has been very unfair to the businesses in this country; that is the alternative minimum tax.

So what we do to a business, when they figure up their tax and they have not made money that year, we again

say, ''Well, we are going to penalize you anyway by making you recompute your depreciation schedule so it results in a lesser deduction.''

So, AMP is also modified in this bill. It seems if we are concerned with increasing jobs in this country and if we are concerned with raising taxes on the American people, that it is appropriate we have the discussion this week. The $189 billion over the 5 years of the budget that we are reducing taxes is small in comparison to the $250 billion that were increased, raised on the working men and women and retirees and businesses 3 years ago by this Chamber.

So, Mr. Speaker, I hope everyone will tune into the discussion and decide whether or not it is going to help this country, whether it is going to allow hardworking Americans to keep some of their own money in their own pockets rather than give it to the Federal Government to spend, as we discuss, and ultimately pass this tax reduction bill this week.

H.R. 1215 RETURNS TAX MONEYS TO AMERICAN FAMILIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. TIAHRT] is recognized for 5 minutes.

Mr. TIAHRT. Mr. Speaker, this week we are going to see a clash of ideas once again as we have seen throughout the 100 days. This time it is going to be the big-government party that likes to take tax dollars and spend it at their whim versus the party of the people who give tax breaks to American families and others, like senior citizens.

During the 1992 Presidential campaign, our current President campaigned on the middle-income tax cut. Instead, what has occurred, last August we had the world's largest tax increase, which took money out of the pockets of American families.

H.R. 1215 is a bill that will return tax money to the families so they can spend it, because the party of the people believes that American families understand better how to spend their dollars than the Government.

Each time we lose $1 to taxes, it is a loss of freedom. Many people across America, through higher taxes, have lost freedom, have lost the ability to spend money as they see fit.

H.R. 1215 will also help America's senior citizens. Last August, the party of big government cut social security by $25 billion in the form of a tax increase. What this bill is going to do is restore that cut to Social Security. We are going to allow senior citizens to retain more of their income, allow them to meet their long-term health care needs, we are going to allow tax incentives to encourage individuals to purchase long-term health care insurance.

We are also going to move, in H.R. 1215, to help Americans save. We are going to do this through the American Dream Savings Account. It is an IRA-type account that will allow families to contribute up to $4,000 per year in these IRA accounts. These contributions are going to earn interest, and after they have been there for a 5-year period, we are going to allow those individuals to withdraw that money without penalty for first-time home purchasers, for post-secondary education expense withdrawals, education expenses, medical expenses. This is going to help those who have put away money to use it for a rainy day-type situation. Plus, it allows them to save for their retirement.

If you look at the free democracies across the world, you will find by comparison Americans save less than they should, percentagewise. In Japan, for example, their savings are around 20 percent for average income. Here it is about 5 percent. This is a method of getting people around America to save money, put money away, and also put money into the capital stream to help create jobs.

Next thing we are going to do in H.R. 1215 is to help farmers and ranchers and those in the timber industry by allowing a 50 percent reduction in capital gains taxes, capital gains indexing, estate and gift taxes.

I want to tell you about one farmer I was very close to, my grandfather, J.W. Steele, who had a farm in South Dakota, and spent most of his time working very hard.

He used to tell me as a young boy that farmers were an interesting lot because they spent their whole life poor but they died rich. Sure enough, when he passed on to the next life, he died as a millionaire. His farm went through the estate tax, and my parents had to purchase that farm at the cost of approximately the price of a new farm because of the way land prices had gone up and down in thattime frame. This is going to help people who are trying to keep the farms in their families, so that they can continue the tradition. It is going to help people. It is going to help ranchers to pass on what they have invested their entire lifetimes on.

□ 1900

Mr. Speaker, it will allow a situation where you are not just a millionaire for one day, but that you can go on, pass this on to your heirs. Also capital gains is very important when it comes to creating jobs.

An uncle of mine who lives in Mecklenburg, NC, one time told me, ''How many who are poor hired you for a job,'' and I had to tell him, ''No, no one has,'' because it is those who have capital that hire people for jobs.

So the capital gains tax reduction here is going to increase jobs here in America, and increasing jobs is what increases hope for America.

We found out for giving people free money that their self-esteem is reduced. You cannot have self-esteem without accomplishment, and you cannot have accomplishment without work, and it is always helpful to have a job when you are going to work. So we are trying to restore hope in America by creating new jobs through capital gains reduction.

Mr. Speaker, I spoke with the majority leader, the gentleman from Texas [Mr. ARMEY]. He talked about the benefits of capital gains tax, and that 90 percent of the benefits go to the workers and only about 3.1 percent actually goes to people.

So I encourage my fellow Members of the House to pass H.R. 1215 and give America hope for the future.

FEDERAL STUDENT AID PROGRAMS TARGETED TO PAY FOR THE CONTRACT WITH AMERICA

The SPEAKER pro tempore. (Mr. KINGSTON). Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, Members of the House, this past Friday the gentlewoman from San Francisco, CA [Ms. PELOSI] and the gentlewoman from the Palo Alto Valley south of San Francisco, CA [Ms. ESHOO] and myself held a hearing to listen to both school administrators, and parents and young people who are attending our university system, private university system, our public university system, the California State University system, and our community colleges, and who were doing so because of the availability of student loans and the interest subsidy that we provide on those student loans while young people are attending school and for a 6-month period after they graduate from school or cease to attend school before they start paying back those school loans. What we heard was a rather remarkable set of stories from young people and their parents, some young people on their own and some accompanied by their parents, telling us what their families are doing, are prepared to do and have done in the past to try and secure the opportunity of higher education, of a college education and degree, for their young people. They have made personal sacrifices in trying to obtain savings so that they can provide for their children. Many of them have refinanced their houses, gone into the workplace, worked extra hours, and yet still they do not have sufficient money to attend the State university system or the UC system, or our private universities, and, as a result of that, they have used the student loans that are made a part of the fabric of American society because of the Federal student loan program. Many of those students have also used the campus-based programs, work study programs, to provide additional moneys, and what we heard was the kind of sacrifices that hard-working American families of modest means in most instances are prepared to make so that their children will have, in some cases, a better education than their parents,

but certainly so they will have an opportunity to have that education so that they can participate to the fullest possible extent in American society, and certainly in the American economic system, and yet what we see in the illustrative list of cuts being proposed by the Republicans is what could cost California some $266 million in student aid that otherwise would be flowing to those students.

Mr. Speaker, what we heard from the people testifying was in some instances this would mean that they could no longer continue school. Others would have to reduce the number of classes they take and try to increase the number of hours that they are already working today, which means they would have to be in school for a longer period of time and then borrow more money because they were in school for an extra semester or an extra quarter to achieve their degree. We heard from such individuals as May Wu who was at Stanford Law School. She said,

> After I graduate, my monthly payments for school loans alone will be approximately $1,000 . . . it would have been substantially higher, and therefore beyond my reach, if not for the availability of federally-subsidized low-interest loans.

Michael Rodriguez told us, as he filled out his application, he never knew that student loans existed. He was a 9-year veteran of the Marine Corps, and somebody told him while he was in Kuwait, while he was fighting in Desert Storm, that he filled out his application in the foxhole, and he says,

> I give thanks every day that programs like financial aid exist for students like myself . . . Financial aid has become more important now than ever before as we face proposed [State] cuts in education.
>
> For me, financial aid has allowed me to achieve my goals, for which I am thankful. Now, with one semester left before I graduate, I work with high school students so that they might be able to have chances that were afforded to me through the help of financial aid.

He is now telling other young people how they might secure a college education.

The parent of Michael Garibaldi, Ronelle Garibaldi, talked about what this meant to her family, how she and her husband sat around the table and tried to work out the finances so that their son could continue in school. She said,

> We hold our breath until the envelope comes with Michael's award package and don't start breathing again until we've sat down with paper and pencil to once again determine if he can return in the fall.
>
> I am often told I have a passion for financial aid. While that is true, it goes much deeper than that. Actually, I am a mother with a passion for opportunity for a higher education for my children, as well as all children.

That is what is at risk with the proposals by the Republicans to slash student loans so they can give tax breaks to people earning over $100,000 who do not necessarily need it and certainly give no indication that they want it when they understand this is the kind of penalty that is paid by America's young people and families.

WE NEED TO CUT TAXES FOR THE AMERICAN FAMILY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. CHABOT] is recognized for 5 minutes.

Mr. CHABOT. Mr. Speaker, the minority leader, a Democrat, made an interesting statement the other day. Referring to the tax cut bill that we will consider this week he said, ''This issue,'' meaning taxes, ''may be the best expression of the differences between the parties,'' and you know he is probably right. Republicans understand that the American people are overtaxed. We Republicans understand that the tax burden that the Government imposes on families and on senior citizens is becoming simply intolerable. We understand, and we are taking a first step to reduce that burden, to reduce taxes. That is a big difference from the last Congress when the Democrats were in charge, when President Clinton was able to ram through the biggest tax increase in American history.

Well, there is a new majority here now, and I say, ''You're right, Mr. Minority Leader.'' This new majority leader does seek to cut taxes. We are tired of seeing our Government throwing money around and expecting working families to pick up the tab.

The most devastating change in the Federal tax system over my lifetime has been that Government has shifted the tax burden so heavily onto the backs of working families. The tax code now discriminates against families. It penalizes marriage, and it burdens parents trying to care for their own children.

In fact, during my lifetime, and I'm 41 years old—actually 42 now—the Federal income tax burden on a family of four has increased by over 300 percent as a share of family income. That is outrageous. It threatens the very foundation of the American dream. It denies opportunity to people trying to work their way up.

The Government has been imposing a hidden tax increase on families every year by holding down the exemption that parents can take for dependent children. Right now a lot of you at home are probably working on your income taxes or thinking about it, and you probably know, in looking at the taxes all this year, that you can claim $2,450, almost $2,500 per person in your family as an income tax exemption. Well, if that rate had gone up to match inflation, that exemption would now be $8,000, $8,000, and we can only claim $2,450.

Mr. Speaker, that is just not fair, but, despite that fact, there are some in this body who would begrudge parents even a $500 per child tax credit, and that is sad, and they call us mean spirited.

Well, we ought to remember that it is not our money. We are proposing allowing families to keep a little bit more of the money that they themselves earn. We should not act like it is a gift or a handout; it is not. It is simple fairness.

So, too, is the rollback we propose of the 1993 recordbreaking tax increase on senior citizens. Seniors were unfairly singled out for punitive treatment. We are going to undo that, and we are going to provide relief from the unwise earnings limit that insidiously taxes seniors who choose to continue working.

We are also going to reduce the marriage tax penalty. We have just been through a long debate over outdated welfare policies that tear families apart, and we voted for reform there. Let us reform the tax system's ridiculous marriage penalty as well.

Now opponents of tax reform who do not think that the American people are overtaxed argue that you cannot have take both tax relief and a balanced budget. Quite frankly, some of them do not seem to want either goal, judging from their votes, but I believe that we have got to send a message that Government just cannot continue to increase spending at the rate that it has. Government spending is out of control. That does not mean that taxes are too low. Quite the reverse. We just spend too much up here in Washington.

We also need to reduce capital gains taxes so that we can create more jobs. There are still a lot of people in this country who need jobs. If we cut capital gains taxes, that will mean more jobs for Americans. The old class-warfare arguments for keeping capital gains rates high will not wash anymore. Productive investment, whether in a home or in job-creating business is something that everyone should want to encourage, and nearly 60 percent of capital gains tax filers have adjusted gross incomes under $50,000, so it is not just tax breaks for the wealthy.

So, please, let us not try to divide Americans up and pit one group against another anymore. We are all in this together, and, as a people, we are overtaxed. We need to cut taxes, we need to cut taxes on the American family, and we are going to do that this week.

AMERICANS WANT TAX CUTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. I want to continue the remarks that were made by my colleague, the gentleman from Ohio [Mr. CHABOT]. I think he well elucidates the reasons we need to have the tax credits and the tax cuts adopted here in the House this week. You know, looking at what the American people want, Mr. Speaker, they want three things. They want to see tax cuts, spending cuts, and deficits reduction,

and under the Contract With America we can achieve all three. We have already earmarked $180 billion for deficit reduction, we already earmarked $190 billion for spending cuts, and this is according to the Congressional Budget Office, and the third is now we are dealing with the tax cuts. Let me just review, if I can, a few of those tax cuts we are speaking about in legislation this week which we think is going to be a positive step for all American families.

First, the family tax credit. Five hundred dollars tax credit for each child in a family; this will help families with their basic expenses. We also have the American dream savings accounts. By this we will have established a new savings vehicle where we will have on a joint return $2,000 for each spouse and a tax deduction dealing with the IRA's, $2,000 for each spouse.

□ 1915

This will increase savings and encourage each family to have the nest egg they need in retirement. We are going to take care of our help for Senior citizens by repealing the tax increase on Social Security benefits. The 1993 increase in the amount of Social Security benefits which was subject to income taxation will be repealed. Also we will raise the Social Security earning limit from $11,280 to $30,000 phased in over 5 years. That will help many of our senior citizens who are independent and maintain a degree of income without impinging on their Social Security with their own fixed incomes.

Mr. Speaker, under this legislation we will have tax incentives for private long-term care insurance, allow tax-free withdrawals from IRA's for long-term care insurance. We will also provide capital gains relief for individuals by cutting in half the rate to 19 percent. This will encourage savings, business expansion, job creation. For businesses, a 25 percent alternative tax for capital gains.

We will also have in this legislation, Mr. Speaker, a taxpayer public debt check-off and trust fund. This bill will allow individual taxpayers to pay up to 10 percent of their tax liability to a public debt reduction trust fund. A tax credit for adoption expenses up to $5,000. Tax credit for adoption expenses up to $5,000. Tax credits for the home care of the elderly. All of these items will help all of our individuals. In addition, we even have special expensing for small businesses. The bill will increase the amount of property a small business can expense. This will encourage, again, more jobs in our society.

Mr. Speaker, we can have all three: Spending cuts, deficit reductions, and tax cuts which will help our families, help our businesses expand and produce higher, and will also help every single sector of our society do better and achieve the American dream.

FAIRNESS OF THE AMERICAN TAX RELIEF ACT OF 1995

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from Illinois [Mr. EWING] is recognized for 5 minutes.

Mr. EWING. Mr. Speaker, I come here tonight to visit about what my colleagues have been talking about, the very important business that we had before us this week, the American Tax Relief Act of 1995.

This is part of the Contract With America. It is a very important part in the last leg of our journey through the 100 days. The Contract With America was an effort to make improvements in our country and the way we operate its Government which will help protect the American dream. These elements of the contract should not have been partisan between the Republicans and the Democrats and I am thankful to say in many cases they have not been and we have received a number of supporters from the other side of the aisle.

But unfortunately now that we come to the end of the contract period, I believe the success of the contract has caused the other side of the aisle to say, ''Can we block this final part of the contract, the American Tax Relief Act of 1995?'' It should not be partisan either and we should put aside the rhetoric about tax relief for the rich. That is class warfare. What we want is a fair tax schedule for every American, not rich, not poor, for every American. I believe that the American Tax Relief Act of 1995 is that fairness.

We promised to bring it to a vote. Every Member will have an opportunity then to vote his conscience, so I would encourage bipartisan support for the rule to bring this bill to the floor.

Now, why do I say it is fair? Because it covers all spectrums of the American scene. Certainly it is the middle-class tax relief that the Clinton administration never brought to the Hill but promised in the campaign.

Why do I say that? The child credit certainly is very important to the middle class. The marriage penalty is very important to both spouses when they are working and trying to get ahead and improve their own American dream. Improving the IRA's for spouses and for working individuals. The adoption credit. The credit for families who take care of their own elderly members without expecting the State to pay for their care in nursing homes, and of course, repeal of the very unfair Social Security tax on middle-class senior citizens.

Mr. Speaker, we hear so much about capital gains. Ladies and gentlemen, capital gains is not a tax break for the rich, though they may use it. It is a tax option for all Americans. We have ample proof that capital gains is used by the ''little people'' in America, certainly as much or more than it is by people with more means. In fact, the returns show that nearly 60 percent of those who used the capital gains benefit when it was available had incomes under $50,000. The argument that it will cut into revenues is just not accurate if you base that on past history.

In fact, some years ago, CBO projected what would be the income level from the capital gains tax while we had a lower rate. Of course, we changed that and we are well below the projections of the CBO for revenues generated by the capital gains tax. In fact, if you look at the chart over a long period of time, you will see that capital gains revenues from assets sold, put back into the economy, have gone up when the rate is low and gone down when it is raised.

We need to address the capital gains tax along with the rest of it. We need to get away from the partisan rhetoric about capital gains tax being for the rich.

I take exception to that. I would insist that every Member go back to his district and check with his people, and I think he will get the right answer. Encourage support for the American Tax Relief Act of 1995.

TAX RELIEF BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. BARTLETT] is recognized for 5 minutes.

Mr. BARTLETT of Maryland. Mr. Speaker, this week we vote on the most important part of our Contract With America.

In the last Congress, the largest tax bill in the history of this country was passed; and, in typical form, it was mislabeled and called a deficit reduction package. Six times, at least six times in our history, we have tried to reduce the deficit by increasing taxes. It did not work any of those six times, and it may not work now. Only a few of those tax increases have kicked in, and we are already beginning to see the deleterious effects of these high taxes.

We will be voting this week on our tax relief bill. This tax relief bill will do two things: It will provide some relief from Clinton's tax increases. It will permit our hard-working people to keep more of their own money. And it will reduce the deficit.

When you leave money in the private sector, it creates more and better jobs than when it is taken into the public sector. And in spite of a tax decrease rate the increased tax base inevitably will yield greater tax revenues. So this is truly an important part of our deficit reduction plan.

Tonight, I would like to spend just a moment looking at what we are going to do for senior citizens.

In the Clinton largest-tax-increase-in-history bill, our senior citizens have been limited to earning just $11,200, after which time their Social Security benefits are cut. If a senior citizen has a job earning $5 an hour, for that $5, he gets to keep only $2.20.

This is a higher tax rate than is levied on our multibillionaires. Ross

Perot pays less taxes, a smaller percent of taxes, than do our senior citizens who choose to work beyond this very low $11,200 cap.

Our bill will raise that tax over a few years from $11,200 to $30,000. This whole bill is fair and responsible, and our senior citizens know.

THE $64 BILLION QUESTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. STUPAK] is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, when I was growing up as a young kid in northern Michigan, we used to have a saying, and I think it was a popular TV program, that the $64,000 question, the $64,000 question is, and part of that game show was if you got it right you would get $64,000. That was the big question back then, and that was the question that everyone wanted to answer because it was the epitome of all questions. And if you would answer that, you would be so much further ahead.

This $64,000 question used to be the ultimate question. But I guess in today's terminology and now in the 1990's it was the mother of all questions.

Mr. Speaker, the $64,000 question has now grown with inflation and all to a $63 million question, a $63 million question, a question that we must have an answer to. It is a question that America needs an answer to. It is a question that this institution as an institution needs an answer to.

The $63 million question is whether or not the President will veto H.R. 381, the bill which amends the IRS Tax Code to permanently extend the deduction for health insurance costs of self-employed individuals.

Well, I agree with that provision. I think probably most Members in this House would agree with that provision. I agree that the intent of the bill, H.R. 381, was to permanently extend the deduction for health insurance costs for self-employed individuals.

But in that bill that was voted on last Thursday, which most Members on this side of the aisle, Democratic Members, voted no, there was a $63 million question. Because in there was a $63 million deal for one self-employed individual named Rupert Murdoch.

Now, I do not know if Mr. Murdoch does or does not need the 25 percent deduction for his health insurance, as was the original intent of H.R. 381. For I believe that probably one of his companies probably picks up his health insurance. But I will not give him the $63 million special exemption allowed to only him and only to his company under H.R. 381.

You see, H.R. 381 not only permanently extends the deduction for health insurance costs for self-employed individuals but it also repeals the provision of nonrecognition of gain. It repeals the capital gains tax if you sell your FCC license, Federal communication license or a TV or radio station to a minority-owned company. If you did that, you did not have to pay the capital gains tax. We had a big hoopla about that because of the Viacom deal.

So in this bill we went back. We were going to correct all that. We were not going to give special tax breaks to minorities anymore in capital gains. And that was found in H.R. 381, and we repealed that special tax break.

Many of the people, I am sure, listening in this audience said that was a good provision. But is it good that only one person or one company gets a $63 million tax break? Why is this special tax break repealed for everyone, repealed for every company except Mr. Murdoch? A $63 million tax break for one individual and his company by specifically exempting that company and that deal under H.R. 381.

I well remember Mr. Murdoch. That is not the first time his name has came up in this esteemed body. His company gave the Speaker a $4.5 million book deal. Now Mr. Murdoch gets a $63 million special tax deal. He pays no capital gains tax for this and his company under the profit or from sale of his corporation, a capital gains tax that was to help but one person who, if my memory serves me correct, that individual is not even a citizen of this country. yet Mr. Murdoch and his country gets a huge tax break. Why another $63 million deal?

Mr. President, I hope you veto this bill. In your veto message I hope you will tell Mr. Murdoch there is no special deals in this body, in the House. Tell Mr. GINGRICH there is no special deal for owners of companies that give special deals on books. Tell them no special tax cuts to individuals who are not citizens of this country.

□ 1930

DEBATE ON TAX PLAN PROVISIONS

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

Mr. HOKE. Mr. Speaker, I wonder if the distinguished gentleman, since it is on my time, would answer one question. Who was it that insisted at the conference that this sweetheart deal for Murdoch be placed in the conference report? Who was the individual that did that?

Mr. STUPAK. Mr. HOKE, I am not part of the conference committee.

Mr. HOKE. Do you know the answer?

Mr. STUPAK. No, I do not.

Mr. HOKE. I know the answer. The answer is the junior Senator from Illinois, the Democrat, Ms. MOSELEY-BRAUN. She is the one that insisted on it. She is the one that asked it be put in the conference report.

Mr. STUPAK. If the gentleman will yield, I know you have read the same articles I have on the $63 million deal from Mr. Murdoch. When that question was put to the junior Senator from Illinois, what did she say? What did she say? If I had my way, we would never repeal the exemption for minority-owned stations, and that junior Senator is a minority, because she thinks it is wrong. She opposed it.

Mr. HOKE. Reclaiming my time, that does not answer the question. The question is who put it into the conference report? Clearly it was the junior Senator from Illinois. And your attempt to somehow smear this Speaker on this, when the Speaker had absolutely nothing, nothing whatsoever to do with this, is such a blatant and ugly and clearly politically, partisanly motivated ploy, I do not understand why you make it, when it is so transparent, when it is pointed out that the Speaker had nothing to do with it.

The Speaker was not involved with the conference. As I understand it, this is something that was put in the conference report by the junior Senator, a Democrat Senator, from Illinois, with respect to a specific request that was made to her, not even by, as I understand it, Rupert Murdoch, but by Quincy Jones. Have I got the facts wrong?

Mr. BONIOR. If the gentleman will yield, let me shed a little light on this. You are indeed correct that this was put in the conference and was put in at the behest of the Senator from Illinois to take care of a deal that was pending. But what you are not correct on is that there were 18 deals pending, and this was the only one that was accepted.

Now, you know as well as I do, my friend from Ohio, that in order for something to come to this floor to be discussed, it has got to get the Speaker's approval. The Speaker, I believe, admitted today in a conference he had with reporters that he met with Congressman ARCHER, the chairman of the Committee on Ways and Means, and they talked about this very issue. And they agreed to let it come to the floor. Nobody in this institution knew it was in the bill, except maybe a handful of people. It got out of here on a voice vote after we opposed the bill when it came to the House floor because of the billionaire exemption it had in it, and nobody knew here. That is not the way to do business.

Mr. HOKE. Reclaiming my time, the fact is that the Speaker had nothing to do with this piece of legislation in its minutiae and in the detail you are speaking of with respect to a specific request that the Democrat Senator from Illinois, Ms. MOSELEY-BRAUN, wished to have made in order and insisted on at conference.

Those are the facts. Whether or not Mr. ARCHER and Mr. GINGRICH discussed the bill in general and in its terms is hardly the issue. The issue is who insisted that this be put in at conference. Obviously it was not Mr. ARCHER.

Mr. BONIOR. Who insisted it stay in this bill?

Mr. HOKE. This is my time. It was not Mr. ARCHER, it was not Mr. GINGRICH, it was Ms. MOSELEY-BRAUN. It

was not something that our side wanted anything to do with. It was special legislation for the junior Senator from Illinois.

Mr. Speaker, what I was going to ask was for people to put on their green eye shade so that I could go through some of the details of exactly how we are going to reduce the tax burden for senior citizens. Unfortunately, I will not have time to do that.

What I will say is we are going to on Wednesday restore the $25 billion in cuts that were made in Social Security, cuts to senior citizens by this Congress. Not a single Republican voted in favor of those cuts in August of 1993, and we are going to restore those cuts so that senior citizens are not deprived of their Social Security benefits that were deprived to them by the Democrat Members of the House and of the Senate.

A TAX CUT OR A TAX INCREASE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

Mr. WYNN. Mr. Speaker, I rise this evening to join the fray in the debate about the tax increase that we are about to vote on this week. I am very concerned about the issue of tax fairness. I think what we have seen over the past couple of weeks is a consistent pattern wherein the Republican majority has consistently stolen from the poor to give to the rich. This is not an issue of whether there ought to be tax break for middle class, working poor people in America, because that is not what there tax break does. It goes to people who make as much as $200,000 a year, and I think that is wrong.

This was dramatically illustrated when we analyzed the proposal to cut the school lunch program, and the Republicans suggested we will cut the school lunch program, we will underfund it in comparison to anticipate needs, we will not adjust for inflation, so we can cut money out of this program to help fund the tax cut.

It is evident in the attempts to cut the college scholarship program. Once again, taking from the middle class, the working class, in order to fund tax increases that benefit people who make up to $200,000 a year. It is my view that if there is going to be a tax break, it ought to be given to people who are making under $100,000 a year, not the wealthy people, not the attorneys and the Congress people and people like that who do not need it.

Or, and there seems to be a lot of sentiment that this is what ought to be done, we ought to take that money and put it into deficit reduction. Even when I talk to some of the wealthy people who would get this tax break, and I say do you, making $150,000 a year, want this $500 per child tax break, or do you want to see this money go for deficit reduction? Overwhelmingly, the professionals, more well off people, say Congressman, what we need to do is put this money into deficit reduction.

So it seems to me the Republicans are wrong on two accounts. They are wrong for taking money out of the mouths of children to fund a tax cut for the wealthy, and for not responding to the legitimate needs of the country, which is deficit reduction.

What I wanted to focus on today is yet another indictment of the Republican tax proposal in that it creates an additional tax on working people, a specific category of working people, Federal employees, I rise today to express my grave concern for several measures contained in H.R. 1327. I am concerned specifically about title IV of this measure.

While my colleagues on the other side of the aisle will tell you they are reducing the taxes for the American family, in actuality they are increasing taxes for some of our hardest working citizens, Federal workers. Under the proposal coming forth this week, 2 million people working for the Federal Government will be taxed an additional 2.5 percent of their income. This so-called contribution comes in the form of an additional contribution by these Federal employees toward their retirement. What this amounts to on average is a $750 per year tax on the average Federal employee who makes $30,000 a year.

Now, what I cannot understand is how they are going to receive on the one hand a $500 per child tax break, but yet on the other hand lose in the form of an additional contribution, additional taxes toward their retirement, $750 a year. They are going to be $250 in the hole.

There may be some question in Republican minds as to whether this is a tax. Well, the Congressional Budget Office scored this as a revenue, which means it is in fact a tax. Apparently the CBO knows it is a tax, yet the chairmen of the Committee on the Budget and the Committee on Rules would not recognize this as being the case.

The proposal to increase the employee contribution is so ludicrous that even several Members of the Republican Party have stated should their party continue to pursue this proposed tax credit, they would vote against the measure.

Let me repeat, and urge my colleagues to listen carefully. This bill coming before the House tomorrow taxes Federal employees making $30,000 a year to provide a tax credit for those making up to $200,000 a year. Each Member of this House has Federal workers in their district. I hope you will stand up and tell them you are imposing a tax on them so you can give someone making $200,000 a tax break.

As the saying goes, the devil is in the details, and this is certainly the case. The Federal contribution would be increased from 7.0 percent to 9.5 percent of salary in order to meet this requirement. This is an unusual situation because initially it was couched as a suggestion that there needed to be some sort of change in the system, that the retirement system was somehow flawed. But in fact a study by the Congressional Research Service indicated that there was no unfunded liability. So if it is not to solve unfunded liability, it can only be to round up money to provide tax benefits for the wealthy.

Mr. Speaker, I hope we will reject this ill-conceived recommendation.

FAMILY TAX RELIEF IMPORTANT FOR AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. HUTCHINSON] is recognized for 5 minutes.

Mr. HUTCHINSON. Mr. Speaker, I welcome the opportunity to appear before the committee today to discuss the importance of family tax relief. Let me say at the outset, Mr. Speaker, how must I appreciate your personal commitment to the American family and your leadership in promoting legislation which strengthens and empowers American families.

The intact family is our country's most effective government—the most effective department of housing, the most effective department of education, the most effective department of human services, and the most effective department of labor.

The family is the fundamental unit of society, the guardian of our social fabric and primary conveyor of values. Yet it has been under attack by an unsympathetic government. We could not have devised more antifamily public policy—to the end of undermining the traditional American family—than if we had sat down and consciously designed such a plan.

We have taxed them until both parents have to work in the job market, regardless if one wishes to stay at home and rear the children. The average family of four now spends 38 percent of its income on taxes—more than it spends on food, clothing, housing and recreation combined.

We have allowed the value of the dependent exemption to erode over time until it is worth only a fraction of what it was 40 years ago. In effect we have said that children and families are of less value than they were in the last generation.

We have allowed a marriage penalty to exist in our tax law that sends the undeniable signal to our citizens that marriage isn't really all that important.

We have codified inequitable IRA tax provisions that say a spouse in the marketplace is more valuable to society than one in the home.

We have created a costly and bureaucratic adoption system that leaves thousands of adoptable children in less stable and secure environments than they could be enjoying.

And we have defended a welfare system that offers cash subsidies to unmarried teen-age mothers.

Why are we than surprised when family break-up becomes commonplace, dysfunctional families are routine and 1 out of 3 children born in America are born out of wedlock?

If it were a foreign government that had imposed these policies, it would be regarded as an act of war.

It is not too much to expect that government be the friend, not the foe, of the family. One critical step toward that goal is the passage of the $500 per-child tax credit. Seventy-four percent of this tax relief would go to families with incomes under 75,000. it is progressive and would be worth a lot more to the cuy with a lunch bucket than to the corporate executive in the country club dining room.

This $500 per-child tax credit would shift power and money from Washington bureaucrats and return it to the moms and dads of middle America.

For a middle class family of four that $1,000 could mean the difference in whether both parents have to work, it could mean the difference in whether health care premiums can be paid, it could mean clothing costs for an entire year, it could mean the down payment for the cost of a collage education or it could mean a trip to the pizza parlor once a week, but it should be the families' choice not ours.

Please remember family tax relief is not a new spending program, not a new entitlement, not a give away from the Government. It is simply allowing the American family to keep something that already belongs to them—more of their earned income. The time for family tax relief is now. Forty-five million American families making less than $75,000 a year would receive meaningful relief from the heavy burden of taxation. The American family is tired of high sounding rhetoric and empty speeches about family values while policy makers kick them in the teeth again by saying ''we can't afford it now.'' We can't afford not to do it now. Our national security is intertwined with family security. Strong and secure families mean a strong and secure society.

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Mr. STUPAK. Mr. Speaker, will the gentleman yield?

Mr. HUTCHINSON. I am glad to yield to the gentleman from Michigan.

Mr. STUPAK. I just had a question, Mr. Speaker. In your statement you indicated that the person would be better off under your tax plan because he would have more money in his pocket. Yet how do you justify the gentleman with the lunch bucket paying Federal taxes, and yet your tax bill repealed the alternative minimum corporate tax, so the corporations do not have to pay their taxes? How would that help the gentleman with the lunch bucket?

Mr. HUTCHINSON. I am referring specifically to the $500 tax provision, the tax break we offer for the children. I think it is clear that someone in the middle and low income is going to benefit a lot more than someone eating in the corporate dining room.

Mr. STUPAK. I am asking about the corporate tax repeal.

A DEBATE ON THE ISSUES OF TAXES

The SPEAKER pro tempore (Mr. KINGSTON). There being no designee of the majority leader, under the Speaker's announced policy of January 4, 1995, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, I would like to engage my friends, the gentleman from Michigan [Mr. STUPAK] and the gentleman from California [Mr. MILLER], in debate about this whole issue of taxes, because I think it is quite relevant. We are entering a very critical part of the 100 days.

I might say to my friends, the gentleman from California, the gentleman from Michigan, to answer that question, this tax bill is so weighted for those select few, the privileged few in our society, the ones who are most comfortable, that it is an absolute outrage.

The gentleman from Michigan [Mr. STUPAK] is absolutely right. The tax bill we will be discussing and voting on this week gets rid of the alternative minimum tax. What is that? I will tell you what that is. That is the tax that corporations, you know, the Fortune 500, the wealthiest corporations in the country, have to pay. The reason they have to pay it is because in the early 1980's, from 1981 to 1985, you had 130 out of the largest corporations in America pay no taxes for one of those years. They were not paying taxes. So, you know, we embarrassed them in this House to incorporate an alternative minimum, which Ronald Reagan finally accepted after harassing him for about 3 or 4 years. Now that the Republicans are back in power, they want to get rid of it.

In addition to that, the capital gains tax, and we are not opposed to a tax for entrepreneurs and investors, we just want to see it equally distributed. The proposal that the Republicans have on capital gains would give 80 percent, close to 80 percent of the benefits to those making over $100,000 a year or more.

Basically, Mr. Speaker, if you are making $20,000 or $30,000 or $40,000 or $50,000 you will get maybe $25 or $26. If you are making over $100,000 a year you get about $1,100. The higher you go up in income, the more you are going to gain.

Of course, Mr. Speaker, the tax proposal in general is weighted heavily. Over 50 percent of the benefits go to those making over $100,000 a year. That is why we are opposed to it, that and the deficit issue, but the inequity of it is so outrageous. I am not surprised that it is weighted that way, because during this past week, we have seen two glaring examples of how my friends on this side of the aisle, with the exception of about a half a dozen of them who had the courage to stand up for these proposals, the Republican Party has supported proposals that would reward millionaires and in some instances billionaires from paying their taxes, avoiding paying taxes if they renounce their U.S. citizenship.

You say, ''Gosh, would anybody do that? Would anybody actually have renounced their American citizenship?'' Yes, they would. You have got about 12 to 24 people in this country who are playing that game. The cost to the U.S. taxpayers is about $3.6 billion over a 10-year period, giving up their citizenship in an unpatriotic way, after having had this country defend them, defend their interests, defend their assets, and throwing it away so they could avoid paying their responsible share back to the people who worked for them, the men and women of this country.

We had a proposal to get rid of that provision, to make them pay their fair share. The people on this side of the aisle, with the exception of five people, voted to retain it, to keep it, to protect them. This was all in a bill that we passed here last Thursday, over our objections, because of this provision. It was a good bill. It provided a deduction for small business people under health care, 25 percent next year, 30 percent the following year. It could have been a little higher if we had gotten rid of that billionaire provision. We would have provided a little bit more for small business people.

Unbeknownst to us, Mr. Speaker, included in that bill, and not told to us or anybody on this floor, was a secret provision that was made known to the American public by the New York Daily News. It talked about some backroom dealings cut by House Republicans. Last week the House passed legislation that would allow tax deductions, as I said, for self-employed, and repeal the tax benefits for minority broadcasters.

However, hidden in that conference report was one special provision that would allow Rupert Murdoch to reap tens of millions of dollars in tax benefits.

Mr. Speaker, it is interesting, this 100 days started with Rupert Murdoch when he gave the Speaker a $4.5 million book deal. You know what, it is ending with Rupert Murdoch getting tens of millions of dollars in tax benefits. What a shameful, shameful story.

In fact, according to the Sunday's New York Daily News, ''Republicans dropped their opposition to the tax break after learning Murdoch was the beneficiary of the legislation, and consulting Gingrich, according to six sources involved in the negotiations.''

In fact, according to an earlier New York Daily News story on Saturday, a Senate staffer is reported as saying

''The Republicans were going to kill the deal until they found out that Murdoch owned the station. Then they almost magically approved it.''

Keep in mind, the Republicans claim they oppose this kind of tax break. In fact, the Speaker said he was against it in February. The gentleman from Texas [Mr. ARCHER] made a big deal about it when he brought this bill up. He almost made a crusade about it in the Committee on Ways and Means about killing these types of tax deals. But we have 17 other pending deals that were on the block that they scrapped, they got rid of. They refused to allow these deals to go forward.

The only case, the only case involving Rupert Murdoch's TV station in Atlanta was allowed to go through with a special tax break.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, that was the point the gentleman just made. While there was a great deal of controversy in the Committee on Ways and Means and on this floor about the fairness and extent to which the Tax Code should be used to sell these communications assets, it was clearly the intent of the Republicans to get rid of all of them, and when amendments were offered to make them fairer, to reduce the cost to the taxpayer, and to scrutinize them more than they have in the past, that was rejected, because all of these had to be killed.

Apparently when they got to conference committee, they went over an inventory of the impact of this amendment, that this would have. They found there were 17 or 18 or 19 deals that were in the works, that were in stages of completion, and would benefit from this tax provision, the sale of communications assets. They decided to kill them all until they got to one, until they got to the one that represented Rupert Murdoch. I think that is what is important to understand here. As the gentleman pointed out, this 100 days started with Rupert Murdoch making a very unusual gesture. That is, a book deal to the Speaker of the House that originally was going to pay him a $4 million advance. The Speaker, to his credit, later turned that down, after the light of day was shown on that and people recognized the immediate conflict of interest.

The suggestion was that Mr. Murdoch really had no business of an unusual nature before this Congress, that there was no conflict of interest, and the Speaker had no ability to influence. Now we move those statements forward 87 days, and what do we find out? That Mr. Murdoch had specific legislation and matters before this Congress, it was brought to the attention of the Speaker, and the Speaker opened the gate for it to happen, because it was only through his willingness to allow this to happen, and apparently some negotiations taking place in the back room, that this one provision, 1 out of 17, was allowed to go forward.

Mr. BONIOR. Mr. Speaker, not very many people knew about this. I did not know about it. I do not think anybody on our side of the aisle knew about it. It was done with the consent of two or three people on this side of the aisle, including the Speaker.

I might also point out to my friend, the gentleman from California, that the Speaker is beholden to Mr. Murdoch for the sale of his book. He did not take an advance, so, you know, he is beholden based upon royalties for the book. Mr. Rupert Murdoch, who is the owner of the publishing company, can basically, depending upon how hard he pushes for the sale of the book, determine how successful it will be.

The appearance of it is grotesque.

Mr. MILLER of California. It is not only the appearance now, today, afterward. It is what was put forth to the Members of this House. Members of this House thought they were voting on a good bill to allow for the deductibility of 25 percent of the health costs for individuals, for self-employed individuals, in this country, and yet what do they find out? That that bill was now gamed by the Speaker, for the interests of Mr. Murdoch, by the Senate, for the specific purposes of providing camouflage, so under the cover, without anyone knowing this, this provision could be written into law, and Mr. Murdoch could gain apparently what is around $63 million of benefit.

The tragedy is that that $63 million now comes out of the very hide of the deductibility, as you pointed out, between this and the billionaires' tax break that was in that bill, which we did know about and we did object to, and unfortunately, we could not get the Republicans on the other side to agree to, these people maybe could be allowed a deductibility of 30 percent of their health care costs, or 35 percent, for the billions of dollars that was put into this legislation, all under the guise that we are doing something nice for the self-employed, which everybody in the House agreed with. But they gamed that with the secret deal here for Mr. Murdoch, and one clearly has a very direct connection to the Speaker of the House of Representatives.

Mr. BONIOR. Now they are asking us to take their confidences and their word on a major, major tax bill that will benefit, as we said, primarily the very wealthiest, the privileged few in our society. Why would people want to do that, after having seen this last week two glaring examples of greed for the wealthiest people in our society, with the billionaire exemption, and now with this deal with Mr. Murdoch?

Mr. MILLER of California. If I could just say, Mr. Speaker, every day we start out the House of Representatives with the Pledge of Allegiance. Members of this House and our guests in the gallery, they pledge allegiance to the United States of America. They do not pledge it until their taxes are too high, or until they want to save money. They pledge allegiance to the United States of America through thick and thin, through good and bad. They do not pledge it until their kid does not get into college. They do not pledge allegiance to the United States until their son or daughter gets drafted into the Army to fight an unpopular war. They pledge allegiance to the United States day in and day out.

Now we have a handful of billionaires that, for the sole purpose of avoiding taxes, are willing to renounce their American citizenship, and we are going to say ''Give them the congressional stamp of approval.''

It is absolutely outrageous that we would do that, considering the other patriotic Americans that have lost their lives pledging allegiance to the United States of America, that have lost their homes pledging allegiance, that have lost their children in wars, that have lost their spouses and their loved ones in wars in this country.

Now a handful of people decide that it is no longer to their advantage to pledge allegiance to the United States. They are going to leave the country for the sole purpose, this is the only way this can happen, for the sole purposes of avoiding taxation on their estates. It is an outrage.

Mr. BONIOR. It is an outrage, and it is an outrage that these two provisions on this good bill that would help small business people all over this country would be prostituted, prostituted by these two select provisions in this bill, one of which we did not know about it, the other of which we fought and we lost to the Republicans, that would protect billionaires, that would protect Mr. Murdoch and his deals.

I yield to the gentleman from Michigan.

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Mr. STUPAK. It is only fair to our audience to let them know where we are now. This bill has gone through both the House and Senate and the conference reports, and we voted on it. It is now on its way to the President.

And one of the things I have asked for tonight and I hope others would join with me in urging the President to veto this whole bill, the bill that is on its way to his desk to allow that tax break for the self-employed individuals. We do not want to hurt that part of the bill. We want to kill the $63 million deal that we see for Mr. Murdoch. But the only way we can kill that whole situation is ask for the President to veto that bill.

If he vetoes the bill, I would urge my support, I am sure the Democratic leadership would do the same, to bring a bill to permanently extend that self-insured business deduction expense for health care for working Americans.

Mr. BONIOR. Would you yield on that point?

Mr. STUPAK. Yes, I would.

Mr. BONIOR. If the President vetoes this bill, and I hope he will—if he vetoes this bill we will do another bill here, and we will do it quick because I know people on both sides of the aisle do not want those small business people, those self-employed people, to go without the 24 to 30 percent exemption for their health insurance.

And I would also predict to my friend from Michigan that the other side will not even try to override that veto. They would not have the guts, the nerve, the chutzpah to bring that bill back with those two provisions and try to convince the American people that this is the right policy for this country.

Mr. STUPAK. I would agree. I do not think there would be much intestinal fortitude to try to allow a $63 million tax break for one company, for the benefit of one individual. Who pays for that but all of us, all the working men and women around this country.

But you know when we were talking a little bit earlier about the alternative minimum tax. We are going to have a tax bill up this week on the floor, and we are going to give tax breaks and tax breaks here and tax breaks there, but one of the most repulsive tax breaks is the repeal of the alternative minimum tax.

I know you started this special order tonight talking about that alternative corporate minimum tax, and you are talking about, before 1985, before 1986 really when the bill was signed into law, how corporations did not pay any taxes. And yet the person with the lunch bucket or the secretary or the clerk or the midnight watchman has to pay his Federal taxes. But corporations did not because they could afford the accountants, the lawyers to find the tax loopholes, and they would not have to pay any taxes.

You brought up, oh, about 130 companies that did not pay any taxes. I guess one of the most striking ones was Du Pont Corporation. Between 1982 and 1985 their pretax profits were $3.8 billion—pretax profit, $3.8 billion. You know how much they paid in taxes during those years?

Mr. BONIOR. How much?

Mr. STUPAK. Nothing. In fact, they supplemented their pretax profits by obtaining $179 million in tax rebates, in tax rebates. I mean, $3.8 billion, you do not pay any taxes. We turn around through tax loopholes and tax provisions, give Du Pont $179 million in tax rebates.

They want to bring back that kind of tax system because they say it is good for American families when the secretary, the clerk, or the watchman is paying Federal taxes, but the corporation they work for that may have billions of dollars in profits do not have to pay any taxes. In fact, they can get a tax rebate.

So I know it is going to be a long week; it is going to have some intense battles, but these are the inequities that we are trying to correct to truly help the middle class. And I do not consider the middle class Du Pont Corp. with $3.8 billion, or some of these other large corporations that pay no taxes, yet the American people have to pay a minimum 20 percent tax on their wages to the Federal Government.

Mr. BONIOR. There are a lot of good corporations in this country, and they help in employment, they help the productivity of the county, they help the country grow, but they also have an obligation as well to participate in sharing in the burden of taxation so we can provide for this country. And when they do not do it, when, for instance, we subsidize the mining industry in this country with about a $1.2 billion subsidy each year or the large irrigation industry in this country and others with subsidies, I mean, it hurts everybody in the business sector. It hurts large corporations, small people struggling in business. And all we are asking is that everybody participate in making sure that we have an equitable system.

And what we are getting out of the other side of the aisle, take it out on school lunches, take it out on elderly heating assistance, take it out on student loans. We are going to get a whole debate on student loans coming up here because they want to add for us in Michigan here the cost on the student loans will be about $4,000 additional for the students in our State because they want to get rid of that interest subsidy, move that right up to the front instead of 6 months after you graduate. That is about a $4,000 hit.

They are taking all of these savings from middle-income people. They put it in a little pot, and they move it over here, and they use it to pay for these tax cuts for the wealthiest in our society. And oh, yeah, they give some to middle-income people.

Let me give you an example what they give to middle-income people. Capital gains tax cut. You earn about $50,000 a year. You get about $26 back on an average. You earn $200,000 a year, and you will get a cut of about $11,266 under their tax plan. Where is the equity there?

Mr. STUPAK. You were talking a little bit about some of the things that have happened on this floor. We were talking with welfare and AFDC, aid for and to dependent children. Everyone gets all excited about that, but yet we have this corporate welfare, too, where it is aid for dependent corporations, AFDC as we call it in 1995.

And we do not mind helping out any corporations. And there are good corporations out there. We do not mind helping them out. But if you take this fiscal year and this tax year we are in, for every taxpayer in this country, we are giving corporate welfare out at the amount of $1,388 for every individual. You know what we give for heating, for food stamps, for housing, for low-income folks?

Mr. BONIOR. How much?

Mr. STUPAK. $450 for each taxpayer. It is three times greater for corporate welfare than it is for individuals.

And you mentioned student loans, which is part of this tax bill. The student loans, my university, Northern Michigan University, University of Northern Michigan, their tuition has gone up this year alone. It is proposed to go up 15 percent. Where are they going to get the money?

But yet we are going to let the corporations not pay any taxes. And that money to help out with our direct student loan, the interest on the loan, the Stafford grants——

Mr. BONIOR. Stafford loan, Perkins loan for the low interest, work-study.

Mr. STUPAK. Work-study, you are right. Where is it going to go? To help pay for this tax plan for the corporations.

Mr. MILLER of California. Would the gentleman yield?

Mr. BONIOR. Yes.

Mr. MILLER of California. I would like to say the gentleman from Michigan [Mr. STUPAK] makes a very important point. I think the people in this country have got to begin to focus on where is the money coming from to pay for this tax bill.

The money is coming from the people who need it the most in this country. We saw that in terms of the nutrition programs, where $7 billion was taken out of nutrition for children, for the tax cut. We saw $9 billion out of the interest subsidy that allows young people to stay in school and not start paying interest on those loans until they have the degree that allows them to get the job, almost $20 billion in total out of student loans.

We also know that the money that they are talking about taking and giving back to the seniors was money that is now supporting the Medicare system. We know that there are additional cuts for Medicare. This is one of the greatest transferences of wealth from middle-income families, from working families, from families striving and sacrificing before they ever take a student loan to pay for the education of their children. To take money from these people and to transfer it to high-income individuals, most of whom when you talk to them they say if that is how it is done, then do not bother.

People making over $200,000, over $150,000, sure, they would like the money. But they say if that is the price, is that kids are not going to be able to go to school or not get a school lunch or these kinds of programs, they say I do not need it, put it on the deficit, lower interest rates, or leave it with the kids so they can get an education.

But what we see is all of this camouflage about middle-income people when, in fact, we see that we had a whole group of companies that never paid taxes up until 1988, and now they are going to relieve those companies of the alternative minimum tax. They

will go back to making billions of dollars and not paying any taxes, not paying their fair share. They are going to give capital gains to the highest-income people in the country, as you point out, middle-income people with capital gains, a very slight amount.

The point is that is why they do not want the cap is that this is a massive transfer from moneys that help people in this country achieve advancement and status and education and training to participate in the American economic system. And they are gathering up all of this money and they are going to transfer it this next week into the tax bill to go to high-income people.

Mr. BONIOR. And it is the same people that already have, are doing well. I mean, one of the most telling statistics that I have seen this year is the one that says, since 1979, 98 percent of the wealth and income—income increases in this country have gone to the top 20 percent of in this country. That means 80 percent of the folks are not going anywhere. They are standing still. They are losing ground.

Here we are, instead of trying to help those folks get into the game and be a full participant in this society, we are giving more to the top 20.

Mr. MILLER of California. Those are priorities. I mean, we have to, we are not wealthy enough. We are going to offer an incentive program for education, recognizing that families are struggling.

We heard testimony this last Friday out in San Francisco, Congresswoman ESHOO and Congresswoman PELOSI and myself, about families who were struggling far beyond the student loan debt. They have refinanced their houses. They have done everything they can.

So we are going to offer—the minority leader, Mr. GEPHARDT, is going to offer, allow them the deductibility of those education costs and those training costs for people who are going back to school so they can keep their jobs, allow them the deductibility on student loans, allow them to set up an educational IRA so they can start saving if they have very young children.

But we have enough money to do that, but we do not have enough money to do that and then to give away money to people who essentially right now do not need this kind of assistance because they are making very high incomes, in the top 1, 2, 3 percent of all the people in the country.

Mr. STUPAK. The other thing I think in this whole debate that is somewhat lost is this money, this tax shift, that we are seeing money go from the working class to the wealthier corporations and to wealthier individuals in this country. It is going to them. It is not going for deficit reduction. It is not going to reduce the National debt.

We are going to shift over 5 years like $188 billion, and yet we have a $176 billion deficit, $4.7 trillion debt.

Why are we running around giving tax breaks to the wealthiest people and the wealthiest corporations while we are deficit spending? Wouldn't the money be better served, couldn't we help out those corporations, couldn't we help out those individuals if we would, of course, put the money toward deficit reduction, which we could do more of?

You know, the logic is, is this the right time in this Nation's history to be giving tax breaks when we are running a deficit? Where are you going to get the money for the 188 other than taking it from the working class? But wouldn't we really be doing our kids a bigger favor if we brought down the deficit, the debt?

Mr. MILLER of California. The gentleman is quite correct. To borrow money, to give a $500 credit to somebody making $150,000 to $200,000, you ought to see what the children are going to have to make to pay that money back over the next 25 years because we borrowed it from the Treasury now.

If we were flush, if we had a big stack of money in front of us and we had all of our bills paid, fine, then give a dividend to the shareholders of America, give a dividend to the taxpayers, let them participate.

But I assume when you go to your town hall meetings you are hearing what I am hearing. People are saying how can you borrow money to give a tax cut when you have the deficit? Pay down the deficit.

Because what do they remember? They remember after the President made those cuts, those $500 billion, that interest rates went down. Their children for the first time were able to buy a house. They were able to refinance their houses from the high interest rates of the 1980's and saw the economy moving.

What were they presented with this last week? The home sales again are in the doldrums. The inventory is backing up. People cannot afford to enter the home market again as first-time buyers. That would be the benefit of the deficit reduction.

But they have chosen to provide, you know, hundreds of billions of dollars that they simply cannot pay for in any other way rather than just ravaging programs like student loans and child nutrition and a whole host of programs that help families provide a better life for their children, far in excess of the tax credit for the very wealthy.

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Mr. BONIOR. The tragedy in all of this, and if I could help bring it to a close, and I will yield to my friend from Michigan before I do, because I know my good friends from Texas are waiting, and I do not want to keep them much longer, and my friend from New Jersey is waiting as well.

You know, we started this conversation this evening when we talked about the inequity in the tax bill, and we started off by saying this hundred days was begun with Rupert Murdoch giving the Speaker a $4.5 million book deal, and it is really ending that way in the sense that the President has on his desk right now a bill that will provide Mr. Murdoch with tens of millions of dollars in tax breaks as a result of a provision that was put into the conference report on the tax bill that we have just had here in the House of Representatives that would have benefited small businessmen and their health insurance concerns.

And, you know, I cannot tell you how totally frustrated I certainly am, and millions of Americans, I think, join me in the frustration to see my friends on this side of the aisle help the millionaires and, in some instances, in this case, the billionaires reap these tax benefits at the expense of everybody else, and then more disturbing is the way it was done where no Members on this side of the aisle were aware of it.

I hope the President will stand up and veto this bill.

Mr. President, if you are listening, if you veto this bill, you are not going to have any trouble sustaining your veto in this House of Representatives. The Republicans would not dare, after your veto, to bring this bill back to the House floor with the billionaire provision and the millionaire writeoff provision for Rupert Murdoch and expect the American people to buy it.

It will have covered their 100 days in a way in which will bring disrepute upon their efforts, and so with that, I would yield finally to my friend, the gentleman from Michigan, to conclude, and I thank my colleague, the gentleman from California [Mr. MILLER], for his eloquence and his support of working families.

Mr. STUPAK. I believe the gentleman from Michigan [Mr. BONIOR] is right. You know, it was H.R. 831. I think I said 381, but it is H.R. 831, which was to amend the IRS Code to permanently extend the deduction for health insurance costs for self-employed individuals, something we all wanted to do. In order to get this bill through and get it passed by April 15, so people could take advantage of it, because it had expired, so they could take advantage of it for the 1994 tax season, they put in a provision permitting this nonrecognition of the capital gains to take care of the Viacom situation, again, all honorable, all well-intended.

But what happens so often on this floor, then, they put in things we do not know about, or they slipped something in. I was always proud to say the House never did that, that we had very strict rules and amendments and everything had to be germane to the bill before it. No one got special treatment in the House. The Senate, at times, the other body, may add a couple things here and there. We go to conference. Those things are knocked out and taken care of. You know what got knocked out on this one was the American people, and about $63 million we have to pay for now.

Mr. BONIOR. And 17 other minority broadcasters got knocked out just to take care of Mr. Murdoch on the other end of the deal.

Mr. STUPAK. So in summation, I hope the President does veto the bill. I believe in the intent of the bill, but I certainly do not believe in the final analysis of this bill and what we now know in less than 48 hours after it was passed that there was a special deal. So I hope the President, if he is listening, as you indicated, would veto this bill, bring it back. We will work hard to get it passed by the end of the week.

TRIBUTE TO THE LATE SELENA QUINTANILLA PEREZ

The SPEAKER pro tempore (Mr. KINGSTON). Under a previous order of the House, the gentleman from Texas [Mr. ORTIZ] is recognized for 60 minutes.

Mr. ORTIZ. Mr. Speaker, it is with a heavy heart that I rise today to pay tribute to an outstanding young international recording star and businesswoman, Selena Quintanilla Perez, known throughout the world as simply ''Selena.''

She was murdered on Friday by a disgruntled employee.

Today, I want not to dwell on the circumstances of her tragic death, but on the way that she faced adversity, overcame the odds, and how she really lived each and every day of her 23 years.

Selena was born near Houston, Texas and began singing in Corpus Christi at age 5 with her father's band, Los Dinos.

When she began performing at age 9, the band became known as Selena y Los Dinos.

She grew up in the humble Molina barrio of Corpus Christi where the neighbors all know each other. In 1994, she took home the Grammy Music Award for ''Selena Live,'' in the category for Best Mexican-American Album.

This year, her album, ''Amor Prohibido'' or ''Forbidden Love'' went quadruple platinum.

Ironically, Selena's newest song, ''Foto y Recuerdos,''—''Photographs and Memories''—was No. 4 on the Latin charts on the day she died. Her song, ''Amor Prohibido,'' earned another Grammy nomination for this year.

Selena was known as the Queen of Tejano music, which is the late 20th century version of the popular Tex-Mex conjunto, an accordion based rhythmic style of music. Selena has described her music as a combination of polka, country, and jazz.

Last month, at the Tejano music awards, she won seven major awards, including female entertainer of the year. However she or anyone else wishes to categorize her music, Selena's music touched the hearts and souls of her listeners.

She spoke to the everyday obstacles and triumphs in our lives.

She spoke to the fears, anxieties, hopes and ecstasy in all of us, simply because she knew well all these aspects of the human spirit.

While Selena's hits were recorded in Spanish, her first language was English, and she had just begun recording in English in an attempt to cross over into the pop mainstream. She was still recording her first album in English when she died.

She was one of our young people who could reach across the divides that separate us as a society to show this country, through her music, how much we share as human beings.

Selena was a woman who paid back the generosity of her community.

She always went to the schools and spoke to the children about drug abuse, honesty, and staying in school to get an education. Her community loved her so much, I have never seen such an outpouring of support and love from a community. People all over Texas drove with their headlights turned on, and tied black ribbons to their car radio antennas, on in silent tribute. She was genuinely kind and plesant, always with a generous manner for her fans or her hometown people.

She was one of us.

She was a role model for the young people in the community. The young people mimicked her songs and her easygoing persona. They admired the fact that she never forgot her roots, and they felt stronger because they shared those roots. Young people could look to Selena and know that she had come up out of the barrio and had made a huge success out of her life and her music.

They believed that she spoke to them through both her music and her deeds, and they loved her for that.

When word spread on Friday that Selena had been murdered, millions of her fans simply stopped what they were doing and just cried, both at the tragedy of a woman dying so needlessly so young, and for their personal pain at the loss. Her life was far too brief.

She was only 23 years old when she was murdered, and there is little doubt that her greatest years were on the horizon.

I will miss Selena very much.

Just 3 years ago, when I was the chairman of the congressional Hispanic caucus institute, she entertained at the institute's annual gala at my invitation, and as always she brought down the house.

While she was in Washington for the gala, I took her to the largely Hispanic Mount Pleasant neighborhood to entertain DC's Hispanic community.

Since we both came from low income neighborhoods, it was important for both of us to share the abundance of the annual gathering with those less fortunate.

That night we took another Mexican star with us, Rosa Gloria Chagoyan. Thousands greeted her and were deeply moved by her music. But most of all she will be missed by those to whom she spoke through her music, to the hearts she touched with her message, and to those who just plain loved the melodic sound of her beautiful sultry voice.

This Easter, think of Selena. On this Easter Sunday, who would have been 24 years old.

In closing, let me say a word to the young people to whom Selena meant so much. Just bacause she is gone, please do not forget her message—stay off drugs, be honest, get an education, care about each other, get involved—and no matter what—never give up.

We will always carry her music, her message and her love in our heart.

To her husband, Chris Perez, her parents Mr. and Mrs. Abraham Quintanilla, her brother and Sister and her entire family, we offer our deepest sympathy. May she rest in peace.

Mr. Speaker, I yield to my good friend, the gentleman from New Jersey [Mr. TEJEDA].

Mr. TEJEDA. Mr. Speaker, I join my colleague from Corpus Christi and the tens of thousands of fans in south Texas and around the world to mourn the loss of a talented young Tejano Artist, Selena Quintanilla Perez. Known internationally for her talent and vivacious personality, Selena was murdered this past Friday in her hometown of Corpus Christi, TX. Just 2 weeks shy of her 24th birthday, Selena leaves us a legacy of spirit and hope. My heart goes out to her family, her friends, and her many fans.

Nothing I can say will reduce the pain, the heartache. Nor can I begin to answer the difficult question: Why, how could this happen to one with so much promise, so much talent, and so much to give. News of her death sent shockwaves from Washington to south Texas, from Los Angeles to Miami, from Mexico to South America.

Selena began her singing career at a young age, singing with a family band. From her humble beginnings, she succeeded in winning a Grammy and obtaining international fame. Her success did not take her away from her family, she and her husband lived next door to her parents' home. Now a senseless criminal act has taken her from us, but her legacy will live on.

Selena was more than a rising star in the vibrant Tejano music industry. Selena was a role model for many, from young children to senior citizens. She represented hope, speaking out against drugs and preaching the need to stay in school and obtain an education. Even with her frequent travels and the demands of her growing singing career, Selena earned her high school degree through correspondence courses.

Despite her overwhelming popularity, Selena consistently held strong ties to her Hispanic heritage. Selena succeeded in bringing Tejano music into mainstream America and is recognized not only in Texas, but in all of America, Mexico, and South America. Her latest release, ''Amor Prohibido,'' has topped the Latin charts for 43 consecutive weeks. Prior to her death, her

album had sold nearly 500,000 copies, enough to qualify for gold record status. Playing the Houston Livestock Show and Rodeo for the past 3 years, she sold out the Astrodome's 62,000 seats.

Our loss is great, not just because of the music we will miss or the flash of a bright smile. We have lost a voice, a voice for our children, a role model for success, for hope, and for life.

She was in the process of making a crossover into pop music by recording her first English album, venturing into what for her was uncharted waters. True to her personality, she did not shrink from the challenge but rose to meet it. We will never know the extent of her potential accomplishment.

Although Selena has been equated with the greatest pop stars of the day, she had her own style in her music and concert apparel. She conveyed her messages of happiness, of life, in her songs through her emotions on stage. Her audience could not resist singing and dancing with her as she performed on stage. Her talents were many. Building on her stage appearances, Selena realized one of her dreams last year when she expanded into the clothing industry with the opening of clothing boutiques in Corpus Christi and San Antonio to sell her fashion designs.

We have all felt this overwhelming loss. This past weekend many Texans remembered Selena with candlelight prayer vigils organized as early as Friday evening. In San Antonio, two vigils were held in area parks. Many fans prayed at Selena's home and at the hotel where she was shot, leaving messages of love and support. People poured into Corpus Christi to pay their last respects. The road between San Antonio and Corpus became a highway of cars painted with prayers and expressions of love. Thousands stood in line to pay their last respects at a special memorial service in Corpus Christi, with wreaths of flowers overpowering the stage.

To those who grieve, I say your loss is real, but we must give life to this tragedy. We must not give up the hope and the light which Selena exemplified. I repeat her message: Work for your dreams, stay in school, say no to drugs, foster hope in your own life and the lives of your family and friends. Selena gave us the tools to remember her every day, in everything we do. Her challenge to us is to live up to the high standards she set for herself. It is my hope that Selena Quintanilla Perez will be remembered not for this tragedy, but for all that she gave to her family and to all who loved her.

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Selena gave us the tools to remember her every day in everything we do. Her challenge to us is to live up to the high standards she set for herself. It is my hope that Selena Quintanilla Perez will be remembered, not for this tragedy, but for all that she gave to her family and to all of those who loved her.

Again, Mr. Speaker, I thank the gentleman from Texas [Mr. ORTIZ], my friend and colleague from Corpus, for organizing this special order and allowing me this time.

Mr. ORTIZ. I thank the gentleman, and I would like to yield, Mr. Speaker, to the ranking member of the Committee on Agriculture and one of the most senior members of the Hispanic Caucus, the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I thank my distinguished colleague for allowing me to join him and my colleague, the gentleman from Texas [Mr. TEJEDA] on this occasion. For all of us it has been a very sad occasion. Texas, the Nation, and perhaps all of the continent mourn the loss of such a young, talented, productive life as that of Selena Quintanilla Perez.

Mr. Speaker, young people from throughout Texas and in my area in south Texas mourned, cried. They had a candlelight vigil, as has been mentioned. They went to churches. They drove with the lights on, with mourning black ribbons on the antennas of their cars. But the outpouring of love was not at the point in time when she died. It has been there all along. They had come to her concerts. They had come to see her, to touch her, to listen to her.

One thing that I think we should look at is that the youngsters, children, see through falsehood. Children know who is real and who is fake, and the youngsters throughout the area that I live in, and throughout all the other areas, came and believed in Selena. They wanted to touch her, they wanted to be like her, and I think this is very important because they have shown us that here in such a short period someone has reached the pinnacle in their professional life that is a very difficult life.

Mr. Speaker, the music business is not easy. Traveling in that atmosphere is not easy. The temptation for drugs, for alcohol, is insurmountable at times for many of those, and this young lady—and we talk here about family values and moral values—here is a family that worked together, that stayed together, and it is a tremendous loss for them and for us because all of the endeavor has been done in a family style, in a family group, in helping each other along the way.

I think it also should be of importance to us—and it has been mentioned—she recently was in San Antonio with the San Antonio Spurs visiting schools, stay in school, do not get into drugs. She devoted so much time to working with the youngsters. But there is no age limit to those who are admired and listen to her music. I know personally in my family that, from everyone in the family, regardless of age, enjoyed her music and looked at her in a very respectful, admiring way because she had what in Spanish is called El Don de Gente. That is an old Spanish saying that is given to a very special few that can touch you and make you feel they are part of you, that can speak to anyone regardless of stature, regardless of economic level. Those that have that special talent are but a very, very few, and she had that very special talent.

So I join my colleagues, and I urge, as my two colleagues have said, to the youngsters to remember to stay off of the drugs, to stay in school, and to work with others of good will.

Mr. Speaker, I am reminded of an old song in my youth, ''The Old Lamp Lighter,'' which ended with the old lamp lighter, he made the world a little brighter wherever he would go. This was what Selena Quintanilla Perez was all about. She made the world a little brighter wherever she would go, and there have been the flowers, and there have been the signs, and there will be a tomb with a monument, I am sure, of some kind. But she will remain in the hearts, and the minds, and in the souls of everyone.

But she will go beyond that, and there is an old Spanish saying also that one of the Spanish explorers, when they first came to the area where we live was asked by one of his soldiers, ''Will anyone ever know we came through here?''

So he took his sabre and on the side of a rock wrote the date and his name, and at the bottom he put, ''Paso por aqui,'' he came this way.

So I would join my colleagues in saying that the world is a little better, she shed light, good light, wherever she went like the old lamp lighter, and no one should ever forget that, once she came our way in 23 short years in the minds, and memories and hearts of all of those who heard her music, all of those who met her and admired her. The Nation, and we as a people, and the Hispanic culture, and the music world, all of them would have been benefited and will continue to benefit because a young girl that lived only a very short 23 years paso por aqui.

I thank my distinguished colleague for allowing me this time.

Mr. ORTIZ. I thank my two colleagues for joining me, and today we are really honoring a real role model. We talk about a close-knitted family.

Members of the band; it was her brother, her sister, her husband, and her father was the manager. Yes, a real role model.

I thank the gentleman for coming and joining me today.

CONFERENCE REPORT ON S. 44

Mr. CLINGER submitted the following conference report and statement on the bill (S. 244), to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–99)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 244), to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Paperwork Reduction Act of 1995''.

SEC. 2. COORDINATION OF FEDERAL INFORMATION POLICY.

Chapter 35 of title 44, United States Code, is amended to read as follows:

''CHAPTER 35—COORDINATION OF FEDERAL INFORMATION POLICY

''Sec.
''3501. Purposes.
''3502. Definitions.
''3503. Office of Information and Regulatory Affairs.
''3504. Authority and functions of Director.
''3505. Assignment of tasks and deadlines.
''3506. Federal agency responsibilities.
''3507. Public information collection activities; submission to Director; approval and delegation.
''3508. Determination of necessity for information; hearing.
''3509. Designation of central collection agency.
''3510. Cooperation of agencies in making information available.
''3511. Establishment and operation of Government Information Locator Service.
''3512. Public protection.
''3513. Director review of agency activities; reporting; agency response.
''3514. Responsiveness to Congress.
''3515. Administrative powers.
''3516. Rules and regulations.
''3517. Consultation with other agencies and the public.
''3518. Effect on existing laws and regulations.
''3519. Access to information.
''3520. Authorization of appropriations.

''§ 3501. Purposes

''The purposes of this chapter are to—

''(1) minimize the paperwork burden for individuals, small businesses, educational and nonprofit institutions, Federal contractors, State, local and tribal governments, and other persons resulting from the collection of information by or for the Federal Government;

''(2) ensure the greatest possible public benefit from and maximize the utility of information created, collected, maintained, used, shared and disseminated by or for the Federal Government;

''(3) coordinate, integrate, and to the extent practicable and appropriate, make uniform Federal information resources management policies and practices as a means to improve the productivity, efficiency, and effectiveness of Government programs, including the reduction of information collection burdens on the public and the improvement of service delivery to the public;

''(4) improve the quality and use of Federal information to strengthen decisionmaking, accountability, and openness in Government and society;

''(5) minimize the cost to the Federal Government of the creation, collection, maintenance, use, dissemination, and disposition of information;

''(6) strengthen the partnership between the Federal Government and State, local, and tribal governments by minimizing the burden and maximizing the utility of information created, collected, maintained, used, disseminated, and retained by or for the Federal Government;

''(7) provide for the dissemination of public information on a timely basis, on equitable terms, and in a manner that promotes the utility of the information to the public and makes effective use of information technology;

''(8) ensure that the creation, collection, maintenance, use, dissemination, and disposition of information by or for the Federal Government is consistent with applicable laws, including laws relating to—

''(A) privacy and confidentiality, including section 552a of title 5;

''(B) security of information, including the Computer Security Act of 1987 (Public Law 100–235); and

''(C) access to information, including section 552 of title 5;

''(9) ensure the integrity, quality, and utility of the Federal statistical system;

''(10) ensure that information technology is acquired, used, and managed to improve performance of agency missions, including the reduction of information collection burdens on the public; and

''(11) improve the responsibility and accountability of the Office of Management and Budget and all other Federal agencies to Congress and to the public for implementing the information collection review process, information resources management, and related policies and guidelines established under this chapter.

''§ 3502. Definitions

''As used in this chapter—

''(1) the term 'agency' means any executive department, military department, Government corporation, Government controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President), or any independent regulatory agency, but does not include—

''(A) the General Accounting Office;

''(B) Federal Election Commission;

''(C) the governments of the District of Columbia and of the territories and possessions of the United States, and their various subdivisions; or

''(D) Government-owned contractor-operated facilities, including laboratories engaged in national defense research and production activities;

''(2) the term 'burden' means time, effort, or financial resources expended by persons to generate, maintain, or provide information to or for a Federal agency, including the resources expended for—

''(A) reviewing instructions;

''(B) acquiring, installing, and utilizing technology and systems;

''(C) adjusting the existing ways to comply with any previously applicable instructions and requirements;

''(D) searching data sources;

''(E) completing and reviewing the collection of information; and

''(F) transmitting, or otherwise disclosing the information;

''(3) the term 'collection of information'—

''(A) means the obtaining, causing to be obtained, soliciting, or requiring the disclosure to third parties or the public, of facts or opinions by or for an agency, regardless of form or format, calling for either—

''(i) answers to identical questions posed to, or identical reporting or recordkeeping requirements imposed on, ten or more persons, other than agencies, instrumentalities, or employees of the United States; or

''(ii) answers to questions posed to agencies, instrumentalities, or employees of the United States which are to be used for general statistical purposes; and

''(B) shall not include a collection of information described under section 3518(c)(1);

''(4) the term 'Director' means the Director of the Office of Management and Budget;

''(5) the term 'independent regulatory agency' means the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Federal Communications Commission, the Federal Deposit Insurance Corporation, the Federal Energy Regulatory Commission, the Federal Housing Finance Board, the Federal Maritime Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Mine Enforcement Safety and Health Review Commission, the National Labor Relations Board, the Nuclear Regulatory Commission, the Occupational Safety and Health Review Commission, the Postal Rate Commission, the Securities and Exchange Commission, and any other similar agency designated by statute as a Federal independent regulatory agency or commission;

''(6) the term 'information resources' means information and related resources, such as personnel, equipment, funds, and information technology;

''(7) the term 'information resources management' means the process of managing information resources to accomplish agency missions and to improve agency performance, including through the reduction of information collection burdens on the public;

''(8) the term 'information system' means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information;

''(9) the term 'information technology' has the same meaning as the term 'automatic data processing equipment' as defined by section 111(a)(2) and (3)(C) (i) through (v) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(a) (2) and (3)(C) (i) through (v));

''(10) the term 'person' means an individual, partnership, association, corporation, business trust, or legal representative, an organized group of individuals, a State, territorial, tribal, or local government or branch thereof, or a political subdivision of a State, territory, tribal, or local government or a branch of a political subdivision;

''(11) the term 'practical utility' means the ability of an agency to use information, particularly the capability to process such information in a timely and useful fashion;

''(12) the term 'public information' means any information, regardless of form or format, that an agency discloses, disseminates, or makes available to the public;

''(13) the term 'recordkeeping requirement' means a requirement imposed by or for an agency on persons to maintain specified records, including a requirement to—

''(A) retain such records;

''(B) notify third parties, the Federal Government, or the public of the existence of such records;

''(C) disclose such records to third parties, the Federal Government, or the public; or

''(D) report to third parties, the Federal Government, or the public regarding such records; and

''(14) the term 'penalty' includes the imposition by an agency or court of a fine or other punishment; a judgment for monetary damages or equitable relief; or the revocation, suspension, reduction, or denial of a license, privilege, right, grant, or benefit.

''§ 3503. Office of Information and Regulatory Affairs

''(a) There is established in the Office of Management and Budget an office to be known as the Office of Information and Regulatory Affairs.

''(b) There shall be at the head of the Office an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall delegate to the Administrator the authority to administer all functions under this chapter, except that any such delegation shall not relieve the Director of responsibility for the administration of such functions. The Administrator shall serve as principal adviser to the Director on Federal information resources management policy.

''§ 3504. Authority and functions of Director

''(a)(1) The Director shall oversee the use of information resources to improve the efficiency and effectiveness of governmental operations to serve agency missions, including burden reduction and service delivery to the public. In performing such oversight, the Director shall—

''(A) develop, coordinate and oversee the implementation of Federal information resources management policies, principles, standards, and guidelines; and

''(B) provide direction and oversee—

''(i) the review and approval of the collection of information and the reduction of the information collection burden;

''(ii) agency dissemination of and public access to information;

''(iii) statistical activities;

''(iv) records management activities;

''(v) privacy, confidentiality, security, disclosure, and sharing of information; and

''(vi) the acquisition and use of information technology.

''(2) The authority of the Director under this chapter shall be exercised consistent with applicable law.

''(b) With respect to general information resources management policy, the Director shall—

''(1) develop and oversee the implementation of uniform information resources management policies, principles, standards, and guidelines;

''(2) foster greater sharing, dissemination, and access to public information, including through—

''(A) the use of the Government Information Locator Service; and

''(B) the development and utilization of common standards for information collection, storage, processing and communication, including standards for security, interconnectivity and interoperability;

''(3) initiate and review proposals for changes in legislation, regulations, and agency procedures to improve information resources management practices;

''(4) oversee the development and implementation of best practices in information resources management, including training; and

''(5) oversee agency integration of program and management functions with information resources management functions.

''(c) With respect to the collection of information and the control of paperwork, the Director shall—

''(1) review and approve proposed agency collections of information;

''(2) coordinate the review of the collection of information associated with Federal procurement and acquisition by the Office of Information and Regulatory Affairs with the Office of Federal Procurement Policy, with particular emphasis on applying information technology to improve the efficiency and effectiveness of Federal procurement, acquisition and payment, and to reduce information collection burdens on the public;

''(3) minimize the Federal information collection burden, with particular emphasis on those individuals and entities most adversely affected;

''(4) maximize the practical utility of and public benefit from information collected by or for the Federal Government; and

''(5) establish and oversee standards and guidelines by which agencies are to estimate the burden to comply with a proposed collection of information.

''(d) With respect to information dissemination, the Director shall develop and oversee the implementation of policies, principles, standards, and guidelines to—

''(1) apply to Federal agency dissemination of public information, regardless of the form or format in which such information is disseminated; and

''(2) promote public access to public information and fulfill the purposes of this chapter, including through the effective use of information technology.

''(e) With respect to statistical policy and coordination, the Director shall—

''(1) coordinate the activities of the Federal statistical system to ensure—

''(A) the efficiency and effectiveness of the system; and

''(B) the integrity, objectivity, impartiality, utility, and confidentiality of information collected for statistical purposes;

''(2) ensure that budget proposals of agencies are consistent with system-wide priorities for maintaining and improving the quality of Federal statistics and prepare an annual report on statistical program funding;

''(3) develop and oversee the implementation of Governmentwide policies, principles, standards, and guidelines concerning—

''(A) statistical collection procedures and methods;

''(B) statistical data classification;

''(C) statistical information presentation and dissemination;

''(D) timely release of statistical data; and

''(E) such statistical data sources as may be required for the administration of Federal programs;

''(4) evaluate statistical program performance and agency compliance with Governmentwide policies, principles, standards and guidelines;

''(5) promote the sharing of information collected for statistical purposes consistent with privacy rights and confidentiality pledges;

''(6) coordinate the participation of the United States in international statistical activities, including the development of comparable statistics;

''(7) appoint a chief statistician who is a trained and experienced professional statistician to carry out the functions described under this subsection;

''(8) establish an Interagency Council on Statistical Policy to advise and assist the Director in carrying out the functions under this subsection that shall—

''(A) be headed by the chief statistician; and

''(B) consist of—

''(i) the heads of the major statistical programs; and

''(ii) representatives of other statistical agencies under rotating membership; and

''(9) provide opportunities for training in statistical policy functions to employees of the Federal Government under which—

''(A) each trainee shall be selected at the discretion of the Director based on agency requests and shall serve under the chief statistician for at least 6 months and not more than 1 year; and

''(B) all costs of the training shall be paid by the agency requesting training.

''(f) With respect to records management, the Director shall—

''(1) provide advice and assistance to the Archivist of the United States and the Administrator of General Services to promote coordination in the administration of chapters 29, 31, and 33 of this title with the information resources management policies, principles, standards, and guidelines established under this chapter;

''(2) review compliance by agencies with—

''(A) the requirements of chapters 29, 31, and 33 of this title; and

''(B) regulations promulgated by the Archivist of the United States and the Administrator of General Services; and

''(3) oversee the application of records management policies, principles, standards, and guidelines, including requirements for archiving information maintained in electronic format, in the planning and design of information systems.

''(g) With respect to privacy and security, the Director shall—

''(1) develop and oversee the implementation of policies, principles, standards, and guidelines on privacy, confidentiality, security, disclosure and sharing of information collected or maintained by or for agencies;

''(2) oversee and coordinate compliance with sections 552 and 552a of title 5, the Computer Security Act of 1987 (40 U.S.C. 759 note), and related information management laws; and

''(3) require Federal agencies, consistent with the Computer Security Act of 1987 (40 U.S.C. 759 note), to identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency.

''(h) With respect to Federal information technology, the Director shall—

''(1) in consultation with the Director of the National Institute of Standards and Technology and the Administrator of General Services—

''(A) develop and oversee the implementation of policies, principles, standards, and guidelines for information technology functions and activities of the Federal Government, including periodic evaluations of major information systems; and

''(B) oversee the development and implementation of standards under section 111(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(d));

''(2) monitor the effectiveness of, and compliance with, directives issued under sections 110 and 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 757 and 759);

''(3) coordinate the development and review by the Office of Information and Regulatory Affairs of policy associated with Federal procurement and acquisition of information technology with the Office of Federal Procurement Policy;

''(4) ensure, through the review of agency budget proposals, information resources management plans and other means—

''(A) agency integration of information resources management plans, program plans and budgets for acquisition and use of information technology; and

''(B) the efficiency and effectiveness of interagency information technology initiatives to improve agency performance and the accomplishment of agency missions; and

''(5) promote the use of information technology by the Federal Government to improve the productivity, efficiency, and effectiveness of Federal programs, including through dissemination of public information and the reduction of information collection burdens on the public.

''§ 3505. Assignment of tasks and deadlines

''(a) In carrying out the functions under this chapter, the Director shall—

''(1) in consultation with agency heads, set an annual Governmentwide goal for the reduction of information collection burdens by at least 10 percent during each of fiscal years 1996 and 1997

and 5 percent during each of fiscal years 1998, 1999, 2000, and 2001, and set annual agency goals to—

''(A) reduce information collection burdens imposed on the public that—

''(i) represent the maximum practicable opportunity in each agency; and

''(ii) are consistent with improving agency management of the process for the review of collections of information established under section 3506(c); and

''(B) improve information resources management in ways that increase the productivity, efficiency and effectiveness of Federal programs, including service delivery to the public;

''(2) with selected agencies and non-Federal entities on a voluntary basis, conduct pilot projects to test alternative policies, practices, regulations, and procedures to fulfill the purposes of this chapter, particularly with regard to minimizing the Federal information collection burden; and

''(3) in consultation with the Administrator of General Services, the Director of the National Institute of Standards and Technology, the Archivist of the United States, and the Director of the Office of Personnel Management, develop and maintain a Governmentwide strategic plan for information resources management, that shall include—

''(A) a description of the objectives and the means by which the Federal Government shall apply information resources to improve agency and program performance;

''(B) plans for—

''(i) reducing information burdens on the public, including reducing such burdens through the elimination of duplication and meeting shared data needs with shared resources;

''(ii) enhancing public access to and dissemination of, information, using electronic and other formats; and

''(iii) meeting the information technology needs of the Federal Government in accordance with the purposes of this chapter; and

''(C) a description of progress in applying information resources management to improve agency performance and the accomplishment of missions.

''(b) For purposes of any pilot project conducted under subsection (a)(2), the Director may, after consultation with the agency head, waive the application of any administrative directive issued by an agency with which the project is conducted, including any directive requiring a collection of information, after giving timely notice to the public and the Congress regarding the need for such waiver.

''§ 3506. Federal agency responsibilities

''(a)(1) The head of each agency shall be responsible for—

''(A) carrying out the agency's information resources management activities to improve agency productivity, efficiency, and effectiveness; and

''(B) complying with the requirements of this chapter and related policies established by the Director.

''(2)(A) Except as provided under subparagraph (B), the head of each agency shall designate a senior official who shall report directly to such agency head to carry out the responsibilities of the agency under this chapter.

''(B) The Secretary of the Department of Defense and the Secretary of each military department may each designate senior officials who shall report directly to such Secretary to carry out the responsibilities of the department under this chapter. If more than one official is designated, the respective duties of the officials shall be clearly delineated.

''(3) The senior official designated under paragraph (2) shall head an office responsible for ensuring agency compliance with and prompt, efficient, and effective implementation of the information policies and information resources management responsibilities established under this chapter, including the reduction of information collection burdens on the public. The senior official and employees of such office shall be selected with special attention to the professional qualifications required to administer the functions described under this chapter.

''(4) Each agency program official shall be responsible and accountable for information resources assigned to and supporting the programs under such official. In consultation with the senior official designated under paragraph (2) and the agency Chief Financial Officer (or comparable official), each agency program official shall define program information needs and develop strategies, systems, and capabilities to meet those needs.

''(b) With respect to general information resources management, each agency shall—

''(1) manage information resources to—

''(A) reduce information collection burdens on the public;

''(B) increase program efficiency and effectiveness; and

''(C) improve the integrity, quality, and utility of information to all users within and outside the agency, including capabilities for ensuring dissemination of public information, public access to government information, and protections for privacy and security;

''(2) in accordance with guidance by the Director, develop and maintain a strategic information resources management plan that shall describe how information resources management activities help accomplish agency missions;

''(3) develop and maintain an ongoing process to—

''(A) ensure that information resources management operations and decisions are integrated with organizational planning, budget, financial management, human resources management, and program decisions;

''(B) in cooperation with the agency Chief Financial Officer (or comparable official), develop a full and accurate accounting of information technology expenditures, related expenses, and results; and

''(C) establish goals for improving information resources management's contribution to program productivity, efficiency, and effectiveness, methods for measuring progress towards those goals, and clear roles and responsibilities for achieving those goals;

''(4) in consultation with the Director, the Administrator of General Services, and the Archivist of the United States, maintain a current and complete inventory of the agency's information resources, including directories necessary to fulfill the requirements of section 3511 of this chapter; and

''(5) in consultation with the Director and the Director of the Office of Personnel Management, conduct formal training programs to educate agency program and management officials about information resources management.

''(c) With respect to the collection of information and the control of paperwork, each agency shall—

''(1) establish a process within the office headed by the official designated under subsection (a), that is sufficiently independent of program responsibility to evaluate fairly whether proposed collections of information should be approved under this chapter, to—

''(A) review each collection of information before submission to the Director for review under this chapter, including—

''(i) an evaluation of the need for the collection of information;

''(ii) a functional description of the information to be collected;

''(iii) a plan for the collection of the information;

''(iv) a specific, objectively supported estimate of burden;

''(v) a test of the collection of information through a pilot program, if appropriate; and

''(vi) a plan for the efficient and effective management and use of the information to be collected, including necessary resources;

''(B) ensure that each information collection—

''(i) is inventoried, displays a control number and, if appropriate, an expiration date;

''(ii) indicates the collection is in accordance with the clearance requirements of section 3507; and

''(iii) informs the person receiving the collection of information of—

''(I) the reasons the information is being collected;

''(II) the way such information is to be used;

''(III) an estimate, to the extent practicable, of the burden of the collection;

''(IV) whether responses to the collection of information are voluntary, required to obtain a benefit, or mandatory; and

''(V) the fact that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number; and

''(C) assess the information collection burden of proposed legislation affecting the agency;

''(2)(A) except as provided under subparagraph (B) or section 3507(j), provide 60-day notice in the Federal Register, and otherwise consult with members of the public and affected agencies concerning each proposed collection of information, to solicit comment to—

''(i) evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

''(ii) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information;

''(iii) enhance the quality, utility, and clarity of the information to be collected; and

''(iv) minimize the burden of the collection of information on those who are to respond, including through the use of automated collection techniques or other forms of information technology; and

''(B) for any proposed collection of information contained in a proposed rule (to be reviewed by the Director under section 3507(d)), provide notice and comment through the notice of proposed rulemaking for the proposed rule and such notice shall have the same purposes specified under subparagraph (A) (i) through (iv); and

''(3) certify (and provide a record supporting such certification, including public comments received by the agency) that each collection of information submitted to the Director for review under section 3507—

''(A) is necessary for the proper performance of the functions of the agency, including that the information has practical utility;

''(B) is not unnecessarily duplicative of information otherwise reasonably accessible to the agency;

''(C) reduces to the extent practicable and appropriate the burden on persons who shall provide information to or for the agency, including with respect to small entities, as defined under section 601(6) of title 5, the use of such techniques as—

''(i) establishing differing compliance or reporting requirements or timetables that take into account the resources available to those who are to respond;

''(ii) the clarification, consolidation, or simplification of compliance and reporting requirements; or

''(iii) an exemption from coverage of the collection of information, or any part thereof;

''(D) is written using plain, coherent, and unambiguous terminology and is understandable to those who are to respond;

''(E) is to be implemented in ways consistent and compatible, to the maximum extent practicable, with the existing reporting and recordkeeping practices of those who are to respond;

''(F) indicates for each recordkeeping requirement the length of time persons are required to maintain the records specified;

''(G) contains the statement required under paragraph (1)(B)(iii);

''(H) has been developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected, including the processing of the information in a manner which shall enhance, where appropriate, the utility of the information to agencies and the public;

''(I) uses effective and efficient statistical survey methodology appropriate to the purpose for which the information is to be collected; and

''(J) to the maximum extent practicable, uses information technology to reduce burden and improve data quality, agency efficiency and responsiveness to the public.

''(d) With respect to information dissemination, each agency shall—

''(1) ensure that the public has timely and equitable access to the agency's public information, including ensuring such access through—

''(A) encouraging a diversity of public and private sources for information based on government public information;

''(B) in cases in which the agency provides public information maintained in electronic format, providing timely and equitable access to the underlying data (in whole or in part); and

''(C) agency dissemination of public information in an efficient, effective, and economical manner;

''(2) regularly solicit and consider public input on the agency's information dissemination activities;

''(3) provide adequate notice when initiating, substantially modifying, or terminating significant information dissemination products; and

''(4) not, except where specifically authorized by statute—

''(A) establish an exclusive, restricted, or other distribution arrangement that interferes with timely and equitable availability of public information to the public;

''(B) restrict or regulate the use, resale, or redissemination of public information by the public;

''(C) charge fees or royalties for resale or redissemination of public information; or

''(D) establish user fees for public information that exceed the cost of dissemination.

''(e) With respect to statistical policy and coordination, each agency shall—

''(1) ensure the relevance, accuracy, timeliness, integrity, and objectivity of information collected or created for statistical purposes;

''(2) inform respondents fully and accurately about the sponsors, purposes, and uses of statistical surveys and studies;

''(3) protect respondents' privacy and ensure that disclosure policies fully honor pledges of confidentiality;

''(4) observe Federal standards and practices for data collection, analysis, documentation, sharing, and dissemination of information;

''(5) ensure the timely publication of the results of statistical surveys and studies, including information about the quality and limitations of the surveys and studies; and

''(6) make data available to statistical agencies and readily accessible to the public.

''(f) With respect to records management, each agency shall implement and enforce applicable policies and procedures, including requirements for archiving information maintained in electronic format, particularly in the planning, design and operation of information systems.

''(g) With respect to privacy and security, each agency shall—

''(1) implement and enforce applicable policies, procedures, standards, and guidelines on privacy, confidentiality, security, disclosure and sharing of information collected or maintained by or for the agency;

''(2) assume responsibility and accountability for compliance with and coordinated management of sections 552 and 552a of title 5, the Computer Security Act of 1987 (40 U.S.C. 759 note), and related information management laws; and

''(3) consistent with the Computer Security Act of 1987 (40 U.S.C. 759 note), identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency.

''(h) With respect to Federal information technology, each agency shall—

''(1) implement and enforce applicable Governmentwide and agency information technology management policies, principles, standards, and guidelines;

''(2) assume responsibility and accountability for information technology investments;

''(3) promote the use of information technology by the agency to improve the productivity, efficiency, and effectiveness of agency programs, including the reduction of information collection burdens on the public and improved dissemination of public information;

''(4) propose changes in legislation, regulations, and agency procedures to improve information technology practices, including changes that improve the ability of the agency to use technology to reduce burden; and

''(5) assume responsibility for maximizing the value and assessing and managing the risks of major information systems initiatives through a process that is—

''(A) integrated with budget, financial, and program management decisions; and

''(B) used to select, control, and evaluate the results of major information systems initiatives.

''§3507. Public information collection activities; submission to Director; approval and delegation

''(a) An agency shall not conduct or sponsor the collection of information unless in advance of the adoption or revision of the collection of information—

''(1) the agency has—

''(A) conducted the review established under section 3506(c)(1);

''(B) evaluated the public comments received under section 3506(c)(2);

''(C) submitted to the Director the certification required under section 3506(c)(3), the proposed collection of information, copies of pertinent statutory authority, regulations, and other related materials as the Director may specify; and

''(D) published a notice in the Federal Register—

''(i) stating that the agency has made such submission; and

''(ii) setting forth—

''(I) a title for the collection of information;

''(II) a summary of the collection of information;

''(III) a brief description of the need for the information and the proposed use of the information;

''(IV) a description of the likely respondents and proposed frequency of response to the collection of information;

''(V) an estimate of the burden that shall result from the collection of information; and

''(VI) notice that comments may be submitted to the agency and Director;

''(2) the Director has approved the proposed collection of information or approval has been inferred, under the provisions of this section; and

''(3) the agency has obtained from the Director a control number to be displayed upon the collection of information.

''(b) The Director shall provide at least 30 days for public comment prior to making a decision under subsection (c), (d), or (h), except as provided under subsection (j).

''(c)(1) For any proposed collection of information not contained in a proposed rule, the Director shall notify the agency involved of the decision to approve or disapprove the proposed collection of information.

''(2) The Director shall provide the notification under paragraph (1), within 60 days after receipt or publication of the notice under subsection (a)(1)(D), whichever is later.

''(3) If the Director does not notify the agency of a denial or approval within the 60-day period described under paragraph (2)—

''(A) the approval may be inferred;

''(B) a control number shall be assigned without further delay; and

''(C) the agency may collect the information for not more than 1 year.

''(d)(1) For any proposed collection of information contained in a proposed rule—

''(A) as soon as practicable, but no later than the date of publication of a notice of proposed rulemaking in the Federal Register, each agency shall forward to the Director a copy of any proposed rule which contains a collection of information and any information requested by the Director necessary to make the determination required under this subsection; and

''(B) within 60 days after the notice of proposed rulemaking is published in the Federal Register, the Director may file public comments pursuant to the standards set forth in section 3508 on the collection of information contained in the proposed rule;

''(2) When a final rule is published in the Federal Register, the agency shall explain—

''(A) how any collection of information contained in the final rule responds to the comments, if any, filed by the Director or the public; or

''(B) the reasons such comments were rejected.

''(3) If the Director has received notice and failed to comment on an agency rule within 60 days after the notice of proposed rulemaking, the Director may not disapprove any collection of information specifically contained in an agency rule.

''(4) No provision in this section shall be construed to prevent the Director, in the Director's discretion—

''(A) from disapproving any collection of information which was not specifically required by an agency rule;

''(B) from disapproving any collection of information contained in an agency rule, if the agency failed to comply with the requirements of paragraph (1) of this subsection;

''(C) from disapproving any collection of information contained in a final agency rule, if the Director finds within 60 days after the publication of the final rule that the agency's response to the Director's comments filed under paragraph (2) of this subsection was unreasonable; or

''(D) from disapproving any collection of information contained in a final rule, if—

''(i) the Director determines that the agency has substantially modified in the final rule the collection of information contained in the proposed rule; and

''(ii) the agency has not given the Director the information required under paragraph (1) with respect to the modified collection of information, at least 60 days before the issuance of the final rule.

''(5) This subsection shall apply only when an agency publishes a notice of proposed rulemaking and requests public comments.

''(6) The decision by the Director to approve or not act upon a collection of information contained in an agency rule shall not be subject to judicial review.

''(e)(1) Any decision by the Director under subsection (c), (d), (h), or (j) to disapprove a collection of information, or to instruct the agency to make substantive or material change to a collection of information, shall be publicly available and include an explanation of the reasons for such decision.

''(2) Any written communication between the Administrator of the Office of Information and Regulatory Affairs, or any employee of the Office of Information and Regulatory Affairs, and an agency or person not employed by the Federal Government concerning a proposed collection of information shall be made available to the public.

''(3) This subsection shall not require the disclosure of—

''(A) any information which is protected at all times by procedures established for information which has been specifically authorized under criteria established by an Executive order or an Act of Congress to be kept secret in the interest of national defense or foreign policy; or

''(B) any communication relating to a collection of information which is not approved under this chapter, the disclosure of which could lead to retaliation or discrimination against the communicator.

''(f)(1) An independent regulatory agency which is administered by 2 or more members of a commission, board, or similar body, may by majority vote void—

''(A) any disapproval by the Director, in whole or in part, of a proposed collection of information of that agency; or

''(B) an exercise of authority under subsection (d) of section 3507 concerning that agency.

''(2) The agency shall certify each vote to void such disapproval or exercise to the Director, and explain the reasons for such vote. The Director shall without further delay assign a control number to such collection of information, and such vote to void the disapproval or exercise shall be valid for a period of 3 years.

''(g) The Director may not approve a collection of information for a period in excess of 3 years.

''(h)(1) If an agency decides to seek extension of the Director's approval granted for a currently approved collection of information, the agency shall—

''(A) conduct the review established under section 3506(c), including the seeking of comment from the public on the continued need for, and burden imposed by the collection of information; and

''(B) after having made a reasonable effort to seek public comment, but no later than 60 days before the expiration date of the control number assigned by the Director for the currently approved collection of information, submit the collection of information for review and approval under this section, which shall include an explanation of how the agency has used the information that it has collected.

''(2) If under the provisions of this section, the Director disapproves a collection of information contained in an existing rule, or recommends or instructs the agency to make a substantive or material change to a collection of information contained in an existing rule, the Director shall—

''(A) publish an explanation thereof in the Federal Register; and

''(B) instruct the agency to undertake a rulemaking within a reasonable time limited to consideration of changes to the collection of information contained in the rule and thereafter to submit the collection of information for approval or disapproval under this chapter.

''(3) An agency may not make a substantive or material modification to a collection of information after such collection has been approved by the Director, unless the modification has been submitted to the Director for review and approval under this chapter.

''(i)(1) If the Director finds that a senior official of an agency designated under section 3506(a) is sufficiently independent of program responsibility to evaluate fairly whether proposed collections of information should be approved and has sufficient resources to carry out this responsibility effectively, the Director may, by rule in accordance with the notice and comment provisions of chapter 5 of title 5, United States Code, delegate to such official the authority to approve proposed collections of information in specific program areas, for specific purposes, or for all agency purposes.

''(2) A delegation by the Director under this section shall not preclude the Director from reviewing individual collections of information if the Director determines that circumstances warrant such a review. The Director shall retain authority to revoke such delegations, both in general and with regard to any specific matter. In acting for the Director, any official to whom approval authority has been delegated under this section shall comply fully with the rules and regulations promulgated by the Director.

''(j)(1) The agency head may request the Director to authorize a collection of information, if an agency head determines that—

''(A) a collection of information—

''(i) is needed prior to the expiration of time periods established under this chapter; and

''(ii) is essential to the mission of the agency; and

''(B) the agency cannot reasonably comply with the provisions of this chapter because—

''(i) public harm is reasonably likely to result if normal clearance procedures are followed;

''(ii) an unanticipated event has occurred; or

''(iii) the use of normal clearance procedures is reasonably likely to prevent or disrupt the collection of information or is reasonably likely to cause a statutory or court ordered deadline to be missed.

''(2) The Director shall approve or disapprove any such authorization request within the time requested by the agency head and, if approved, shall assign the collection of information a control number. Any collection of information conducted under this subsection may be conducted without compliance with the provisions of this chapter for a maximum of 90 days after the date on which the Director received the request to authorize such collection.

''§ 3508. Determination of necessity for information; hearing

''Before approving a proposed collection of information, the Director shall determine whether the collection of information by the agency is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility. Before making a determination the Director may give the agency and other interested persons an opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines that the collection of information by an agency is unnecessary for any reason, the agency may not engage in the collection of information.

''§ 3509. Designation of central collection agency

''The Director may designate a central collection agency to obtain information for two or more agencies if the Director determines that the needs of such agencies for information will be adequately served by a single collection agency, and such sharing of data is not inconsistent with applicable law. In such cases the Director shall prescribe (with reference to the collection of information) the duties and functions of the collection agency so designated and of the agencies for which it is to act as agent (including reimbursement for costs). While the designation is in effect, an agency covered by the designation may not obtain for itself information for the agency which is the duty of the collection agency to obtain. The Director may modify the designation from time to time as circumstances require. The authority to designate under this section is subject to the provisions of section 3507(f) of this chapter.

''§ 3510. Cooperation of agencies in making information available

''(a) The Director may direct an agency to make available to another agency, or an agency may make available to another agency, information obtained by a collection of information if the disclosure is not inconsistent with applicable law.

''(b)(1) If information obtained by an agency is released by that agency to another agency, all the provisions of law (including penalties) that relate to the unlawful disclosure of information apply to the officers and employees of the agency to which information is released to the same extent and in the same manner as the provisions apply to the officers and employees of the agency which originally obtained the information.

''(2) The officers and employees of the agency to which the information is released, in addition, shall be subject to the same provisions of law, including penalties, relating to the unlawful disclosure of information as if the information had been collected directly by that agency.

''§ 3511. Establishment and operation of Government Information Locator Service

''(a) In order to assist agencies and the public in locating information and to promote information sharing and equitable access by the public, the Director shall—

''(1) cause to be established and maintained a distributed agency-based electronic Government Information Locator Service (hereafter in this section referred to as the 'Service'), which shall identify the major information systems, holdings, and dissemination products of each agency;

''(2) require each agency to establish and maintain an agency information locator service as a component of, and to support the establishment and operation of the Service;

''(3) in cooperation with the Archivist of the United States, the Administrator of General Services, the Public Printer, and the Librarian of Congress, establish an interagency committee to advise the Secretary of Commerce on the development of technical standards for the Service to ensure compatibility, promote information sharing, and uniform access by the public;

''(4) consider public access and other user needs in the establishment and operation of the Service;

''(5) ensure the security and integrity of the Service, including measures to ensure that only information which is intended to be disclosed to the public is disclosed through the Service; and

''(6) periodically review the development and effectiveness of the Service and make recommendations for improvement, including other mechanisms for improving public access to Federal agency public information.

''(b) This section shall not apply to operational files as defined by the Central Intelligence Agency Information Act (50 U.S.C. 431 et seq.).

''§ 3512. Public protection

''(a) Notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information that is subject to this chapter if—

''(1) the collection of information does not display a valid control number assigned by the Director in accordance with this chapter; or

''(2) the agency fails to inform the person who is to respond to the collection of information that such person is not required to respond to the collection of information unless it displays a valid control number.

''(b) The protection provided by this section may be raised in the form of a complete defense, bar, or otherwise at any time during the agency administrative process or judicial action applicable thereto.

''§ 3513. Director review of agency activities; reporting; agency response

''(a) In consultation with the Administrator of General Services, the Archivist of the United States, the Director of the National Institute of Standards and Technology, and the Director of the Office of Personnel Management, the Director shall periodically review selected agency information resources management activities to ascertain the efficiency and effectiveness of such activities to improve agency performance and the accomplishment of agency missions.

''(b) Each agency having an activity reviewed under subsection (a) shall, within 60 days after receipt of a report on the review, provide a written plan to the Director describing steps (including milestones) to—

''(1) be taken to address information resources management problems identified in the report; and

''(2) improve agency performance and the accomplishment of agency missions.

"§ 3514. Responsiveness to Congress

''(a)(1) The Director shall—

''(A) keep the Congress and congressional committees fully and currently informed of the major activities under this chapter; and

''(B) submit a report on such activities to the President of the Senate and the Speaker of the House of Representatives annually and at such other times as the Director determines necessary.

''(2) The Director shall include in any such report a description of the extent to which agencies have—

''(A) reduced information collection burdens on the public, including—

''(i) a summary of accomplishments and planned initiatives to reduce collection of information burdens;

''(ii) a list of all violations of this chapter and of any rules, guidelines, policies, and procedures issued pursuant to this chapter;

''(iii) a list of any increase in the collection of information burden, including the authority for each such collection; and

''(iv) a list of agencies that in the preceding year did not reduce information collection burdens in accordance with section 3505(a)(1), a list of the programs and statutory responsibilities of those agencies that precluded that reduction, and recommendations to assist those agencies to reduce information collection burdens in accordance with that section;

''(B) improved the quality and utility of statistical information;

''(C) improved public access to Government information; and

''(D) improved program performance and the accomplishment of agency missions through information resources management.

''(b) The preparation of any report required by this section shall be based on performance results reported by the agencies and shall not increase the collection of information burden on persons outside the Federal Government.

"§ 3515. Administrative powers

''Upon the request of the Director, each agency (other than an independent regulatory agency) shall, to the extent practicable, make its services, personnel, and facilities available to the Director for the performance of functions under this chapter.

"§ 3516. Rules and regulations

''The Director shall promulgate rules, regulations, or procedures necessary to exercise the authority provided by this chapter.

"§ 3517. Consultation with other agencies and the public

''(a) In developing information resources management policies, plans, rules, regulations, procedures, and guidelines and in reviewing collections of information, the Director shall provide interested agencies and persons early and meaningful opportunity to comment.

''(b) Any person may request the Director to review any collection of information conducted by or for an agency to determine, if, under this chapter, a person shall maintain, provide, or disclose the information to or for the agency. Unless the request is frivolous, the Director shall, in coordination with the agency responsible for the collection of information—

''(1) respond to the request within 60 days after receiving the request, unless such period is extended by the Director to a specified date and the person making the request is given notice of such extension; and

''(2) take appropriate remedial action, if necessary.

"§ 3518. Effect on existing laws and regulations

''(a) Except as otherwise provided in this chapter, the authority of an agency under any other law to prescribe policies, rules, regulations, and procedures for Federal information resources management activities is subject to the authority of the Director under this chapter.

''(b) Nothing in this chapter shall be deemed to affect or reduce the authority of the Secretary of Commerce or the Director of the Office of Management and Budget pursuant to Reorganization Plan No. 1 of 1977 (as amended) and Executive order, relating to telecommunications and information policy, procurement and management of telecommunications and information systems, spectrum use, and related matters.

''(c)(1) Except as provided in paragraph (2), this chapter shall not apply to the collection of information—

''(A) during the conduct of a Federal criminal investigation or prosecution, or during the disposition of a particular criminal matter;

''(B) during the conduct of—

''(i) a civil action to which the United States or any official or agency thereof is a party; or

''(ii) an administrative action or investigation involving an agency against specific individuals or entities;

''(C) by compulsory process pursuant to the Antitrust Civil Process Act and section 13 of the Federal Trade Commission Improvements Act of 1980; or

''(D) during the conduct of intelligence activities as defined in section 3.4(e) of Executive Order No. 12333, issued December 4, 1981, or successor orders, or during the conduct of cryptologic activities that are communications security activities.

''(2) This chapter applies to the collection of information during the conduct of general investigations (other than information collected in an antitrust investigation to the extent provided in subparagraph (C) of paragraph (1)) undertaken with reference to a category of individuals or entities such as a class of licensees or an entire industry.

''(d) Nothing in this chapter shall be interpreted as increasing or decreasing the authority conferred by Public Law 89–306 on the Administrator of the General Services Administration, the Secretary of Commerce, or the Director of the Office of Management and Budget.

''(e) Nothing in this chapter shall be interpreted as increasing or decreasing the authority of the President, the Office of Management and Budget or the Director thereof, under the laws of the United States, with respect to the substantive policies and programs of departments, agencies and offices, including the substantive authority of any Federal agency to enforce the civil rights laws.

"§ 3519. Access to information

''Under the conditions and procedures prescribed in section 716 of title 31, the Director and personnel in the Office of Information and Regulatory Affairs shall furnish such information as the Comptroller General may require for the discharge of the responsibilities of the Comptroller General. For the purpose of obtaining such information, the Comptroller General or representatives thereof shall have access to all books, documents, papers and records, regardless of form or format, of the Office.

"§ 3520. Authorization of appropriations

''There are authorized to be appropriated to the Office of Information and Regulatory Affairs to carry out the provisions of this chapter, and for no other purpose, $8,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, 2000, and 2001.''.

SEC. 3. BURDEN REDUCTION REGARDING QUARTERLY FINANCIAL REPORT PROGRAM AT BUREAU OF THE CENSUS.

Section 91 of title 13, United States Code, is amended by adding at the end the following new subsection:

''(d)(1) The Secretary shall not select an organization or entity for participation in a survey, if—

''(A) the organization or entity—

''(i) has assets of less than $50,000,000;

''(ii) completed participation in a prior survey in the preceding 10-year period, as determined by the Secretary; and

''(iii) was selected for that prior survey participation after September 30, 1990; or

''(B) the organization or entity—

''(i) has assets of more than $50,000,000 and less than $100,000,000;

''(ii) completed participation in a prior survey in the preceding 2-year period, as determined by the Secretary; and

''(iii) was selected for that prior survey participation after September 30, 1995.

''(2)(A) The Secretary shall furnish advice and similar assistance to ease the burden of a small business concern which is attempting to compile and furnish the business information required of organizations and entities participating in the survey.

''(B) To facilitate the provision of the assistance under subparagraph (A), the Secretary shall establish a toll-free telephone number.

''(C) The Secretary shall expand the use of statistical sampling techniques to select organizations and entities having assets less than $100,000,000 to participate in the survey.

''(3) The Secretary may undertake such additional paperwork burden reduction initiatives with respect to the conduct of the survey as may be deemed appropriate by the Secretary.

''(4) For purposes of this subsection:

''(A) The term 'small business concern' means a business concern that meets the requirements of section 3(a) of the Small Business Act and the regulations promulgated pursuant thereto.

''(B) The term 'survey' means the collection of information by the Secretary pursuant to this section for the purpose of preparing the publication entitled 'Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations'.''.

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this Act and the amendments made by this Act shall take effect on October 1, 1995.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 3520 of title 44, United States Code, as amended by this Act, shall take effect on the date of enactment of this Act.

(c) DELAYED APPLICATION.—In the case of a collection of information for which there is in effect on September 30, 1995, a control number issued by the Office of Management and Budget under chapter 35 of title 44, United States Code—

(1) the amendments made by this Act shall apply to the collection of information beginning on the earlier of—

(A) the first renewal or modification of that collection of information after September 30, 1995; or

(B) the expiration of its control number after September 30, 1995.

(2) prior to such renewal, modification, or expiration, the collection of information shall be subject to chapter 35 of title 44, United States Code, as in effect on September 30, 1995.

And the House agree to the same.

BILL CLINGER,
JOHN M. MCHUGH,
DAVID MCINTOSH,
JON FOX,
CARDISS COLLINS,
COLLIN C. PETERSON,
BOB WISE,
Managers on the Part of the House.

WILLIAM V. ROTH, Jr.,
BILL COHEN,
THAD COCHRAN,
JOHN GLENN,
SAM NUNN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF THE CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 244) to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report: The House amendment struck all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor and clerical changes.

Short title (sec. 1)

The Senate bill contained a provision (section 101) that would establish the short title of the title I of the Senate bill as the ''Paperwork Reduction Act of 1995''.

The House amendment (section 1) contained a provision that would establish the short title of the act as the ''Paperwork Reduction Act of 1995''.

The conferees agree that the short title of the act should be the ''Paperwork Reduction Act of 1995''.

Coordination of Federal information policy (sec. 2)

The Senate bill contained a provision (sec. 102) that would provide a complete text of chapter 35 of title 44, United States Code, the codified version of the Paperwork Reduction Act of 1980, as previously amended.

The House amendment contained a similar provision (sec. 2).

The conference agreement reflects the following differences between the text of the Paperwork Reduction Act as contained in the Senate bill and the text contained in the House amendment.

1. Prior Legislative History Expressly Preserved.

Section 2 of the Paperwork Reduction Act of 1995 is drafted in the form of a complete recodification of chapter 35 of title 44, United States Code, due to the number of changes made. The modifications include word changes made for reasons of clarity and consistency, the deletion of obsolete provisions, the reorganization of sections, and substantive amendments made to update and strengthen the original purposes of the Paperwork Reduction Act of 1980. As stated in report accompanying the S. 244 (S. Rpt. 104–8):

''To the extent the legislation is a restatement of the 1980 Act, as amended in 1988, the scope, underlying purposes, basic requirements, and legislative history of the law are unchanged. To the extent the legislation modifies provisions in current law, the amendments are made strictly for the purposes described in this report, and in order to further the purposes of the original law.'' (S. Rpt. 104–4 at page 3)

The report accompanying H.R. 830, H. Rpt. 104–37, expressed essentially the same views regarding the preservation of the Act's legislative history. (See, H. Rpt. 104–37 at page 35).

With respect to the views expressed in the reports accompanying S. 244 and H.R. 830 regarding the effect of the adopted format of both bills, a recodification of chapter 35 of title 44, United States Code, the conferees adopt and reiterate the positions expressed by those reports. Amendments to current law effected by this conference agreement are done for the purposes subsequently described in this Joint Explanatory Statement.

2. Definition of ''collection of information''.

The Senate bill contained a modified definition of ''collection of information'', which including adding a cross-reference to 35 U.S.C. 3518(c)(2) relating to the exclusion of certain types of collections of information from coverage under chapter 35 of Title 44.

The House amendment contained no similar modification to existing law.

The House recedes.

The conferees expressly note that the addition of the cross-reference to 35 U.S.C. 3518(c)(2) within the definition of the term ''collection of information'' is not intended to reflect any substantive change to existing law or to serve as a justification for any change by Federal agencies in the use of the authority granted by section 3518(c)(2).

3. Definition of ''information system''.

The Senate bill contained an expanded definition of ''information system''.

The House amendment added the phrase ''and processes, automated or manual''.

The House recedes.

4. Definition of ''information technology''.

The Senate bill contained a new definition of ''information technology'' (44 U.S.C. 3502(9).

The House amendment contained a similar definition that did not contain some of the cross-references.

The House recedes.

The conferees note that the definition of ''information technology'' contained in section 3502(9) is intended to preserve the exemption for intelligence and military information technology that is found in current law, specifically the definition of ''automatic data processing'', Section 3502(2). For the purpose of mere statutory simplification, the current exemption was incorporated by a simple reference to the so-called ''Warner Amendment'' to the Brooks Automatic Data Processing Act, Section 111(a)(3)(C) (i) through (v) of the Federal Property and Administrative Services Act of 1947 (40 U.S.C. 759(a)(3)(C)(i)–(v)). As under current section 3502(2), the exemption applies to information technology, the function, operation, or use of which involves activities specified in the ''Warner Amendment'', namely: intelligence activities; cryptologic activities related to national security; the direct command and control of military forces; equipment which is an integral part of a weapon or weapons system; or information technology that is critical to the direct fulfillment of military or intelligence missions (but excludes information technology used for routine administrative and business applications, such as payroll, finance, logistics, and personnel management).

In this regard, the conferees note that OMB has not interpreted the authority granted by section 3504(f)(1) of the existing Paperwork Reduction Act to oversee the management of either classified or unclassified information which would typically be resident in information technology that itself is not subject to OMB's oversight under the Act (e.g., an information system which is an integral part of a weapons system). Given the express intent to preserve existing law regarding the exclusion of information technology covered by the so-called ''Warner Amendment'' to the Brooks Automatic Data Processing Act, the conferees would note that the changes made by this Act do not grant any new authority or diminish any existing authority for OMB to develop or oversee security policies, principles, or guidelines applicable to information resident in information technology subject to the ''Warner Amendment'' exemption. Similarly, the amendments made by this definition change are not intended to impair OMB's budgetary oversight of such information technology or its other existing authorities.

With regard to the modifications being made to section 3504(f)(3) of existing law, the conferees intend that revised section 3504(g)(2) continue to be implemented consistent with the provisions of the Computer Security Act of 1987 (40 U.S.C. 759), which assigns to the National Institute of Standards and Technology responsibility for developing technical, management, physical, and administrative policies, principles, standards, and guidelines for the cost-effective security and privacy of sensitive information in Federal computer systems subject to that act.

5. Definition of ''recordkeeping requirement''.

The Senate bill contained a modified definition designed to make explicit the Act's coverage of so-called third-party recordkeeping requirements to correct the ambiguity that lead to the adverse 1990 Supreme Court decision in *Dole v. United Steelworkers of America*.

The House amendment contained additional detail in this regard.

The Senate recedes with a clarifying amendment.

6. Office of Information and Regulatory Affairs—Qualifications of Administrator and Employees.

The Senate bill added a new subsection (c) to section 3503 regarding the professional qualifications of the Administrator of the Office of Information and Regulatory Affairs (OIRA) and the employees of that office.

The House amendment contained no similar provision.

The Senate recedes.

The conferees note that the purpose of this provision was to assure that adequate attention was given to the full range of responsibilities assigned to OIRA and its Administrator by the Paperwork Reduction Act of 1980, as amended. Such considerations are appropriate in the Presidential selection of a nominee for OIRA Administrator and in the Senate's consideration of that nominee, while recognizing the practical realities of requiring that a ''qualified'' candidate have substantial capabilities over the very broad range of responsibilities assigned to OIRA by the Act. Such practical considerations should also apply to the Administrator's selection of OIRA employees as well as the utility of having more narrowly focused ''subject matter specialists'' available on the OIRA staff.

7. Authority and functions of the Director—Burden reduction as an objective of information resources management.

The Senate bill contained a substantial modification to section 3504(a)(1) regarding the responsibilities of the OMB Director to oversee the Government's information resources with the objective of improving the effectiveness of Federal agency operations.

The House amendment contained no similar provision.

The House recedes with an amendment that adds to the Senate provision the concept that information resources management is also a substantial tool to minimize the burdens which the Government imposes on the public.

8. Authority and functions of the Director—Approval of proposed collections of information.

The Senate bill contained a modification to section 3504(a)(1)(B) relating to the authority of the OMB Director to review and

approve (or disapprove) a collection of information being proposed by an agency.

The House amendment includes a similar provision which retains the explicit reference to ''review and approval'' existing in current law.

The Senate recedes.

The conferees reiterate the existing interpretation of the authority granted to the OMB Director under section 3504(a)(1)(B): that the power to ''approve'' a proposed agency paperwork requirement is the power to disapprove such a proposed collection. This has been the consistent interpretation of this provision since the enactment of the 1980 Act.

9. Authority and functions of the Director—Standard of Review for Proposed Agency Collections of Information.

The Senate bill amended section 3504(c)(1) regarding the OMB Director's authority to review and approve a proposed agency collections of information, seeking to cross-reference, and paraphrase, section 3508 which sets forth the Act's fundamental standard for the review of such a proposed collection of information by both the proposing agency and the OMB Director.

The House amendment included a direct statement of the OMB Director's authority to review and approve proposed agency collections of information.

The Senate recedes.

10. Authority and functions of Director—Coordination with Office of Federal Procurement Policy regarding payment.

The Senate bill contains a modification to section 3504(c)(2) relating to establishing a formal coordination between OIRA and the Office of Federal Procurement Policy (OFPP) regarding minimizing paperwork burdens associated with the Federal procurement process.

The House amendment contained a similar provision, but specifically identified the burdens associated with the payment of contractors for work performed.

The Senate recedes.

The conferees note that the Prompt Payment Act Amendments of 1988 specifically encourage the use of electronic fund transfers for the payment of contractors. More recently, the Federal Acquisition Streamlining Act of 1994 (FASA) continues this emphasis on increasing the use of electronic fund transfers by designating electronic payment of contractors as one of the benchmarks for determining the full capability of FACNET. Finally, the conferees note that simplified procedures for solicitation and award of contracts below the Simplified Acquisition Threshold (SAT), $100,000, being proposed as amendments to the Government-wide Federal Acquisition Regulation (FAR), should include authority for equally expedited contract payment procedures for work performed.

11. Authority and functions of Director—Special small business size standard for Paperwork Reduction Act.

The House amendment modified the OMB's Director's responsibilities under section 3504(c) by adding a new paragraph (6) which placed a special emphasis on minimizing the burden on small businesses with 50 or fewer employees. New section 3504(c)(6) was added as a floor amendment to the reported House bill, H.R. 830.

The Senate bill contains no similar provision.

The House recedes.

The conferees note that the section 3 of the Small Business Act provides Government-wide authority for the Small Business Administration (SBA) to establish by regulation numerical size standards under which a business concern will be recognized as a small business concern. SBA has established specific size standards for various types of business concerns in consonance with the system of standard industrial classification (SIC) codes, used to categorize business activity. Size standards are generally established by number of employees for firms engaged in manufacturing. Size standards for firms providing services are established on the basis of annual gross receipts averaged over a three-year period.

Statutorily-established small business size standards have generally been avoided by the Congress because of their rigidity. If enacted, such a statutory size standard has generally been used to establish with certainty a ''small business'' exception to the statute's general applicability or a threshold for a phased-in application.

12. Assignment of tasks and deadlines—Government-wide paperwork burden reduction goals.

The Senate bill amends section 3505(a) to provide for a 5 percent Government-wide goal for the reduction of paperwork burdens imposed by the Government on the public.

The House amendment contains a 10 percent Government-wide paperwork burden reduction goal.

The Senate recedes with an amendment. The conference agreement provides for a 10 percent goal for each of the fiscal years 1996 and 1997 and a 5 percent goal for each of the fiscal years 1998 through 2001.

The conferees note that the Government-wide paperwork reduction goal is calculated on the basis of a ''baseline'' which is the aggregate paperwork burden imposed during the prior fiscal year. The conferees also note that individual agency goals negotiated with OIRA may differ depending on the agency's potential to reduce the paperwork burden such agency imposes on the public. Goals negotiated with some agencies may substantially exceed the Government-wide goal, while those negotiated with other agencies may be substantially less.

13. Assignment of tasks and deadlines—Pilot projects to test alternative practices to minimize paperwork burdens.

The Senate bill amends Section 3505 to provide statutory authority for the OMB Director to establish voluntary pilot programs to test alternative policies, practices, regulations and procedures to minimize the information collection burden imposed on particular segments of the public.

The House amendment included a new subsection (b) to Section 3505, which specifically authorized the OMB Director to waive the application of any regulation or administrative directive needed to undertake a burden reduction pilot project. Notice of such waiver was required to the public and the Congress.

The Senate recedes with an amendment. The conference agreement does not provide any authority for the OMB Director to unilaterally waive any regulation in support of a burden reduction pilot project. If a regulation must be waived in support of such a pilot project, such regulatory waiver must be: (1) permissible under the statutory authority underpinning the regulation; and (2) implementation through a formal regulatory change, meeting the same Administrative Procedure Act standards as used to promulgate the regulation proposed for waiver.

14. Federal agency responsibilities—DOD and Military departments authorized to designate multiple ''senior officials''.

The Senate bill preserves existing law in section 3506(a)(2)(B) which permits the Secretary of Defense and the Secretary of a Military Department to designate multiple ''senior officials'' responsible for the Act's implementation within the Office of the Secretary of Defense or that Military Department. The Senate bill amends existing law to require that the respective duties of each such ''senior official'' be clearly delineated if either the Secretary of Defense or a Service Secretary should choose to designate more than one such ''senior official''. Under current law, only the Secretary of a Military Department has a statutory obligation to delineate the respective duties of multiple ''senior officials'' designated by such officer.

The House amendment uses the terminology of ''a senior official'', under the legislative drafting convention that the singular provides for the plural, unless expressly prohibited. The House amendment preserved the statutory anomaly exempting the Secretary of Defense from the requirement to delineate the respective duties of multiple ''senior officials'' within the Office of the Secretary of Defense, (although three such ''senior officials'' are currently designated and their respective duties are delineated).

The House recedes.

15. Federal agency responsibilities—Cross-reference to ''Fast Track'' Procedures under Section 3507(j).

The House amendment to section 3506(c)(2)(A) qualifies the general requirement to provide a 60-day period for public comment on a proposed collection of information with the phrase ''except for good cause'' to provide broad authority to the OMB Director to waive the public participation requirement when necessary.

The Senate bill amends section 3507(j), which authorizes the so-called ''Fast Track'' review procedures (that is, the very expedited review of a proposed collection of information without any opportunity for public comment prior to approval), to obtain the same statutory objective sought by the House amendment.

The House recedes with an amendment. The conference agreement provides for adding to section 3506(c)(2)(A) a cross-reference to the ''Fast Track'' authority provided in section 3507(j).

16. Federal agency responsibilities—Record retention period to be specified for any recordkeeping requirement.

The House amendment adds a provision to Section 3506(c)(3) which would require that any recordkeeping requirement specify the length of time such records must be maintained.

The Senate bill does not contain a similar provision.

The Senate recedes.

17. Federal agency responsibilities—Special small business size standard for Paperwork Reduction Act.

The House amendment adds a provision to Section 3506(c) relating to agency responsibilities regarding minimizing paperwork burdens imposed on the public by requiring that a special emphasis be placed on minimizing the burden on small businesses with 50 or fewer employees. New Section 3506(c)(4) was added as a floor amendment to the reported House bill, H.R. 830.

The Senate bill contains no similar provision.

The House recedes.

The conferees note that section 3 of the Small Business Act provides Government-wide authority for the Small Business Administration (SBA) to establish by regulation numerical size standards under which a business concern will be recognized as a ''small business concern.'' SBA has established specific size standards for various types of business concerns in consonance with the system of standard industrial classification (SIC) codes, used to categorize business activity. Size standards are generally established by number of employees for firms engaged in manufacturing. Size

standards for firms providing services are established on the basis of annual gross receipts averaged over a three year period.

Statutorily-established small business size standards have generally been avoided by the Congress because of their rigidity. If enacted, such a statutory size standard has generally been used to establish with certainty a ''small business'' exception to a statute's general applicability or to define a threshold for a phased-in application.

18. Federal agency responsibilities—Information dissemination standards.

The Senate bill adds a new Section 3506(d) which establishes information dissemination standards for the various Federal agencies.

The House amendment contains essentially similar provisions, except that the House provision requires that: (a) the public have ''equal'' as well as ''timely'' and ''equitable'' access to the information collected by the agency; and (b) access be made available to the ''underlying data'', if an agency provides information to the public in an electronic format.

The Senate recedes with an amendment. The conference agreement adopts the provision of the House amendment assuring public access to ''underlying data'' if a agency chooses to furnish information in an electronic format.

The conferees concluded that the word ''equal'' was unnecessary in the agreed-upon text of section 3506(d)(1), given that the statutory obligation for an agency ensure that the public has ''timely'' and ''equitable'' access to information in the possession of the agency includes the obligation to make such information available on a non-discriminatory and non-exclusive basis to any public or private entity for any lawful purpose. This obligation is sufficient to prevent agencies from discriminating against or otherwise disadvantaging any class of users, particularly commercial users.

19. Federal agency responsibilities—Notice of Changes Regarding Information Dissemination Products.

The House amendment adding a new section 3506(d), which establishes information dissemination standards for Federal agencies, includes a provision requiring an agency to provide adequate public notice when initiating, substantially modifying, or terminating a significant information dissemination project.

The Senate bill does not contain a similar provision.

The Senate recedes.

20. Federal agency responsibilities—User Fees.

The House amendment adding a new section 3506(d), which establishes information dissemination standards for Federal agencies, includes a provision specifying procedures under which an agency head can petition the OMB Director to authorize user fees in excess of the cost of dissemination, the general rule established by section 3506(d)(4)(D).

The Senate bill does not contain a similar provision.

The House recedes.

21. Federal agency responsibilities—Information Technology Management.

The Senate bill requires that each Federal agency take certain actions to ''ensure'' responsibility for effective management of its information technology resources.

The House amendment requires each Federal agency to ''assume'' responsibility for an identical set of management actions.

The Senate recedes.

22. Public Information collection activities; submission to Director; approval and delegation—Unspecified ''Fast Track'' Alternative.

The Senate bill amends section 3507(j) of existing law to provide additional flexibility in the so-called ''Fast Track'' review process, under which a proposed collection of information can be reviewed on a very expedited schedule without any opportunity for public notice or comment prior to approval by the OMB Director.

The House amendment sought to provide the same additional flexibility by amending section 3507(b) to include any additional waiver of the normal review process ''for good cause''.

The House recedes.

23. Public information collection activities; submission to Director; approval and delegation—Duration of ''Default'' Approval.

The Senate bill requires the assignment of a valid control number permitting an agency to use a collection of information for a period of not more than two years, if the OMB Director fails to take action regarding a proposed collection of information (not contained in a rule) within a specified 60-day period.

The House amendment contained an identical provision, except that the control number remained valid for not more than one year.

The Senate recedes.

24. Public information collection activities; submission to Director; approval and delegation—Standard for disapproval of a collection of information contained in a final agency rule.

The House amendment to new section 3507(d), which specifies procedures for the review of a proposed collection of information contained in a proposed rule, includes a modification to section 3507(d)(4)(C), to make more explicit the standard of review to be used by the OMB Director.

The Senate bill makes use of the language found in existing law.

The House recedes.

25. Public information collection activities; submission to Director; approval and delegation—Disclosure of written communications.

The Senate bill expands the Act's current requirement to disclose any written communication regarding a proposed collection of information between a person not employed by the Federal Government and the OIRA Administrator or any OIRA employee to include the ''Office of the Director'' of OMB.

The House amendment maintains current law.

The Senate recedes.

26. Public information collection activities; submission to Director; approval and delegation—''Whistleblower'' Protection.

The Senate bill includes a new provision at section 3507(e)(3)(B), which provides anonymity to a communication received by OIRA from a private sector ''whistleblower'', regarding an unapproved (or so-called ''bootleg'') collection of information.

The House amendment contained a whistleblower protection provision that was not restricted to ''bootleg'' collections of information.

The House recedes with an amendment. The conference agreement provides the ''whistleblower'' protection to a communication regarding a collection of information that does not display a control number that is currently in effect. Thus, the provision now provides protection regarding communications relating collections of information that were never approved as well as those for which an approval has expired.

27. Public Information collection activities; submission to Director; approval and delegation—Improved ''Fast Track'' Procedures.

The Senate bill amends 3507(j) of existing law to provide additional flexibility in the so-called ''Fast Track'' review process, under a proposed collection of information can be reviewed on an very expedited schedule without any opportunity for public notice or comment prior to approval by the OMB Director.

The House amendment reflects existing law.

The House recedes.

The conferees note that no instance has been identified in the 15 years of experience under the Act in which its ''Fast Track'' review procedures have not been made available to an agency under the current version of section 3507(j), or the proposed collection of information has not been cleared on an schedule that completely accommodated the agency's exigent circumstances.

28. Determination of necessity for information; hearing.

The Senate bill modifies section 3508 of the Act, which establishes the fundamental standard used by the Director in determining whether to approve a collection of information being proposed by an agency.

The House amendment reflects existing law.

The Senate recedes.

29. Establishment and operation of Government Information Locator Service—Specific exclusion for CIA ''operational files''.

The Senate bill includes a provision which provides for the establishment and operation of the Government Information Locator Service (GILS). The Senate provisions includes an explicit exclusion from GILS for ''operational files'' as defined in the Central Intelligence Agency Information Act.

The House amendment contains an identical provision regarding GILS, but does not include the specific exclusion for the CIA's ''operational files''.

The House recedes.

30. Public Protection.

The Senate bill contains a provision which changes the Act's current ''public protection'' provision by requiring a collection of information subject to the Act display a notice that a person is not required to respond to the collection of information unless it displays a control number which is valid.

The House amendment contains a provision which clarifies and strengthens the Act's current ''public protection'' provision by enabling a person to assert this protection at any time during an agency administrative process or any subsequent judicial review of an agency action involving a penalty.

The Senate recedes with an amendment. The conference agreement clarifies and strengthens the Act's ''public protection'' provision by explicitly providing that the protection provided by the section may be asserted or raised by a person in the form of a complete defense, bar or other manner, at any time during a agency administrative process or any subsequent judicial review. The protection provided by the section applies if the agency fails to display a valid control number, or inform the person that they are not required to respond to a collection of information unless it displays a valid control number.

For collections of information contained in a rule, agencies must provide the required information in a manner reasonably calculated to inform the public. Notice may be provided in the preamble to a final rule containing the collection of information, or in a general notice in the volume of the Code of Federal Regulation in which the agency's regulations appear.

The conference agreement also provides for the inclusion of a definition of ''penalty'', a term used in section 3512. The new statutory definition of ''penalty'' is substantially identical to the definition of ''penalty'' found in

the Act's implementing regulation, at 5 C.F.R. 1320.7(m).

The conference agreement further provides for an additional modification to section 3506(c)(1)(B), which specifies the information to be provided to the public with respect to an agency collection of information. Agencies are not required to inform recipients of a collection of information that: (a) section 3507(a) prohibits an agency from conducting or sponsoring an unapproved collection of information; and (b) section 3512 requires an agency to inform a person who is to respond to a collection of information they are not required to do so unless it displays a valid control number.

31. Responsiveness to Congress—Annual Report and Remedial Program Regarding Agencies Failing to Attain Paperwork Burden Reduction Goals.

The Senate bill amended section 3514(a)(1) of the Act regarding the content of the report submitted annually to Congress by the OMB Director relating to agency compliance with the Act.

The House amendment contains a substantially identical provision which includes an additional requirement to identify those agencies that have failed to attain their assigned paperwork burden reduction goals during the fiscal year covered by the report, the reasons for their failure to attain such goals; and the agency's proposed remedial program, if any.

The Senate recedes with a clarifying amendment.

32. Consultation with other agencies and the public.

The Senate bill contains a provision permitting any person to request the OMB Director to determine whether a collection of information is in compliance with the Act's requirements, specifying response times to such requests; and empowering the Director to seek any appropriate remedial action.

The House amendment contains a substantively identical provision, but unlike the Senate bill requires that the person making the request must be a recipient of the collection of information at issue.

The House recedes.

33. Effect on existing laws and regulations.

The Senate bill includes a provision, section 3818(c), substantially identical to existing law which specifies certain classes of collections of information that are exempt from the Act's coverage.

The House amendment makes a number of additional modifications to this provision of existing law.

The House recedes.

34. Authorization of Appropriations.

The Senate bill amends section 3520 providing a five-year authorization of appropriations for OIRA for the Fiscal Years 1996 through 2000, at the rate of $8 million per year.

The House amendment provides a permanent authorization of appropriations, specifying ''such sums as may be necessary'' rather than a fixed amount.

The House recedes an amendment. The conference agreement provides for a six-year authorization of appropriations for OIRA, for fiscal years 1996 through 2001, at $8 million for each fiscal year.

Burden reduction regarding the Quarterly Financial Report Program at the Bureau of the Census (Sec. 3)

The Senate bill contained a provision (sec. 103) that would require the Bureau of the Census within the Department of Commerce to undertake a demonstration program to reduce the burden imposed on firms, especially small businesses, required to participate in the survey used to prepare the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations

The House amendment contained no similar provision.

The House recedes with an amendment.

The conference agreement amends section 91 of title 13, United States Code, the statutory authorization for the survey, to:

(a) exempt firms from participation for specified periods, after they have fully participated in the survey for a complete cycle (eight consecutive quarters of reporting);

(b) expand the use of statistical sampling techniques to select for survey participation; and

(c) assure small businesses selected to participate easy access to advise and similar assistance, including the establishment of a toll-free telephone number.

Effective date (Sec. 4)

The Senate bill contains a provision (sec. 106) which establishes the effective date of the Paperwork Reduction Act of 1995 as June 30, 1995.

The House amendment contains a provision (sec. 3) which establishes the Act's effective date as October 1, 1995.

The Senate recedes with a clarifying amendment.

The conference agreement provides that: (a) except as otherwise provided, the Paperwork Reduction Act of 1995 shall take effect on October 1, 1995; (b) section 3520, as amended, providing authorization for OIRA's appropriation, shall become effective on the date of enactment; (c) for each collection of information for which there is a valid OMB control number in effect on September 30, 1995, the amendments to chapter 35 of title 44, shall take effect on the date of the first renewal or modification to that collection of information or on the date of the expiration of its OMB control number; and (d) prior to such renewal, modification, or expiration of its OMB control number, such collection of information shall be subject to the provisions of chapter 35 of title 44, United States Code, as in effect on September 30, 1995.

PROVISIONS NOT ADOPTED

Oregon Option proposal

The Senate bill contains a provision (sec. 104), added as an amendment to the bill as reported, which would express a series findings and a statement of support on the part of the Senate regarding continuation of an on-going demonstration program of intergovernmental cooperation between the Federal Government and State of Oregon and its local governments, referred to as the ''Oregon Option''.

The House amendment contains no similar provision.

The Senate recedes.

Termination of reporting requirements

The Senate bill contains a provision (sec. 105), added as an amendment to the bill as reported, which would terminate all statutorily-mandated reports by the Executive Branch to the Congress, except those required by the Inspector General Act of 1978 and the Chief Financial Officers Act of 1990, five years after the date of enactment of the provision.

The House amendment contains no similar provision.

The Senate recedes.

Federal Report Elimination and Modification Act of 1995

The Senate bill contains a Title II, the ''Federal Report Elimination and Modification Act of 1995'', added as an amendment to the bill as reported, which would eliminate or reduce the burden of 212 statutorily-mandated reports by the Executive Branch to the Congress.

The House bill contains no similar provisions.

The Senate recedes.

BILL CLINGER,
JOHN M. MCHUGH,
DAVID MCINTOSH,
JON FOX,
CARDISS COLLINS,
COLLIN C. PETERSON,
BOB WISE,
Managers on the Part of the House.

WILLIAM V. ROTH, Jr.,
BILL COHEN,
THAD COCHRAN,
JOHN GLENN,
SAM NUNN,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. FOWLER (at the request of Mr. ARMEY) for today, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. SCHROEDER) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

Mr. POMEROY, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. MILLER, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

(The following Members (at the request of Mr. WELDON of Pennsylvania) to revise and extend their remarks and include extraneous material:)

Mr. HOSTETTLER, for 5 minutes, on April 4.

Mr. TIAHRT, for 5 minutes, on April 4.

Mr. BARTLETT of Maryland, for 5 minutes, on April 4.

Mr. LATHAM, for 5 minutes, on April 4.

Mr. WELDON of Pennsylvania, for 5 minutes, today.

Mr. RIGGS, for 5 minutes each day, today and on April 4.

Mr. BILIRAKIS, for 5 minutes each day, on April 4, 5, and 6.

Mrs. SMITH of Washington, for 5 minutes, on April 4.

Mr. SALMON, for 5 minutes, on April 4.

Mr. SAXTON, for 5 minutes each day, on April 4 and 6.

Mr. ROHRABACHER, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes each day, on April 4, 5, and 7.

Mr. HOKE, for 5 minutes, on April 4.

Mr. CHABOT, for 5 minutes, today.

Mr. SCARBOROUGH, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SAXTON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. SMITH of Michigan, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. TIAHRT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOKE, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WYNN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HUTCHINSON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. EWING, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BARTLETT of Maryland, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. CHABOT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. ARCHER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. SCHROEDER) and to include extraneous matter:)

Mr. PALLONE.
Ms. PELOSI.
Mr. KENNEDY of Rhode Island.
Ms. ROYBAL-ALLARD.
Mr. MURTHA.
Mr. UNDERWOOD.
Mr. STUDDS.
Mr. SKAGGS.
Mr. DIXON.

(The following Members (at the request of Mr. WELDON of Pennsylvania) and to include extraneous matter:)

Mr. TALENT.
Mr. CALLAHAN.
Mrs. KELLY.
Mr. WELDON of Pennsylvania.
Mr. COOLEY.
Mr. WOLF.

(The following Members (at the request of Mr. ORTIZ) and to include extraneous matter:)

Mrs. SCHROEDER.
Mr. SMITH of New Jersey.
Mr. ENGEL.
Mr. EWING.
Mr. BONILLA.
Mr. TEJEDA.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 464. An act to make the reporting deadlines for studies conducted in Federal court demonstration districts consistent with the deadlines for pilot districts, and for other purposes; to the Committee on the Judiciary; and

S. 532. An act to clarify the rules governing venue, and for other purposes; to the Committee on the Judiciary.

ADJOURNMENT

Mr. ORTIZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Tuesday, April 4, 1995, at 9:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

654. A communication from the President of the United States, transmitting his request to make available emergency appropriations totaling $21,975,000 in budget authority for the Department of Health and Human Services, also a request to make available emergency appropriations totaling $14,415,000 in budget authority for the Department of Agriculture, and to designate the amounts made available as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, pursuant to 31 U.S.C. 1107 (H. Doc. No. 104–54); to the Committee on Appropriations and ordered to be printed.

655. A letter from the Comptroller, Under Secretary of Defense, transmitting a report of a violation of the Anti-Deficiency Act which occurred at the Naval Sea Systems Command, Arlington, VA, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

656. A letter from the Director, Defense Finance Accounting Service, transmitting notification that the Defense Finance and Accounting Service is initiating multifunction cost comparison studies at its centers in Cleveland, OH; Columbus, OH; Denver, CO; Indianapolis, IN; and Kansas City, MO, pursuant to 10 U.S.C. 2304 note; to the Committee on National Security.

657. A letter from the Chairman, National Credit Union Administration, transmitting the 1995 annual report of the National Credit Union Administration, pursuant to 12 U.S.C. 1752a(d); to the Committee on Banking and Financial Services.

658. A letter from the Chairperson, National Council on Disability, transmitting the Council's annual report volume 15, fiscal year 1994, pursuant to 29 U.S.C. 781(a)(8); to the Committee on Economic and Educational Opportunities.

659. A letter from the Secretary of Education, transmitting a copy of a report entitled, ''Summary of Chapter 2 Annual Reports 1992–1993''; to the Committee on Economic and Educational Opportunities.

660. A letter from the Nuclear Waste Technical Review Board, transmitting the Board's findings, conclusions, recommendations relating to high-level radioactive waste or spent nuclear fuel, pursuant to 42 U.S.C. 10268; to the Committee on Commerce.

661. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Singapore (Transmittal No. 184–95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

662. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense acticles to Switzerland (Transmittal No. 17–95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

663. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Spain for defense articles and services (Transmittal No. 95–20), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

664. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of major defense equipment and services sold commercially to French Guinea (Transmittal No. DTC–14–95), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

665. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting text of agreements in which the American Institute in Taiwan is a party between January 1 and December 31, 1994, pursuant to 22 U.S.C. 3311(a); to the Committee on International Relations.

666. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of a report entitled, ''US-Hong Kong Policy Act Report''; to the Committee on International Relations.

667. A letter from the Executive Director, Advisory Council on Historic Preservation, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1994, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

668. A letter from the Director for Morale, Welfare and Recreation Support Activity, Department of the Navy, transmitting the annual report of the retirement plan for civilian employees of the U.S. Marine Corps morale, welfare and recreation activities, the Morale, Welfare and Recreation Support Activity, and miscellaneous nonappropriated fund, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform and Oversight.

669. A letter from the Director, Selective Service System, transmitting a report of activities under the Freedom of Information Act for calendar year 1994, pursuant to 5

U.S.C. 552(d); to the Committee on Government Reform and Oversight.

670. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1994, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

671. A letter from the Secretary of the Interior, transmitting a copy of the report ''Outer Continental Shelf (OCS) Natural Gas and Oil Resource Management Program: Cumulative Effects, 1987–1991,''; to the Committee on Resources.

672. A letter from the President, American Academy of Arts and Letters, transmitting the annual report of the activities of the American Academy of Arts and Letters during the year ending December 31, 1994, pursuant to section 4 of its charter (39 Stat. 51); to the Committee on the Judiciary.

673. A letter from the Chief Justice, Judicial Conference of the United States, transmitting a draft of proposed legislation entitled, ''Federal Courts Improvement Act of 1995''; to the Committee on the Judiciary.

674. A letter from the Chairman, Federal Maritime Commission, transmitting the Commission's annual report for the fiscal year 1994, pursuant to 46 U.S.C. app. 1118; to the Committee on Transportation and Infrastructure.

675. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 1995 annual report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to section 1817(b) of the Social Security Act, as amended (H. Doc. No. 104–56); to the Committee on Ways and Means and ordered to be printed.

676. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 1995 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, pursuant to section 201(c)(2) of the Social Security Act, as amended (H. Doc. No. 104–57); to the Committee on Ways and Means and ordered to be printed.

677. A letter from the Comptroller General, General Accounting Office, transmitting the results of the audit of the Panama Canal Commission's 1994 and 1993 financial statements, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Reform and Oversight and National Security.

678. A letter from the Deputy and Acting CEO, Resolution Trust Corporation, transmitting ; a list of property that is covered by the Corporation as of September 30, 1994, pursuant to Public Law 101–591, section 10(a)(1) (104 Stat. 2939); jointly, to the Committees on Resources and Banking and Financial Services.

679. A letter from the Administrator's of Federal Aviation Administration and National Aeronautics and Space Administration, transmitting a joint report to Congress on the progress being made under the Subsonic Noise Reduction Technology Program, pursuant to 49 U.S.C. app. 1353 note; jointly, to the Committees on Transportation and Infrastructure and Science.

680. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1995 annual report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, pursuant to section 1841(b) of the Social Security Act, as amended (H. Doc. No. 104–55); jointly, to the Committees on Ways and Means and Commerce, and ordered to be printed.

681. A letter from the Comptroller General, General Accounting Office, transmitting the results of the audit of the Pension Benefit Guaranty Corporation's 1994 and 1993 financial statements, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Reform and Oversight, Economic and Educational Opportunities, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCINNIS: Committee on Rules. House Resolution 125. Resolution providing for the consideration of the bill (H.R. 1271) to provide protection for family privacy (Rept. 104–97). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 126. Resolution providing for the consideration of the bill (H.R. 660) to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons (Rept. 104–98). Referred to the House Calendar.

Mr. CLINGER: Committee of Conference. Conference report on S. 244. An act to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes (Rept. 104–99). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COOLEY:

H.R. 1375. A bill to provide for the extension of expiring term grazing permits for lands within the National Forest System pending the completion by the Forest Service of final agency action in connection with the renewal of such permits; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DIXON (for himself, Mr. COLLINS of Georgia, Mr. ROSE, Mr. COOLEY, Mr. SMITH of Texas, Mr. COSTELLO, Mr. DAVIS, Mr. FRANK of Massachusetts, Mr. BERMAN, Mrs. SCHROEDER, Mr. HEFLEY, and Mr. DURBIN):

H.R. 1376. A bill to amend title 10, United States Code, to provide for the award of the Purple Heart to members of the Armed Forces killed or wounded due to friendly fire while engaged in peacekeeping activities; to the Committee on National Security.

By Mr. GALLEGLY (for himself, Mr. MCCOLLUM, Mr. SENSENBRENNER, Mr. ARCHER, Mr. WELDON of Pennsylvania, Mr. GOODLATTE, Mr. KIM, Mrs. SEASTRAND, Mr. SAXTON, Mr. SHAYS, Mr. MCKEON, Mr. ROHRABACHER, Mr. EWING, Mr. HANCOCK, Mr. CONDIT, Mr. BAKER of California, Mr. BILBRAY, Mr. CALVERT, Mr. RIGGS, Mr. BONO, Mr. RADANOVICH, Mr. PACKARD, Mr. BRYANT of Tennessee, Mr. HERGER, Mr. HEFLEY, Mr. STUMP, Mr. ROYCE, Mr. DOOLITTLE, Mr. HUNTER, Mr. SHADEGG, Mr. HOKE, and Mrs. ROUKEMA):

H.R. 1377. A bill to amend the Immigration and Nationality Act to authorize States to deny public education benefits to aliens not lawfully present in the United States; to the Committee on the Judiciary.

By Mr. GIBBONS;

H.R. 1378. A bill to require the Secretary of State to publish the names of U.S. citizens who renounce their citizenship; to the Committee on the Judiciary.

By Mr. JOHNSON of South Dakota:

H.R. 1379. A bill to require the Secretary of Agriculture to issue new term permits for grazing on National Forest System lands, to replace previously issued term grazing permits that have expired, soon will expire, or are waived to the Secretary, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCCOLLUM (for himself, Mr. LEACH, Mrs. ROUKEMA, Mr. BEREUTER, Mr. BAKER of Louisiana, Mr. ROYCE, Mr. WELLER, Mr. EHRLICH, Mr. CHRSYLER, Mr. CREMEANS, and Mr. HEINEMAN):

H.R. 1380. A bill to provide a moratorium on certain class action lawsuits relating to the Truth in Lending Act; to the Committee on Banking and Financial Services.

By Mrs. MEEK of Florida:

H.R. 1381. A bill to establish a national program to stimulate urban economic redevelopment through environmental remediation and restoration, as well as through the development of inner city businesses and employment in the fields of environmental response, remediation, and restoration; to the Committee on Ways and Means, and in addition to the Committees on Commerce, Economic and Educational Opportunities, National Security, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON (for himself, Mr. BILIRAKIS, Mr. ZIMMER, and Mrs. MALONEY):

H. Con. Res. 54. Concurrent resolution expressing the sense of the Congress relating to diplomatic recognition of the Former Yugoslav Republic of Macedonia; to the Committee on International Relations.

By Mr. BRYANT of Texas:

H. Res. 127. Resolution providing for the consideration of the resolution (H. Res. 40) to amend the Rules of the House of Representatives concerning the receipt of gifts from lobbyists and other persons, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

29. By the SPEAKER: Memorial of the Senate of the Commonwealth of Virginia, relative to the Truth in Lending Act; to the Committee on Banking and Financial Services.

30. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to the Senior Nutrition Programs; to the Committee on Economic and Educational Opportunities.

31. Also, memorial of the House of Representatives of the State of Idaho, relative to opposing Idaho as a permanent repository for nuclear waste; to the Committee on Commerce.

32. Also, memorial of the Senate of the Commonwealth of Virginia, relative to memorializing Congress to refrain from mandates dealing with air pollution control programs; to the Committee on Commerce.

33. Also, memorial of the General Assembly of the State of Iowa, relative to reducing the Federal deficit; to the Committee on Government Reform and Oversight.

34. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to the financial crisis afflicting the District of Columbia; to the Committee on Government Reform and Oversight.

35. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to State-initiated amendments to the Constitution; to the Committee on the Judiciary.

36. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to the reimbursement to States of costs of services provided to illegal immigrants; to the Committee on the Judiciary.

37. Also, memorial of the House of Representatives of the State of Idaho, relative to prevention of revenue loss through mail order; to the Committee on the Judiciary.

38. Also, memorial of the Senate of the Commonwealth of Virginia, relative to the 10th amendment of the Constitution of the United States; to the Committee on the Judiciary.

39. Also, memorial of the House of Representatives of the State of Idaho, relative to approval of the National Highway System; to the Committee on Transportation and Infrastructure.

40. Also, memorial of the Senate of the Commonwealth of Virginia, relative to the high-speed rail system; to the Committee on Transporation and Infrastructure.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. STUDDS introduced a bill (H.R. 1382) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Aura*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 43: Mr. DELLUMS.

H.R. 46: Mrs. KELLY, Mr. CRAPO, Mr. QUILLEN, Mr. DUNCAN, Mrs. WALDHOLTZ, and Mr. BREWSTER.

H.R. 70: Mr. CREMEANS and Mr. MARTINEZ.

H.R. 244: Mr. RANGEL.

H.R. 396: Mrs. MINK of Hawaii, Ms. NORTON, Mr. LIPINSKI, Mrs. CLAYTON, Mr. KNOLLENBERG, and Mr. HINCHEY.

H.R. 530: Mr. WHITFIELD, Mrs. ROUKEMA, Mr. ROBERTS, Mr. STUMP, and Mr. KING.

H.R. 560: Mr. DEAL of Georgia and Mr. PARKER.

H.R. 564: Mr. FIELDS of Texas.

H.R. 576: Mr. DICKEY, Mr. MCCRERY, and Mr. TAUZIN.

H.R. 577: Mr. DICKEY, Mr. MCCRERY, and Mr. TAUZIN.

H.R. 578: Mr. DICKEY, Mr. MCCRERY, and Mr. TAUZIN.

H.R. 633: Mr. DICKEY, Mr. MCCRERY, and Mr. TAUZIN.

H.R. 705: Mr. DEAL of Georgia, Mr. KIM, and Mr. BEREUTER.

H.R. 713: Mrs. COLLINS of Illinois, Mr. FARR, Mr. GENE GREEN of Texas, and Mr. HINCHEY.

H.R. 721: Mr. CLAY.

H.R. 733: Mr. CHRYSLER.

H.R. 734: Mr. CHRYSLER.

H.R. 744: Mr. ABERCROMBIE.

H.R. 789: Mr. BARTLETT of Maryland and Mr. WICKER.

H.R. 807: Mr. HERGER, Mr. HEFLEY, Mr. DORNAN, Mr. NEY, Mr. NEUMANN, Mr. TALENT, Mrs. SMITH of Washington, Mr. LARGENT, Mrs. MYRICK, Mr. HILLEARY, Mr. BARTLETT of Maryland, Mr. WELDON of Florida, Mr. GRAHAM, Mr. ISTOOK, Mr. CHRYSLER, Mr. FORBES, Mr. TATE, and Mr. COBURN.

H.R. 847:, Mr. POSHARD, Mr. BALDACCI, and Mr. SOUDER.

H.R. 852: Ms. ROYBAL-ALLARD and Ms. WOOLSEY.

H.R. 909: Mr. GENE GREEN of Texas, Mr. UNDERWOOD, and Mr. SCHAEFER.

H.R. 940. Mrs. MINK of Hawaii, Mr. OWENS, Mr. REYNOLDS, and Mr. WILLIAMS.

H.R. 961: Mr. TAUZIN.

H.R. 977: Mr. FIELDS of Texas.

H.R. 991: Mr. UPTON, Ms. PELOSI, Ms. RIVERS, Ms. SLAUGHTER, and Mr. WAXMAN.

H.R. 1023: Mrs. KELLY and Mr. HINCHEY.

H.R. 1024: Mr. LATHAM.

H.R. 1046: Ms. SLAUGHTER.

H.R. 1099: Mr. SMITH of Texas, Mr. FUNDERBURK, Mr. MCDERMOTT, and Mr. MATSUI, and Mr. CRANE.

H.R. 1119: Mr. BARRETT of Wisconsin, Mr. DEUTSCH, and Mr. WATT of North Carolina.

H.R. 1130: Mr. ISTOOK and Mr. HANCOCK.

H.R. 1202: Mr. FARR, Mr. STOKES, Mr. LIPINSKI, Ms. FURSE, and Mr. JOHNSTON of Florida.

H.R. 1210: Mr. BORSKI.

H.R. 1262: Ms. NORTON, Mr. BONIOR, Mr. MILLER of California, Mr. FATTAH, Mr. RICHARDSON, Ms. ESHOO, Mr. SANDERS, Mr. MCDERMOTT, Mr. FARR, and Mr. LIPINSKI.

H.R. 1281: Mr. SAXTON, Mr. DEUTSCH, Mr. GEJDENSON, Mr. FROST, Mr. BERMAN, Mr. PORTER, Mr. ACKERMAN, Mr. SCHUMER, Mr. TORRES, and Mr. SERRANO.

H.R. 1294: Mr. WATTS of Oklahoma, Mr. TALENT, and Mr. EMERSON.

H.R. 1317: Mr. NEAL of Massachusetts.

H.J. Res. 64: Mr. DEAL of Georgia and Mr. KIM.

H. Con. Res. 12: Mr. MCCOLLUM and Mr. BISHOP.

H. Con. Res. 21: Mr. HILLIARD, Mr. RAMSTAD, Mr. BROWN of California, Mr. MCDERMOTT, and Mrs. THURMAN.

H. Con. Res. 35: Mr. ACKERMAN and Mr. MCDERMOTT.

H. Con. Res. 42: Mr. FRANK of Massachusetts.

H. Res. 40: Mrs. THURMAN.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

Vol. 141 WASHINGTON, MONDAY, APRIL 3, 1995 No. 61

Senate

(Legislative day of Monday, March 27, 1995)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Let us pray:

Lord of creation, You have written Your signature in the bursting beauty of this magnificent spring morning in our Nation's Capital. The breathtaking splendor of the cherry blossoms blankets the city with fairyland wonder. The daffodils and crocuses have opened to express Your glory. Now Lord, tune our hearts to join with all of nature in singing Your praise.

We thank You for the rebirth of hope that comes with this season of renewal. You remind us, ''Behold I make all things new!'' As the seeds and bulbs have germinated in the earth, so You have prepared us to burst forth in newness of life. We forget the former things and claim Your new beginning for us. Help us to accept Your forgiveness and be giving and forgiving people. Clean out the hurting memories of our hearts so that we may be open channels of Your vibrant, creative spirit as we tackle problems and grasp the possibilities of this day.

Lord, we want to live this day in the flow of Your grace. We put You and truth first, our Nation and its future second, and our party third. Help us not to reverse the order. For the sake of the future of our beloved Nation and by Your power. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

Mr. THOMAS. Thank you, Mr. President.

SCHEDULE

Mr. THOMAS. Mr. President, this morning the leader time has been reserved. There will now be a period for the transaction of morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak up to 5 minutes each.

At 12 noon today, following ascertaining a quorum, a cloture vote will occur on the conference report to accompany H.R. 831, the Self-Employed Health Insurance Act. Additional rollcall votes are expected throughout the day today.

Also, as a reminder to all Senators, Members should be in their seats at 2:15 tomorrow for the official photograph of the 104th Congress.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 12 noon with Senators permitted to speak therein for up to 5 minutes each.

The Senator from Connecticut is recognized.

Mr. LIEBERMAN. I thank the Chair.

UCONN NCAA NATIONAL CHAMPIONS

Mr. LIEBERMAN. Mr. President, for those who have followed NCAA basketball this year, not only through the sports pages and TV and radio coverage, but through the statements of various Members of this Chamber, I did not want to disappoint my colleagues by not rushing to the floor this morning to express my pride at the extraordinary victory of the University of Connecticut women's basketball team in defeating Tennessee yesterday and claiming the national championship.

Mr. President, there is a part of me that wants to do a Dick Vitale impersonation here on the floor—raise the voice, shake the hands—but I am going to abide by the rules of appropriate discourse, at least in this Chamber, and simply say with quiet pride what a great season this has been for this University of Connecticut women's basketball team.

How much they have taught us, not just in the fact that they had an undefeated season, which makes them only the second women's team in NCAA history to finish a championship season undefeated; not just that they won the championship yesterday against a very formidable Tennessee team, but for all they have done for our State of Connecticut to make us proud, to make us feel a little bigger than we normally feel in a relatively small State, not only helping us through the winter and raising our sights as we come out of the recession, but reminding us what sports is all about.

Women's basketball at the collegiate level has reached the big time. It has not, obviously, at the professional level, and in some ways because of that inequity, this sport remains as pure as sport was meant to be. And in the midst of strikes and contract disputes in other sports, in the midst of extraordinary competition for enormous salaries and promotional contracts, it is great to see a sport, and in this case, to focus in on this team of UConn Huskies, that plays the game for the

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

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love of the sport and for the devotion that they have to one another and to their coach.

These are true scholar-athletes. The All American Player of the Year, Rebecca Lobo, has an extraordinary average, was considered for a Rhodes scholarship, and can make a contribution in whatever she has done.

This team taught us something else about teamwork. Some of the other sports which we watch are focused on not only the extraordinary accomplishment of the performers, but the enormous egos of the athletes. Rebecca Lobo was criticized a while ago gently by her coach for being too selfless, for not shooting the ball enough, for being too focused on team play. And she still managed, in spite of all that, to be there yesterday at the critical moments to help turn the game around, and in the last 2 minutes, to take this team ahead.

So, UConn Huskies women, your coach Geno Auriemma, we thank you from the bottom of our hearts for bringing the championship back to Connecticut. And we thank you, too, for reminding us what American sports was meant to be, has traditionally been, and what you have made it again in our time.

Thank you, Mr. President.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. 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. KENNEDY. I understand that we are in morning business?

The PRESIDING OFFICER. That is correct.

Mr. KENNEDY. And the time is limited to how many minutes?

The PRESIDING OFFICER. Five minutes.

Mr. KENNEDY. I ask unanimous consent to be able to proceed for 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SELF-EMPLOYED HEALTH INSURANCE CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I wish to take a few moments to explain at least my understanding of where we are in terms of Senate procedure.

I think the majority leader and the minority leader will come to the floor shortly and propound a consent request which I will certainly support. I urge my colleagues to also support it so that we will have a final resolution and disposition of the conference report. We will do that sometime this afternoon in a way that accommodates the greatest number of Members. And I have every intention of supporting the conference report. I had that intention last week, and I have that intention today. I hope the Members do as well. It is a very important measure which means a great deal to the self-employed and small businesses across the country, as it does provide protection for those who are purchasing health insurance. It makes sense to give the self-employed some help and assistance in recognition of the pressures they are under in terms of health care.

As I had mentioned over the course of last week, it was never my intention not to proceed to that particular program. Rather, I wanted to draw the attention of the Senate to changes which took place in the legislation from the time that it passed the Senate, when it included a provision to close what has grown into a sizable tax loophole. That loophole would permit some of the wealthiest individuals in this country, by renouncing their citizenship, to escape the financial responsibilities for accumulation of significant amounts of wealth in this country.

The fact remains there were provisions already in existence in the Tax Code to try and capture that accumulation of wealth, but it had not been effective. Through the work of the Senator from New Jersey, Senator BRADLEY, an amendment was offered to address that very sizable loophole in which individuals could become Benedict Arnolds by renouncing their American citizenship and walking off with hundreds of millions of dollars in accumulated wealth, and then taking up residency in Belize or the Cayman Islands or other places around the world, and avoid their participation in ensuring that this country is going to remain free.

This is an extremely offensive loophole. I think all of us commended the Senate Finance Committee in eliminating the loophole. It was only in the few hours prior to the time that we were requested to take action on the conference report that it was brought to our attention that the loophole which was closed by the Senate had effectively been reopened by our House colleagues, and that the $3.6 billion that would have been recaptured over 10 years was effectively lost. Not only myself but my other colleagues were so troubled by that action that we wanted to at least have an opportunity to present to the Senate, at the time when we were going to accept the conference report, a sense-of-the-Senate resolution that would indicate not just other Members' desire to close that loophole, but also reflect the totality of our support for that action.

As I said last week, I do not doubt the sincerity of the members of the Finance Committee when they said that they would address that issue down the road. But we have seen at other times that what really speaks the strongest is when you have a unanimous vote. I believe that this would win a unanimous vote and certainly should win a unanimous vote of the Members—Republicans and Democrats alike. It is absolutely outrageous and unacceptable to permit the plundering of the Treasury by selfish individuals who refuse to be part of our American system.

Mr. President, I was reminded last week that, under the Senate rules, the sense-of-the-Senate resolution would not be appropriate on a conference report because of Senate rules. I think if there ever was a legitimate reason for an exception to overturn a ruling of the Chair this would be one so that the Senate could go on record as to what the real sentiment of the Members would be on this particular issue.

Nevertheless, I had tried to see if we could not work out at least an opportunity to vote on the sense-of-the-Senate resolution as a separate matter, hopefully prior to the time that we pass the conference report or at a time related to the conference report, because it makes a great deal of common sense.

The conference report is the instrument by which this matter was considered. It would be appropriate to consider a sense-of-the-Senate resolution at the time of its acceptance or shortly thereafter.

The majority leader has laid down the cloture motion, which, as I mentioned, I expect will be vitiated with the understanding that we will vote later in the afternoon. I certainly will support that. We will have an opportunity prior to the time of the vote to review where we are in terms of the conference report and also where we are in the Senate debate on priorities. Because that is really the issue—the priorities being reflected in the rescission proposal of the Appropriations Committee.

During the course of the presentation by the chairman and the ranking minority member of the Appropriations Committee, they have outlined the areas where there are going to be rescissions.

In response to that outline, the minority leader, Senator DASCHLE, in consultation with a number of Members on our side, had proposed an amendment to cancel rescissions totaling $1.3 billion in the areas which are reflected in the chart here and which we have spoken of last week—the restoration of the AmeriCorps, drug free schools, title I education programs, Goals 2000, Head Start, the WIC program, school-to-work, child care, and also some housing and health training programs.

Mr. President, just to go back a step, many of us were under the impression that this matter was to be debated on the floor of the Senate on Wednesday or Thursday of last week. It reflected a principal opportunity for the Senate to reflect on how important these programs are for children and parents, and how we believe that the cuts in the rescission package were too deep. We wanted an opportunity to debate those cuts versus other cuts.

I respect the rights and the priorities that are being reflected in the second-degree amendment to the minority leader's amendment. We ought to have an opportunity for an exchange on that.

But, generally speaking in this institution, when the majority leader or the minority leader offers a proposal, we have an opportunity for a full and complete presentation of the amendment and the reasons for and against it.

We were in a situation where many of us thought the proposal would be considered last Thursday. Then, the Senator from New York, as is his right, sought and received recognition and offered his amendment on the Mexican loan issue. The Senate had a good debate on that particular measure. We did not conclude until late Thursday evening to at least reach a procedure by which that matter would be considered at a later time.

Then I was in the well on Thursday evening when the majority leader asked the minority leader, ''Will we be able to consider your amendment and perhaps dispose of it as early as 1 o'clock on Friday so that people can meet their schedules?''

Although there was not a firm time agreement, I think those of us who were the sponsors thought we could take that matter up at 10 o'clock the next morning, then have a good chance to debate and vote on the amendment of the Senator from South Dakota, which would certainly have been appropriate.

So the amendment was offered, and there were short speeches on it. Then, within just a matter of minutes, an amendment in the second degree was offered. Many of us who had thought we would have time to have a debate on children and education were at least temporarily foreclosed from being able to make that presentation.

Then, at the noon hour, when some of us were still here, we were asked, at a moment's notice, for a consent agreement to not only proceed to the self-employed conference report, but also for immediate adoption of that.

That conference report, as I just referred to, was different from the measure that actually passed the Senate. The Senate measure would have provided $3.6 billion in additional revenues, and that particular loophole in the bill would have benefited a dozen or so American citizens who renounce their citizenship for tax purposes. The cost would be $3.6 billion over a period of 10 years, and we were asked to go ahead and agree to it.

There were questions, Mr. President, that should have been responded to. I appreciated the responses given by the Senator from Oregon on those issues raised in the conference.

Nevertheless, it seemed to me, if we were going to consider that measure in the conference report, we ought to have had at least been given an opportunity to resolve it with a very brief discussion before coming back to the Daschle amendment.

We were not permitted to do so, and so here we are this afternoon with the prospect of voting on the conference report and then the sense-of-the-Senate resolution.

Mr. President, this issue becomes all the more significant when you look at the Daschle amendment, which invests $1.34 billion on programs primarily focused on children and their education.

This measure regarding the expatriation tax break, however, is $3.6 billion. It is interesting that our total return for reinvestment in children is only $1.3 billion. It is a pretty interesting juxtaposition. Many of us are saying, look, if we can be so sensitive to the handful of multi-multimillionaires to give them a tax break of $3.6 billion, then we ought to be able to at least say that the $1.3 billion devoted to children for the Head Start Program and the WIC Nutrition Program is a higher priority.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I ask unanimous consent for 5 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The time expires at 12 noon.

Mr. KENNEDY. I will just take 2 minutes. I ask unanimous consent for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, in terms of where we stand, I think this chart clearly juxtaposes what the issues are.

I believe that the overwhelming majority of all Americans believe that if we are going to give a tax benefit of $3.6 billion, we ought to be able to at least try to do something about children, Head Start, the Women, Infants, and Children Nutrition Program, the School-to-Work Program, the Child Care Program, on the basis of importance and need. We will have an opportunity to address that later in the afternoon. I look forward to participating in that debate.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. What is the order of business?

The PRESIDING OFFICER. The morning business lasts until the hour of 12 noon.

Mr. WELLSTONE. And at 12 noon, Mr. President?

The PRESIDING OFFICER. The cloture vote is to occur under the order.

Mr. WELLSTONE. Cloture vote is under the order at 12 noon. Mr. President, so we have how much more time?

The PRESIDING OFFICER. We have approximately 4 minutes before 12 noon.

PRIORITIES

Mr. WELLSTONE. Mr. President, 4 minutes is not a lot of time, but let me just rise to support the powerful words of my colleague from Massachusetts.

We are talking about capital gains over $600,000, that is the only real tax we are talking about. And we are talking about expatriates with incomes over $5 million. We are just simply saying that if you are going to be making these gains over $600,000 a year and you are going to renounce your citizenship as a tax dodge, then, in fact, you are going to have to pay above and beyond that $600,000.

It just seems to me that that does meet some standard of fairness, and my colleague has pointed out the juxtaposition of these proposed cuts in drug-free schools, the Women, Infants, and Children Program, the Head Start Program, Child Care Program.

Mr. President, I have been on the floor over and over and over again with an amendment that speaks to the concerns and circumstances of children's lives. If we are going to be talking about cuts that dramatically affect the quality of life for children in America, quite often the most vulnerable citizens, and at the same time we are going to be talking about trying to let this kind of tax dodge go through, I just think that people in the country ought to understand what, in fact, really is going on.

I do not think anybody intended to filibuster. None of us did. So it will be an overwhelming cloture vote. I do not think there is any question about that. But I do think that a little bit of sunshine is important, and I do think people in the country do need to understand the significance of what the Senator from Massachusetts has had to say.

I think the significance of it—and we will have time this week as we get into what I think is a real important debate for the country—has to do with priorities. What in the world are we doing enabling people to have this huge tax dodge that really runs up into the billions of dollars for people who make over $5 million and, at the same time that we have this tax dodge going on, we are willing to be so generous with all too often the suffering of children in this country.

That seems a little bit like just a speech on the floor. I probably have less than 20 seconds now, but we are going to have a debate on all of these programs. When the language, I say to my colleague from Massachusetts, is programs, it seems abstract. But we are going to talk about what all this means in personal terms, in human terms to our communities, working families, and children. That will be the debate that we will get to. I look forward to that debate.

ROBERTA DOERING—NEW PRESIDENT OF THE NATIONAL SCHOOL BOARDS ASSOCIATION

Mr. KENNEDY. Mr. President, it is a privilege to take this opportunity to pay tribute to Roberta Doering of Agawam, MA, who today becomes president of the National School Boards Association [NSBA]. Roberta has served as a member of the Agawam School Committee for 25 years and has been active in both the State and national school board associations for many of those years. She was elected to the executive committee of the national organization in 1991 and now assumes the role of president.

Her unwavering commitment to the welfare of the Nation's youth is demonstrated in her work with the schools and in other areas of service as well. She served for over 20 years on the board of directors of the Metropolitan Springfield YMCA and was the first woman president of that organization. She has also served on the board of trustees of the Springfield Library and Museum Association, and on the board of trustees of the Baystate Medical Center.

Roberta Doering deserves great credit for her service to education. Like so many dedicated citizens who serve on thousands of local school committees and boards across the country, she entered the arena because of her interest in children. She recognized the participation by citizens at the local level is vital if we are to assure quality educational programs for children and youth.

As she became knowledgeable about the Agawam system, she saw the need to do more. She explored what other communities were doing in the State, and what lessons from their experience could be applied to improve the schools in her own community. As a natural extension of her ability and interests, she became active in national education issues. Her path to the presidency reflects what so many of us in Congress understand. An active partnership among local, State, and national goals is vital to achieve educational excellence.

Roberta is clearly making a difference, and I commend her for her commitment as she begins her service as president of the National School Boards Association. I share the pride of the people of Agawam and Massachusetts that she will be serving all the Nation's children, and I wish her success in this important new undertaking.

TRIBUTE TO UNIVERSITY OF TENNESSEE WOMEN'S BASKETBALL

Mr. FRIST. Mr. President, I rise today to congratulate the University of Tennessee Lady Volunteers basketball team for yet another outstanding NCAA tournament. After an impressive record 34–2, the Lady Vols advanced through the NCAA tournament to face the undefeated University of Connecticut Huskies in the championship game yesterday.

The Lady Vols were on the verge of their fourth NCAA title in the closing minutes of the final game. With only 4 minutes left, the Huskies rallied back to defeat Tennessee by 6 points—70–64.

Mr. President, I want to commend these young women, as well as their head coach Pat Summitt and assistants Mickie Demoss, Holly Warlick, and Carolyn Peck for their hard work and dedication this year. They have made the University of Tennessee, the city of Knoxville, and the entire State of Tennessee proud.

The seniors who played their last college basketball game yesterday should look back on a job well done and a season Tennesseans won't easily forget. And those team members who will be on the court next year can look forward to building upon the strong foundation they have helped establish this year.

Again, I applaud the University of Tennessee Lady Volunteers for an outstanding season, and I look forward to many exciting seasons to come.

Mr. President, I yield the floor.

MOTHER OF THEM ALL

Mr. HELMS. Mr. President, a popular trend among the liberal elements of the news media today is their assertions that efforts to rid the current welfare system of waste and inefficiency are heartless and cruel. Aside from being untrue, such statements ignore the extraordinary things that are going on in America today. For example, the story of Mrs. Carol Porter, cofounder of Kid-Care, Inc., a nonprofit organization that feeds needy children in Houston, TX. I was reminded of Mrs. Porter and her family's efforts on behalf of Houston's hungry children when I read a March 20 People magazine article, headed ''Mother of Them All.''

Mr. President, I have met with the remarkable Carol Porter on several occasions, the first of which was in October 1993 when she visited Washington to receive an award for the very work detailed in the People magazine article. Senators and staff members would be impressed, as I am, if they could spend just a few brief minutes with this wonderful lady and her husband.

Why? Two reasons come to mind:

The first is her totally unselfish attitude which puts the needs of others before her own. It began when Carol Porter was driving through Houston during the Christmas season of 1989. By chance she happened upon a group of youngsters eating out of a fast-food dumpster. It was then that she and her husband decided to operate a feeding program from their three-bedroom home.

Today, Porter and the volunteers at Kid-Care deliver 500 free meals to Houston's poor neighborhoods. Plans are underway to move into a facility enabling them to produce 4,000 meals a day, without 1 cent of support or subsidy from the U.S. Government.

My second thought: As the U.S. Senate prepares to debate various facets of the House-passed welfare-reform proposal, Senators should keep in mind Mrs. Porter's admonition when she was asked about Government assistance. Mrs. Porter said, ''I'm against people saying, 'Let the Government do it.' I say it's time for Americans to feed Americans.''

Mrs. Porter's message to all of us is both needed and refreshingly clear: The Government cannot do it all, nor can it afford to. But the needs of others can be met if each of us does our part.

Mr. President, I do hope my colleagues will have time to read the article describing an extraordinary lady doing an extraordinary work. I ask unanimous consent that the March 20, 1995, People magazine article, ''Mother of Them All,'' be printed in the RECORD.

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

[From People magazine, Mar. 20, 1995]

MOTHER OF THEM ALL: CAROL PORTER FEEDS POOR KIDS IN HOUSTON—WITHOUT A CENT FROM THE GOVERNMENT

The white van squeals to a stop in the loose gravel of a dilapidated mobile-home park in Houston. The driver blasts the horn five times, and children come running from every direction. One little boy in a blue sweatsuit races back from the van to his mother, excitedly waving a lunch bag over his head. He knows the sack contains a plain turkey sandwich, an apple, a granola bar and some juice. But he couldn't be happier with a bag of Halloween candy.

''How excited would you be if you hadn't eaten since we were here yesterday?'' asks Carol Porter, 50, co-founder of Kid-Care, Inc., a nonprofit group that helps feed some of Houston's neediest children. ''It's better than ice cream to these kids. It's hope.''

Porter and Kid-Care's corps of up to 25 volunteers deliver 500 free meals each day to children in one of Houston's poorest neighborhoods. Every morsel is prepared by volunteers in Porter's cramped North Houston home, where extra stoves and refrigerators are shoe-horned into what used to be the family's living room and den. Remarkably, Kid-Care accepts no public funding. ''I'm against people saying, 'Let the government do it,' '' says Porter. ''I say it's time for Americans to feed Americans.''

Carol Porter, a registered nurse, and her husband, Hurt, 52, a former radio announcer—they have a son, Hurt III, 20, and a daughter, Jamilhah, 10—might serve as a poster couple for the Contract with America. They are black Republicans who are dead set against welfare in its current form. ''I get a lot of flak from black folks,'' says Carol Porter. ''But I'm basing my belief structure on what I know. And I know we need welfare reform with compassion.''

''I think we should do more to encourage self-reliance, and that's what the Porters are doing,'' says Texas Senator Kay Bailey Hutchinson.

Compassion is something the Porters learned from their parents. Carol, in fact, credits her late mother, Lula Doe, with planting the idea for Kid-Care. It was Lula who, in 1984, persuaded a local supermarket not to discard its blemished produce but to let her distribute it to the poor.

The Kid-Care idea began to take shape at Christmas 1989, when Carol came on a group of children eating out of a McDonalds' dumpster. ''I saw Third World conditions a stone's throw from where I live,'' she says. Two years later, Kid-Care was created as a nonprofit organization.

These days, the Porter's three-bedroom bungalow is hemmed in by Kid-Care vehicles. Industrial-size cans of beans, tomatoes, corn and spaghetti sauce line shelves tacked up in the family room. Bags of disposable diapers, bulk rice and dozens of loaves of bread are stacked alongside. in the center of the room is a banquet table, where the sandwiches are prepared in a huge assembly line. In the next room, a magnet stuck to one of four refrigerators reads, ''Carol's Kitchen.'' ''Hah!'' snorts Carol. ''This hasn't been my kitchen in years.''

Until late last year, Kid-Care provided not only brown-bag lunches but also hot meals. That was when the Houston health department forced the Porters to suspend cooking operations until certain code violations were remedied. That problem should be solved by May, When the Porters hope to move kid-Care into its newly acquired 11,500-square-foot building equipped to produce 4,000 hot meals a day. That is, of course, if they can increase their funding. Carol Porter's tireless fund-raising has given Kid-Care high visibility among corporations—Quaker Oats and long-distance company Heartline Communications are sponsors—but most of the current annual budget of $500,000 comes from individual donations. The couple supplements Hurt's $2,000-a-month stipend from Kid-Care with a contract to oversee Houston-area daycare providers for the U.S. Department of Agriculture. Hurt III earns $1,000 a month managing Kid-Care's transportation.

Carol, whose dream is to seed Kid-Care groups across the country, draws no salary. ''People ask me what's in it for me,'' she says. ''And I tell them to go the route with me and see my kids' faces. That's what's in it for me.''

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, for 3 years I have made daily reports to the Senate regarding the exact Federal debt as of the previous day.

We must pray that this year, Federal spending will begin to be reduced—it hasn't yet. Indeed, if we care about America's future, Congress must face up to its responsibility to balance the Federal budget.

As of the close of business Friday, March 31, the exact Federal debt stood at $4,864,115,841,256.92, meaning that on a per capita basis, every man, woman, and child in America owes $18,464.61 as his or her share of the Federal debt.

It's important to note, Mr. President, that the United States had an opportunity to begin controlling the Federal debt by implementing a balanced budget amendment to the Constitution. Unfortunately, the Senate did not seize their first opportunity to control this debt—but rest assured they will have another chance during the 104th Congress.

If the Senate does not concentrate on getting a handle on this enormous debt, their constituents are not likely to overlook it 2 years hence.

SELF-EMPLOYED HEALTH INSURANCE ACT—CONFERENCE REPORT

The Senate resumed consideration of the conference report.

The PRESIDING OFFICER. The Senate will now resume consideration of the conference accompanying H.R. 831

CLOTURE MOTION

The PRESIDING OFFICER. The hour of 12 noon having arrived, under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the conference report to accompany H.R. 831, Self-Employed Health Insurance Act:

Robert Dole, Bob Packwood, John Ashcroft, Orrin Hatch, Richard Lugar, Lauch Faircloth, Larry Pressler, Thad Cochran, Trent Lott, Pete Domenici, Rick Santorum, Larry Craig, Alfonse D'Amato, Hank Brown, James Inhofe, and Slade Gorton.

CALL OF THE ROLL VITIATED

The PRESIDING OFFICER (Mr. BROWN). Pursuant to rule XXII, the chair now directs the clerk to call the roll to ascertain the quorum.

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, I ask unanimous consent—and it has been cleared by the Democratic leader—I ask unanimous consent that the live quorum under rule XXII be vitiated.

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

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the conference report accompanying H.R. 831, the Self-Employed Health Insurance Act, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DOLE. I announce that the Senator from Colorado [Mr. CAMPBELL], the Senator from Mississippi [Mr. COCHRAN], the Senator from Texas [Mr. GRAMM], the Senator from Oregon [Mr. HATFIELD], the Senator from Texas [Mrs. HUTCHISON], the Senator from Oklahoma [Mr. INHOFE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Arizona [Mr. KYL], the Senator from Mississippi [Mr. LOTT], the Senator from Oklahoma [Mr. NICKLES], the Senator from Delaware [Mr. ROTH], and the Senator from New Hampshire [Mr. SMITH] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote ''yea.''

Mr. FORD. I announce that the Senator from Alabama [Mr. HEFLIN], the Senator from Vermont [Mr. LEAHY] the Senator from Michigan [Mr. LEVIN], and the Senator from Georgia [Mr. NUNN] are necessarily absent.

I also announce that the Senator from Florida [Mr. GRAHAM] is absent because of illness.

I further announce that, if present and voting, the Senator from Vermont [Mr. LEAHY] and the Senator from Florida [Mr. GRAHAM] would each vote ''aye.''

The yeas and nays resulted—yeas 83, nays 0, as follows:

[Rollcall Vote No. 126 Leg.]

YEAS—83

Abraham	Dorgan	McCain
Akaka	Exon	McConnell
Ashcroft	Faircloth	Mikulski
Baucus	Feingold	Moseley-Braun
Bennett	Feinstein	Moynihan
Biden	Ford	Murkowski
Bingaman	Frist	Murray
Bond	Glenn	Packwood
Boxer	Gorton	Pell
Bradley	Grams	Pressler
Breaux	Grassley	Pryor
Brown	Gregg	Reid
Bryan	Harkin	Robb
Bumpers	Hatch	Rockefeller
Burns	Helms	Santorum
Byrd	Hollings	Sarbanes
Chafee	Inouye	Shelby
Coats	Jeffords	Simon
Cohen	Johnston	Simpson
Conrad	Kempthorne	Snowe
Coverdell	Kennedy	Specter
Craig	Kerrey	Stevens
D'Amato	Kerry	Thomas
Daschle	Kohl	Thompson
DeWine	Lautenberg	Thurmond
Dodd	Lieberman	Warner
Dole	Lugar	Wellstone
Domenici	Mack	

NOT VOTING—17

Campbell	Hutchison	Lott
Cochran	Inhofe	Nickles
Graham	Kassebaum	Nunn
Gramm	Kyl	Roth
Hatfield	Leahy	Smith
Heflin	Levin	

The PRESIDING OFFICER. On this vote the yeas are 83, the nays are zero. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

PERFECT SEASON FOR UNIVERSITY OF CONNECTICUT WOMEN

Mr. DODD. Mr. President, I am holding up in my hands the front page of today's Hartford Courant, which reads ''Perfect.'' It shows a photograph of the University of Connecticut women's basketball team and the score of the game, 70 to 64, over Tennessee.

Mr. President, you will certainly appreciate the fact that there is a certain

amount of local pride in the Nutmeg State this morning. The women's basketball team completed their tremendous season, 35 and 0. It is the best record ever compiled by a men's or women's basketball team, culminating in the NCAA title against Tennessee. The other team that went undefeated, 34 and 0, was the University of Texas in 1986.

What makes this team unique is the intellectual as well as the athletic ability of its players. The star player—I am hesitant to use the word—Rebecca Lobo, was chosen first team All American and first team Academic All American the last 2 years. She is a candidate for a Rhodes scholarship and winner of every Player of the Year Award this season. She has compiled a 4.0 grade point average during her last 2 years at the University of Connecticut and is the No. 1 women's basketball player in the United States.

She is joined on that remarkable team that won the championship game yesterday by Jennifer Rizzotti, Kara Wolters, Jamelle Elliott, Pam Webber, Nakisha Sales and many other talented players. Rebecca Lobo, Jennifer Rizzotti, Kara Wolters, and Jamelle Elliott were named to the all-tournament team. It is the first time that four players from one team were named to that honor.

Mr. President, today is a day of great pride in the State of Connecticut because of the accomplishment of this great team.

I wish to pay a special tribute to Geno Auriemma, the head coach of the team, who did a remarkable job this season, and to the fans. You could not get a seat in Gampel Pavilion this year; they sold out every single game.

Mr. President, I am going to include in the RECORD as well, a couple of sidebar stories that go to the heart of a few other issues. The stories are about young women in the State of Connecticut, 9-, 10-, 12-year-olds, who were watching this team during the last year and who have become tremendous fans. It goes to the issue of title IX and the success of a program, a women's program, a basketball program. Just a few years ago you probably would have found only a handful of people watching a women's basketball game, not only at the University of Connecticut but all around the country. And today, as I mentioned a moment ago, there are sell-out audiences, sell-out crowds. This is a great tribute to title IX and those who fought so very hard for that program.

We are very proud in Connecticut today. We have always had to export our team allegiances to either the Boston Red Sox, the New York Knicks, the Mets, or others. Lately, we have had a hockey team which has not done terribly well, but now there is deep pride over this remarkable team that did a fantastic job in their quest for a national championship.

I join my colleague, Senator LIEBERMAN, who I know spoke already, in congratulating all the people involved in this great season.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I would like to offer my congratulations as well to the women's team at the University of Connecticut, and I would like to call attention to a quote by its star player, Rebecca Lobo, in this morning's Washington Post. When she was asked what the victory meant to her, she said:

> This is just a picture-perfect way for someone to end their career. We are undefeated, we won a national championship and I did it with people I love.

Mr. President, that openness is remarkable and should be applauded, and it correctly captures the feeling among members of a 35 and 0 team that wins a championship, and that is true both of a men's team that would win a championship and a women's team that wins a championship. My hope is that someday when a men's team wins a championship, the star player can say those exact words and feel as comfortable saying them as Rebecca Lobo did yesterday.

I congratulate Connecticut for this tremendous accomplishment and Rebecca Lobo for her courage and leadership in difficult times in her own family situation, because of her mother having breast cancer, and also because of her determination that was shown every day that she went out onto the court with her teammates.

Mr. DODD. Mr. President, I thank my colleague from New Jersey for those comments. She is a remarkable young woman on a remarkable team, and the joy of watching them win was only exceeded by their joy in winning. There are no NBA careers in front of them. There are no six-figure, seven-figure salaries awaiting these young women—just the joy of playing the game, the joy of victory and the joy of doing it together. It needs to be heralded. It needs to be highlighted. We need to get back to that very spirit of amateur sports.

I congratulate as well the team from Tennessee. Tennessee has won several national championships in the women's basketball division. They lost to Connecticut yesterday, but they are a great team and a great champion as well. I just know we are going to see more and more of them. I think it is a wonderful thing in America to be able to watch young women get the kind of attention they did.

By the way, the President called the coach yesterday. It is the first time a President has ever called an NCAA women's champion after the title game. I congratulate and thank President Clinton for making that call to the Connecticut women's basketball team.

They went down to the White House last year and could not get in. There was a long line. They were here in the office and met with Senator LIEBERMAN and me, but they had to go back to their schedule and practice, so they could not get in to the White House. Yesterday, the coach asked the President if this time they might be able to come through the front door of the White House. The President extended an invitation to them to visit, and it is going to be a pleasure to go there with them and have them walk in the front door of the White House as the national champions.

Mr. President, I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank the Chair.

Mr. President, I wish to say to the Senator from Connecticut that I share his pride in those young women. And certainly, as a woman who does not quite make 5 feet tall, I am particularly awed by these women and their skill. We still have UCLA, as you know, Mr. President, going toward a championship, we hope. But I really have to say to the Senator, it made me feel so good to watch these young women.

I do hope someday they have more of a future. If they can sink the ball in the basket with the best of them, they ought to have a chance. That is a subject for another day and another time.

SELF-EMPLOYED HEALTH INSURANCE ACT—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mrs. BOXER. Mr. President, I wish to now take the floor to thank the Senator from Massachusetts for what he has done by bringing forward such an important issue really, not only to the Senate but to the people of the United States of America.

We are going to see on Friday, I say to my friend, a big celebration on the steps of the Capitol. Those Republicans who signed the Contract With America are going to be celebrating and saying how great it is that they passed a number of those provisions.

Well, I think what the Senator from Massachusetts is pointing out is that there are more people than just those Republicans who are going to be celebrating; some of those people are going to be the millionaires and the billionaires who got away with it again, who again got away with what I call tax murder. I actually call them tax traitors, because what they do is they make a lot of money in this country, millions and hundreds of millions, sometimes billions, and then they renounce their citizenship to escape any kind of State taxes. I think that is unpatriotic. I think it is in many ways acting like a traitor to this Nation.

This Senate, on a very clear vote, said let us end that kind of tax loophole. The Senator from Massachusetts was completely struck, as was I and others in this Chamber, when the tax

bill came back from the other Chamber, from the Republicans in the House who are so proud of their contract. And guess what? That tax loophole was not closed.

So on Friday, when the Republicans are celebrating their contract, there will be a celebration in a lot of places across this great land, where people will be saying, ''Oh, thank goodness, I still have that kind of a loophole.''

All the Senator from Massachusetts was asking us to do on Friday was to go on record, because it is too late to change that conference report. We do not want to hold it up. It does some other very important things, and we care about the small businesses and the farmers who are concerned about their tax deductibility for their health care, which is in that bill.

All the Senator from Massachusetts was asking was for a simple sense-of-the-Senate resolution so the Senate could go on record and say we are not turning our back on fixing this problem. We stand for average people in this Senate Chamber. And we are going to fix this problem and we are going to stop this tax loophole for the millionaires and billionaires who would renounce their citizenship in America to get away with having to pay their fair share of the taxes.

And guess what happened? The Republican leadership said, ''No way. We are not going to have that vote.''

Well, I hope some agreement can be reached—and I tell my friend that I stand with him—so that at some point in the near future we will have that vote so that people in this country will understand that the U.S. Senate is not changing its mind on fixing this loophole.

I also want to thank the Senator from Massachusetts and the Democratic leader, TOM DASCHLE, for bringing forward an amendment that I think is a very important amendment to the supplemental appropriations bill that is before this Senate.

The chart that the Senator from Massachusetts, Senator KENNEDY, has put together shows what would be restored by our Democratic leader's amendment.

If ever you wanted to know the difference between Democrats and Republicans, here is your chance. Mean-spirited, unnecessary cuts put forward in an appropriations bill, a rescissions bill; unnecessary.

For AmeriCorps, the Daschle amendment will restore $210 million. I ask my friend from Massachusetts, is that correct?

Mr. KENNEDY. The Senator is correct.

(Mr. JEFFORDS assumed the chair.)

Mrs. BOXER. I wish to engage my friend in a colloquy.

I had a wonderful experience visiting an AmeriCorps Program in Los Angeles. I want to tell my friend that the Americorps volunteer—and by the way, our Republican friends say: They are not volunteers. They get a stipend. They get money for their education. They are not volunteers.

Well, I say to my friend, could these people do this work without a stipend? Could they live? Could they give of themselves and back to community if they did not have the stipend? Did not the people in the Peace Corps, I say to my friend, have a way to live while they gave their service?

Mr. KENNEDY. If I could answer my friend, the Senator from California. She is putting her finger on a very important point, which is that voluntarism should not be just a luxury for the wealthiest individuals. There are many young people with limited resources that want to have an opportunity to give something back to their communities. We see that time after time.

What we are basically saying to those young Americans is: if you are prepared to give something back to your community, you will also have a stipend, which is effectively a minimum wage, to be able to live. You will also be able to get the equivalent of a year's down payment on your tuition at a State university to continue your education.

I like to think that part of our Nation's value system is to try and encourage young people to be involved in a selfless way, to give something back to their community and, second, to encourage people to move ahead in terms of their education.

Finally, let me say to my friend, the Senator from California, that we effectively had an agreement here in the United States Senate when we passed the national service program. We are going to have $300 million in the first year, $500 million in the second, and $700 million in the third. We had very strong bipartisan support for that commitment. I think there was only a handful of Senators that voted against it. Now we have established a service program where young people have been recruited on the basis of an agreement and understanding that was reflected in the bipartisan effort.

The AmeriCorps Program, however, was targeted for a 75-percent reduction, more than any other single program. And I do not think that it is a coincidence that it happened to be a top priority of President Clinton's—one that he spoke about during the course of his campaign. He stated that it was one of his greatest initiatives and he spent a great deal of his own personal time and involvement to see that it became a reality. I can just say, from a personal point of view, each time he comes to Boston, he meets with these young Americorps volunteers and continues to inspire them, as he does others who are involved in voluntary programs.

These cuts are effectively taking the rug right out from underneath these volunteers. All we are saying to our colleagues is not to go back on your word to these young people. And that is what this amendment is all about.

Maybe next year, we are going to have to fight to try and get what resources are available for that program.

But are we now saying to the young people in the AmeriCorps Program who are committed to making a contribution to their communities that the rug is pulled out from underneath them?

Mrs. BOXER. Mr. President, I thank my friend, because I have to say that I did notice broad support for this when it came up. The Senator from Massachusetts certainly worked on it, as chairman of the committee at that time. Very few spoke out against it.

It is hard for me to believe, as the Senator has pointed out, that this is not some kind of political attack. Because President Clinton said during his campaign, just as the Peace Corps, which sent our young people abroad, was so effective in helping people abroad, let us have that in America where we have problems in our schools, where we have problems in our nursing homes, where these young people can give something back and have a sense of community and of giving back.

And so the Daschle amendment, as my friend points out, will restore this funding.

I will tell you one story about my visit to a school in Los Angeles, where I meet with an AmeriCorps volunteer and some of the students in a pretty tough school. This school is made up of kids who were basically first-generation Americans. Their parents work in the garment district in Los Angeles in very, very tough conditions, minimum wage conditions.

And, of course, that is another issue, I say to Senator KENNEDY, that he has lead the fight on. We have opposition from the Republicans, unanimously. God forbid we should raise the minimum wage, which is at a 40-year low in terms of purchasing power.

And they say, ''Oh, it helps get teenagers into the job market.'' Most of the people on minimum wage, as the Senator knows, are adults. They use that money to live on and try to provide for their families. That is another issue. But it all fits into the same pattern, I say to my friend.

Very quickly, they did away with closing a tax loophole that helps the billionaires; just dropped it right out of the conference. But with a lot of forethought and talk about the deficit, and a lot of time to concentrate, they cut money for young people, for their hopes, for their dreams, for their future.

And they say they care about the deficit. Not one of them voted for the $500 billion deficit reduction that every Democrat took a risk and went down to that well and voted for. And we have had the biggest deficit reduction in our history. We have had 3 years of declining deficits, and the smallest work force since John Kennedy with a Democratic Congress.

We did not take a meat ax to these programs, I say to my friend. We took a scalpel.

We closed loopholes. We said to the wealthiest in this country—those over $200,000—you may have to pay a little more. Over on the House side with their contract, they want to give a contract to those who earn $200,000 a year.

When I went to the school, I say to my friend, I met a little child who was shot in a drive-by shooting, and an AmeriCorps volunteer went to see him in the hospital every single day and turned that child's life around. This is a living, breathing human being, first-generation American who now believes in this country.

I say to my friend, they say that sometimes children ask the best questions. Do you know what some of those kids talked to me about, the ones who were afraid of losing their school lunch program? Here is what they said:

''Who gets the money if you cut us out of the program?''

I could not believe they asked that question.

''Who gets the money, Senator, if I do not get my lunch?''

And I have to tell them, ''The Republicans want to give a tax break to the wealthiest people in this land, and I won't let them do that and take food out of your mouth.''

I do not care if I am saying something popular or unpopular, but I am going to stand on this floor with my friend until hell freezes over before that happens in this U.S. Senate.

I see that my friend has put another chart up here. I ask him to explain it, if he would do that.

Mr. KENNEDY. I will be glad to. I had not anticipated we would be debating this issue at this time, but I think perhaps it is appropriate.

This is a chart showing that the top 12 percent of taxpayers get more than half of the tax benefits in the Republican plan. More than 50 percent of the tax benefits would go to those individuals who earn over $100,000.

I think this makes the point that the Senator has been talking about. What we are faced with in these rescissions is the cutbacks in the various programs which have been identified by the Senator from California—in AmeriCorps and drug-free schools. We had a very important and eloquent debate on the problems of violence in our schools and how we are going to deal with it.

Other programs targeted for cutbacks include:

The chapter 1 program, which was completely revamped in the last Congress, again, with strong bipartisan support. If the Senate rescissions stand, 70,000 children across the country will not be participating in these programs which try to assist young people that come from economically disadvantaged communities.

Goals 2000—this cut will result in 1,300 school districts not participating in education reform programs.

The Head Start programs, which have been tried, tested, and reevaluated.

The WIC nutrition program, school-to-work, child care, and the list goes on and on.

These cuts, as the Senator has talked about, are going to be used for the House Republican tax cut, which will go to the top 51 percent of the taxpayers.

That is fundamentally wrong, as the Senator from California understands. I do not believe that that is what the Americans are really for.

You would hardly understand that this is what is being cut here. You will hear general comments about how we have to cut back on programs and discretionary spending in order to deal with the deficit. The fact is, the programs which are being cut back are to be used for the tax cut to the wealthiest individuals. I just do not think that is right. This is the argument that the Senator from California is making, and I welcome the chance to join with her.

Mrs. BOXER. I say to the Senator in closing my comments that I did not come here to take from the kids and give to the rich. And I did not come here to throw the women and children over first. And that is exactly what the Republicans are doing in this Congress.

Cut the WIC Program, the Women, Infants, and Children Program that gives nourishment to pregnant women who may not be able to afford it? Every dollar we put in that program saves from $3 to $10. Why? Because we give them nourishment—cheese, milk, and things they need.

I have a pregnant daughter right now—the light of my life. I am going to have my first grandchild. Every day I call her: ''Did you take your vitamin pill? Are you eating right?''

I say to my friends, we ought to care about the pregnant women in this country who may not have a mom or a dad to call them up in the morning, who may not even have the education to know that it is important. And, listen, it pays off. It pays off because we have healthier children and less costs, less costs to put these babies in incubators, not to mention the humanity involved here.

Where is our decency here? I do not know. But what I know is that I am proud to be associated with the Senator from Massachusetts. I think what he is pointing out is a tie-in between these tax breaks for the wealthiest people among us and the taking from the children. I think it is reprehensible, and I will join that fight. The fight has just begun, I say to my friends.

I yield the floor.

Mr. KENNEDY. Mr. President, parliamentary inquiry. Cloture has been invoked; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. So now each Member is entitled to speak up to an hour; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Mr. President, I do not intend to use all the time, and I have every expectation we will have a final vote on this sometime in the early or midafternoon, a time to be set by the majority and minority leaders. I thought that process would be worked out. I did want to be able to address the Senate for just a few moments at this time on the issue of the tax loophole.

The current tax laws contained an unjustified tax loophole that exists for billionaires who renounce their American citizenship in order to avoid taxes on the wealth that they have accumulated as Americans. I commend the Finance Committee for closing the loophole in its action on the 25-percent health care deduction for small business. The Finance committee took the action despite the fact that the revenue gained was not needed to pay for the health care deductions for small business owners in the bill.

In fact, the committee requested that the revenues be used for deficit reduction, exactly the type of action necessary if we are serious about achieving a balanced budget.

Closing this loophole would raise $1.4 billion over the next 5 years, $3.6 billion over the next 10 years, according to the Senate Finance Committee report.

In too many cases, we close tax loopholes only when we need to raise revenues for specific spending measures, whether they involve direct expenditures or tax expenditures. In this case, the committee closed this flagrant loophole as soon as it was brought to the committees's attention, and rightly so. All of us thought the issue was settled. Now it comes back to us from the Senate-House conference and the loophole has been reopened. And the outrageous tax break for two dozen or so of the most wealthy individuals in the country will remain wide open. This is all happening, of course, at the same time that we are cutting Federal funds for basic investment and for the future of children and working families. Funds for education, housing, and vital social services are all being drastically cut at the very time our Republican colleagues are deciding that this tax break is not flagrant enough to be terminated immediately.

All citizens of the United States have a basic right to leave the country and live elsewhere and to relinquish their citizenship. That is not what this provision is about. Every citizen has the right to repatriate. We would not want the Tax Code to be used to outlaw that action.

At the same time, though, we do not want the Tax Code to be an enticement to citizens to renounce their citizenship. The law would not prevent individuals from shifting their assets and citizenship to a foreign country; rather it would make sure that those who have amassed great wealth through the U.S. economic system pay their fair share of taxes.

Last year, approximately 850 individuals renounced their citizenship, but

only a handful of those would have been affected by this legislation. The tax loophole we are trying to close is not one that applies to all those who renounce their citizenship. As a result, it is wrong to call this an exit tax. It only applies to those with a minimum of $600,000 in unrealized capital gains, which would necessitate a minimum of $5 million of net worth. All those below that level of liability could renounce their citizenship without the IRS ever questioning their motives. But the fact of the matter is that many of these wealthy individuals are leaving the country for only one reason—to avoid taxes that they rightfully owe the Government.

In some cases, the individuals involved have the best of both worlds. They renounce their citizenship, avoid millions of dollars of tax liability, but still spend up to 6 months a year in the United States. In many cases, their families stay in the United States, taking full advantage of the U.S. standard of living and quality of life.

In other cases, wealthy individuals are gaining from the system to an even greater degree. They are renouncing their citizenship to avoid European taxes, also. Then they take up European citizenship but live part time in a Caribbean tax haven so they cannot be taxed by their new European home country.

Some have suggested that this provision would unlawfully restrict the fundamental right of voluntary expatriation and emigration. This is not the case. The State Department has stated that this provision does not conflict with the international human rights law concerning an individual's right to freely emigrate from his or her country of citizenship. It also recognizes that a state, in order to protect its interest, may impose economic controls on a departure as long as such controls do not result in a de facto denial of an individual's right to emigrate.

Requiring individuals to pay taxes on gains that accrue prior to expatriation does not constitute a de facto denial of an individual's right to leave a country.

These are comparable taxes to those which U.S. citizens or permanent residents would have to pay were they in the United States at the time they disposed of the assets or their debt. Under the current law, if the IRS suspects that an individual has renounced his or her citizenship in order to avoid taxes, it will attempt to tax the holdings for an additional 10 years. The IRS must establish that it is reasonable to believe that the individual gave up citizenship to avoid taxes. The burden of proof that the move was not for tax reasons falls on the former citizen.

Current law needs to be tightened because individuals are easily evading it. The law provides for that with the taxing of their income for an additional 10 years after expatriation. But they avoid the tax completely by postponing the realization of gains for the first decade after leaving the United States.

So the concept has been at least included in the tax law. As I understand from the experience, that law provides that 10 years after expatriation, that income has basically been hidden or shielded. And the Finance Committee addressed that issue and was to be able to recover what was necessary.

The Finance Committee report itself states:

> The committee is concerned that present law—

So this is not a new law; it is a new way of dealing with the loopholes that exist.

> The committee is concerned that under present law, which bases the application of the alternative method of taxation under section 877, proof of a tax avoidance purpose has proven difficult to administer. In addition, the committee is concerned that the alternative method can be avoided by postponing the realization of U.S. source income for 10 years. The committee believes that section 877 is largely ineffective to tax U.S. citizens who expatriate for the principal purpose to avoid the tax.
>
> The proposed provision is similar to those in other countries, including Canada and Australia. The concept is also similar to laws in many States, where individuals who move to other States are taxed on compensation earned before the move though it may not be received until after the move.

The law would be limited in its scope. It would not apply to real estate or pensions, regardless of their value. We already tax gains on real estate of foreign citizens as a result of the sale of property. Under the Finance Committee reform, the State Department would notify the IRS when anybody relinquishes their U.S. citizenship. The State Department would provide appropriate information to assist the IRS in enforcing the provision.

As the report of the Senate Finance Committee stated on this provision, it is fair and equitable to tax expatriates on the appreciation of their assets when they relinquish their U.S. citizenship.

I regret that Congress is unable to act now to close this billionaires' tax loophole in the current tax bill. We know that our Republican colleagues are quick to call for deep cuts in programs that help working families, children, college students, senior citizens, and other deserving Americans. So it is ironic that our Republican colleagues show so much solicitude for the least-deserving Americans—those who want to renounce their citizenship in order to evade their fair share of taxes on the massive fortunes they have accumulated from the blessings of America. This tax loophole should be closed as soon as possible.

So, Mr. President, it was my purpose—and I am joined by a number of my colleagues. Although we were not technically able to do so in terms of the parliamentary situation in which we finds ourselves, at least we should be accorded an opportunity to vote on a resolution that would do just that—that is, remedy this situation.

I would expect that it would have overwhelming support. I would expect that it would have unanimous support. I see on the floor my friend and colleague, the chairman of the Finance Committee. As I noted earlier today, he had given assurance, as did the Senator from New York, that this issue would be resolved in the conference, along with other members of the Finance Committee. Senator BRADLEY authored the provision in the Finance Committee, and he indicated that as well.

It seems to me, Mr. President, that Members ought to be able to express the sense of outrage that is felt by their constituents and be able to speak to this issue in support of a resolution that would urge that at the earliest possible time, there be action on this particular loophole. We do not doubt for a moment the sincere, dedicated, committed desire of the Members I mentioned and other members on the committee to do so.

To many of us who have been around long enough to know that when we are in those conferences and the House has a different view about this, that getting a unanimous, recorded vote by the membership, Republican and Democrat alike, with the strong assurances of the members of the Finance Committee, majority as well as minority, and all Members of the Senate on this, that this would be an issue that would be resolved and resolved in a timely fashion, and that this real injustice to all of the other American taxpayers—because when we have this kind of loophole, make no mistake about it, it is the hard-working men and women that are paying the taxes, playing by the rules, that make up the difference.

Every time you have this kind of a windfall and you create that deficit, what are we asked to do? We are asked to address the problems of the deficit. Here are where the cuts come. That is what we are being asked to do here—to cut the child care programs, the WIC Program, cut the Head Start Program. Why? For deficit reduction. And one of the good reasons we have it is because we have a loophole like the one I have just mentioned. It seems that the least we can do is to have a sense-of-the-Senate resolution that reflects the combined body here of the Senate on the earliest possible time. I wish we could have worked out a process prior to the vote.

I understand that we will move to a vote. Of course we will have an opportunity to offer it on the underlying measure, in terms of the rescissions later on.

It would seem to me that it would be wise for the leadership to give a very clear indication about their support and make it easy to resolve this. Announce to the world that tomorrow at 10 o'clock, this afternoon at 5, we will vote on this. We will close this down.

But we cannot do that. We hear, ''We are for it,'' but we will not be given an opportunity to vote on it. We are not going to say when we can get a vote on it. We have to conclude that if this is the case, why do we not just say at a time certain that we will get a resolution on this matter such that the majority leader and the minority leader and the members of the Finance Committee will all say, ''This is an expression of the unanimous vote of the Senate.'' That is what we are desiring to do.

We are saying to the House of Representatives that the Senate of the United States—Democrats and Republicans—are all aligned together. We believe that action has to be taken, that this loophole has to be closed. We are prepared to go on record. We are prepared to set the time to do so.

I want just to finally indicate that I am very hopeful that we can do it. I will be eager to try and work with the leadership to try and establish that time. I will also be forced to remind our body, if we are not able to do it, as to what, really, is at issue.

It is the issue of fundamental fairness. An issue of which side are we on. Are we on the side of working families who are in the lifeline programs that reach the children of this country? In the child care programs, where we have long lines of parents trying to get quality child care? Or the school-to-work program for the 70 percent of the individuals who do not go on to 4-year college and want to be able to find employment? This program, which has strong bipartisan support, reflects a combination of business and educators and parents trying to get people into work.

Other programs include the WIC nutrition program, which was spoken to so eloquently by our friend and colleague, the Senator from California. The Head Start Program, which was reviewed by a bipartisan commission, virtually had a unanimous vote when it passed out of the Labor and Human Resources Committee, and had strong support in the House.

Goals 2000 education reform, which incorporates many of the ideas and suggestions of the previous Secretaries of Education.

The Chapter I Program that focuses on the educationally disadvantaged.

The Safe and Drug Free Schools Program—we obviously know that as much as we do to reform our education system, if we do not have a safe school, none of this will matter.

Finally, regarding the AmeriCorps Program, we must not pull the rug out from underneath the young men and women who are beginning to reap its benefits and serve their communities.

This is really something that I think all Americans can understand.

I see other colleagues that want to speak here this afternoon. I would hope that we will all understand the impact of these cuts when we vote on this measure. I can give the assurance to the membership we will get a vote on it, hopefully sooner than later.

The PRESIDING OFFICER. The majority manager is recognized.

Mr. PACKWOOD. I thank the Chair.

It was almost 25 years ago that I traveled around the country with my good friend, the senior Senator from Massachusetts. I was then on the Labor and Public Welfare Committee. He was, I believe, chairman of the Health Subcommittee. We were doing health hearings around the country going to hospitals, holding hearings.

There is no question that his compassion for the poor is unrivaled in this body. Sometimes, however, that compassion is confused by the volume of his oratory and the velocity of his statistics.

Volume and velocity are not necessarily accuracy. He uses the word ''cut, cut, cut.'' Only in this Government—not in any State government that I know—only in this Government do we use the word ''cut'' as follows: cut means we are going to spend less than we thought we were going to spend in the future, even though it is more than we are spending now. That is a cut.

This would be a cut, to an average layperson. I am making $1,000 a month. I think I am worth $1,200 a month. I go to the boss and say, I am worth $1,200. And the boss says I don't have $1,200. I will give you $1,100. You do not tell your wife you got cut $200; you got $100 raise. It is not as much as you hoped but more than you are getting.

I defy you to ask any average normal citizen in this country to define ''cut'' the way we define it.

Having said that, we will take a look at the quantity of money we now spend. The Federal Government—and we hate to be cavalier about this but I will round it off—the Federal Government this year will spend about $1.5 trillion—''t,'' trillion, $1.5 trillion.

If we were to spend $1.5 trillion a year for the next 7 years—and the reason I pick that is the year 2002 we are hoping to get to a balanced budget—we would spend about $11 trillion. We are planning to spend under current law, if we do not change the current law at all, we do not add anything like long-term care to Medicare, we do not add anything more to AmeriCorps or Head Start, over the next 7 years instead of spending $11 trillion, as we would spend if we spent the same amount every year, we would spend $15 trillion. That is if we do not change the laws. And we would still have the perpetual deficits.

In order to balance the budget by the year 2002, instead of $15 trillion spent over the next 7 years, we need to spend about $14 trillion. I want to emphasize, again, we are spending roughly $1.5 trillion now.

If we continue to spend it over 7 years, we would spend about $11 trillion. To balance the budget, we can do it and spend $14 trillion. That is not a cut from what we are now spending—Social Security is not going to go down, Medicare is not going to go down, Medicaid will not go down, education will not go down, food for the poor will not go down. They are all going to go up, not down.

The reason that people use the word ''cut'' is because they have a vested interest in the program. Often, they are bureaucrats who administer it and aggrandizement and biggering is good for bureaucracy. The more you can bigger, the better.

So we have come with this concept only, really, in the last 20 years, of what a cut is: Spending less than we were otherwise going to spend but more than we are spending now.

Unfortunately, the press has picked it up. They say Republicans plan to cut—whatever it is. So let me give an example. Let us take some of the programs that my good friend from Massachusetts has. Let us take Head Start and let us say we were going to spend $500—$100 a year on it over the next, let us say, 5 years: $500; and let us say we were going to spend $100 a year on school lunches for the next 5 years: another $500; and $100 on child care per year. So over 5 years, you have $500 we would spend on Head Start, $500 on school lunches, and $500 on child care. That is $1,500 we would spend over the next 5 years.

Let us say, however, that the current law—no change in the current law, we do not have to vote for anything—would say that on these programs we will spend $200 a year. So over 5 years, instead of spending $500, we would spend $1,000 on each program. So on the three programs, instead of spending $1,500, we spend $3,000.

Now let us say the Republicans come forth and say, ''We think, over the next 5 years on those three programs, instead of $1,500 that we are now spending if you were to flatten it out, we think we should spend $2,500; not $3,000, $2,500.'' The argument would be made we have cut the programs $500.

We have not cut the programs. We have increased the spending $1,000. It just is not as much as advocates of each of those programs would like. And we, everyone in this body, knows we are faced with this.

In comes a group whose principal purpose is education. It can often be conservative Republicans, let us say it is the National Association of School Boards. Except in very big towns, my experience has been that school board members are often Republicans, somewhat conservative, and they want to balance the budget. But they are on the school board, so in they come and say, ''Yes, I am for the balanced budget amendment, I am for balancing the budget, but education is a special problem and you must increase spending for education. If we have to balance the budget, you should take it from someplace else.'' They leave.

In the next week comes the National Association of Hospital Boards of Directors. These are almost invariably Republicans, also. They are the town's

elite, the town's 400. They are generous in their charity. They give money to the hospital. In they come, and they understand the fastest growing program we have is health and they want to balance the budget. But they say, ''You have to understand that health is in a special category. If the budget must be balanced, take it out of education.'' They leave.

In comes the National Association of the Chiefs of Police, and to them the most critical problem facing this country is crime and the budgets for their police department. These people are normally reasonably conservative, also. Probably if they had to vote on a balanced budget amendment, they would vote four or five to one for a balanced budget. But fighting crime is unique and different and, ''If there is not enough money for everything, we should take it out of education and health so that we have it for crime.''

None of these people are malevolent. Each of these people sees the world through their eyes. Each of them sees it through the programs that they administer or are committed to—and are committed to out of perfect decency. Yet, if you do not see the world as they see it, if you say, ''Listen, somehow instead of spending $3,000''—we are now spending on the average only $1,500—''we have to cut it to $2,500,'' which is really a $1,000 increase, but in order to pare down the increase by $500, we have to take a little bit off of the increase in education and a little bit off the increase in health and a little bit off the increase in crime prevention—each one of them is mad at you because you did not see the world as they saw it.

I want to emphasize, again, when we finally get the welfare reform bill on the floor, when we finally get the entire budget bill on the floor—if we ever get it on the floor—and if we have a budget that gets us to a balance in 7 years, spending will be up for health, up for education. It may be down in defense. It will be up for child care. It will be up for almost every social program we know.

Aha, but the opponents are going to say, we cannot guarantee that because you are going to block grant it. By block granting, we simply mean we are going to give to the States some of these programs, with some money, and tell them to administer it.

Let me take the example I have used, these three: Head Start, school lunch, and child care. As I say, we are now spending $100 each year, $300 a year on the three of them; over 5 years, that is $1,500. But if we did not make any change in the law over those 5 years, we would spend $3,000. So let us say we say to the States we will make you a deal. We think you are closer to the people than we are. We think you know your problems better than we do. The problems of Oregon may not be the problems of New York. Certainly, the problems of Newport, OR, are not the problems of New York City. We are going to give to the States for these three programs $2,500 over 5 years, and say to the States, ''You spend it as you want on these three programs: Head Start, school lunch, and child care.''

But we do not say in each case how much they have to spend on each of those programs. They just have to spend the aggregate $2,500 on those three programs. The States that are stable, with relatively lower divorce rates, with only one person in the household working, may not have the same child care problems that an urban area with illegitimate birth rates of 50 or 60 or 70 percent and no man around in the household, they may have a different problem about child care. It may not be as critical as it is when you are trying to get a woman off welfare, get her a job, and she has a child and the child is 1 or 2 years of age, and she is 19 and not quite out of high school—dropped out. She needs child care.

Maybe that State says, ''We are going to have to spend more on child care than even what the Federal Government might have planned to have spent on that particular program. But we will spend a little bit less on Head Start or a little bit less—not less than we are spending, less than was planned to be spent.''

So the argument will be made, if you give these programs to the States, there is no guarantee that they will have the compassion and the knowledge and the interest to take care of Head Start and school lunch and child care the way a compassionate Federal Government would. Not only that we understand the problems better, the argument goes, so we have to have programs that have a myriad of Federal regulations that go with them—not only do we understand them better, we are more compassionate. State legislators do not care about children, they do not care about nutrition, they do not care about Head Start. Governors are callous, backward people who have no concern that their children are well educated and well fed.

That is just baloney. We know it. For us to say at the Federal level that the Governors and the State legislatures do not care about these problems is outrageous. They care as much as we do, and they are closer to the problem than we are.

So let us get over this argument about cut, cut, cut. Are there going to be reductions in spending from what we would otherwise spend if we are going to balance the budget? Yes.

Will those be reductions from what we are now spending? No. Will they be somewhat less than the most wild-eyed, zealous partisan of these particular programs that they would like spent on their programs? Perhaps. We are going to have to ask everybody in this country to share in the reduction of the increase—not a cut —a reduction of the increase. This battle we are going to have at another time.

I mention this only because my good friend from Massachusetts has talked about this expatriate tax provision in the bill that is currently before us which would allow the self-employed in this country to take a 25-percent deduction for health insurance which they purchase, and 30 percent starting in this year, and has said we have cut out the tax on the wealthy and we favor the wealthy at the expense of the poor at the very same time that we are cutting Head Start, and AmeriCorps. I say again we are not cutting. He likes to use the term. But we are not cutting. At the same time we are reducing the increase, we are cutting the tax on the malevolent rich who flee their country to avoid taxation.

First, in this country, if you leave it for purposes of avoiding taxation, we can tax you for 10 years. My good friend from Massachusetts has said, yes. But for 10 years. You can leave this country and you have what we call unrealized capital gains. Perhaps the price of a stock goes up. The value goes up but you have not sold it, and you do not sell it for 10 years. That is an unusual situation. It is very unusual for somebody to leave and not touch their assets for a decade. But if they leave this country now to avoid taxation, we can tax them for 10 years.

I will tell you what happened with this expatriate tax provision. I am frank to admit it was mostly my error in moving too rapidly. The House bill did not have this provision in it at all. We were doing what we call the markup on this bill, and Senator BRADLEY offered the provision to tax the expatriates. We had relatively little discussion about it. We adopted it without even a rollcall vote; no hearings; did not really grasp the significance of what we might be doing. We have done this before in this body.

I remember John Williams, who was a Senator from Delaware, Senator ROTH's predecessor, who served here 24 years, and he and I overlapped by 2 years. I was elected in 1968 he retired in 1970. But he used a wonderful expression once in which he said, ''We make more mistakes in haste than we lose opportunities in delay.''

I will give you one mistake we made. This tax provision that we put in the Senate bill only applies to American citizens. We have any number of people who come to this country from Cuba, Italy, Poland, Germany, and they are legal immigrants. They work here. They pay their taxes here. They are good citizens. They participate in life while they are here. But at the end of 30 or 40 years of work, and they have been very successful and have made a fair amount of money, they choose to go back home. The tug of the home country is there for people. So they go. They never became an American citizen. They are here legally. There is no complaint about that. They paid their taxes; no complaint about that. This bill does not apply to them. They never became an American citizen.

But take the same person from Poland, or Germany, or Cuba who comes here, becomes an American citizen, is

naturalized, decides to go back to the home country, they are taxed. We did not know that. It just did not occur to us.

I will give you another example. This is at variance of many naturalized citizens; some who fled Cuba or were forced out of Cuba when Castro seized control; in many respects confiscated much of their property. You had engineers and doctors coming here in 1960, 1961, 1962 and went to work in the most menial of occupations here because they had been driven out of their home land and had not yet passed licensure exams here, and had no money here. And over 30 years they have become very successful. They are the leading citizens in the movement to free Cuba of its dictatorial control. They will one day be successful. Some of them have become citizens, some not. My hunch will be when Cuba is free many of them will want to return home. That does not mean they are bad Americans, although in some cases they have not taken out citizenship. But it means they want to go back to their country when it is freed.

Are we going to tax them? Are they leaving for tax reasons? Are they leaving for patriotic reasons? Our bill taxes them no matter what. How many occasions have we had where citizens all over this world have had to flee their country and go into exile for 5, 10, 15 years because of a repressive government at home and they could not return until that government became free? And then they go home. How are they to be taxed? We did not consider it.

I will give you another example. A wealthy father sets up a trust for his grandson. The grandson marries a foreigner, perhaps met the foreigner when the grandson was a student overseas or in the military overseas and takes out citizenship in that country. The grandfather is still alive. The trust is revocable. Is the grandson, when he leaves this country, taxed on what we would call the corpus, the amount of that trust, even though he has not gotten it and may not get it? We do not know. We did not consider that problem. Nobody raised that problem.

I will give you another example. A person works here all their life. They are very successful. The employer for whom they work has been putting aside money in their pension plan. Finally, the accumulated pension plan with the interest and everything on it is significant and the person is to get x amount of dollars a month from the time they retire. He retires at 60, and goes back home. It is an American citizen. I think the way this is drawn that corpus, that amount in the pension plan, is taxed immediately. I think. I am not sure. Then I think the payments are taxed also when you get your pension. Did we intend that or did we not intend that? I am not sure what we intended.

I say this only to attempt to ameliorate the argument that this was done at the behest of or because of the rich in this country; this was adopted in haste and we did not grasp its full consequences.

In addition, it was not in the House bill and the House with a vote on the floor before we went to conference with them instructed their conferees not to accept this provision. So the chairman of the Ways and Means Committee and I have jointly put out a release saying we want the Joint Tax Committee, which is the professional group that so well advises the House and the Senate, to study this problem, give us a report by June 1. We will have hearings on it. There will be legislation enacted. And the effective date of it will be February 6 of this year so people cannot now get under the deadline in an attempt to flee the country at the moment before the law is in effect.

So the problem will be taken care of. But it will be taken care of in a responsible way. I say again, in this case, in my judgment we did not act irresponsibly. We did not act malevolently. We just did not grasp the consequences of what we were doing.

So I hope that the debate and the discussion would not be one of rancor and class warfare, that we are excusing the rich, and in order to do that we must eliminate programs for the poor. That is not the debate over this issue. It is a debate over equal protection of the laws, and under the equal protection of the laws everyone in this country is to be treated equally—the poor, and the rich, and you do not suffer a particular penalty solely because you are rich. A penalty that may—I emphasize ''may'' because we do not know—be unwise, may be unfair, may in some cases violate international treaties that we have agreed to. We are not sure.

I hope we can adopt very soon the conference report that we are discussing so that roughly 3.2 million self-employed working Americans in this country will know whether or not they can take a 25-percent deduction for health insurance premiums that they buy for themselves. They are not employed. Their employer is not paying for this. They pay for it. The longer we delay, the tougher it is going to be for them to know whether or not they can make this tax deduction, which is now going to have to be filed in just 12 more days.

So I thank the Chair. I hope we can conclude this debate not in a tax on the poor or a tax on the rich or an argument that the provision is a tradeoff so we have to cut programs for the poor. It is not that. And when this whole debate on spending and welfare and block grants is over, I hope it will be very clear to America that no one is cutting programs for the poor. The question is are we willing to somewhat restrain the increases so that we might achieve a balanced budget, so that those very children we are talking about now do not face the possibility of bankruptcy of this Nation or the bankruptcy of the Social Security System or the bankruptcy of Medicare—and that is only 6 or 7 years away—so that they do not have to face that and pay for it because we refused to have the courage or the wisdom or the foresight to attempt to modestly reduce the increase in spending sufficiently to give them a balanced budget.

I thank the Chair.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The distinguished Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I am pleased to speak on the Daschle amendment. Let me just comment briefly on the observations of my friend from the State of Oregon.

It is true that the volume of Senator KENNEDY's remarks does not necessarily mean that there is virtue to his remarks, but in this case I believe there is virtue in his remarks. And because my colleague from Oregon speaks in a calm, less passionate voice does not mean necessarily that there is virtue to everything he had to say, some of which I agree with, some of which I do not. That we should provide tax breaks for the self-employed in their health insurance we agree completely.

When my colleague from Oregon says that this particular tax break is designed so that we have equal protection for everyone, the poor and the rich alike, it is true that if you are either poor or you are a millionaire and you move to the Caribbean and you renounce your American citizenship, you can get this tax break. But there are not going to be very many poor people who are going to take advantage of that. This is designed for those who are more fortunate economically.

When my friend argues that all we have to do in the future to achieve a balanced budget is to restrain spending, he is correct. If you assume and we were to pass, we were to pick up one more vote for a balanced budget amendment, if we had no cuts in interest rates—and every projection, CBO, Data Resources, all of them say we will have reduction in interest rates—if we were to have no changes in Social Security, we could increase spending 1.7 percent a year between now and the year 2002 and achieve a balanced budget. So that argument by Senator PACKWOOD is absolutely correct.

I serve on the Budget Committee. I want us to use not what we call euphemistically the current services budget but where we are now. That is how a family does it, as Senator PACKWOOD says correctly.

But the Senator from Oregon is incorrect when he said these are not cuts. What he said, if he were making a speech on the 1996 budget, would be accurate. In the rescission, what we are saying to groups is we are giving you the money. Indian housing, we have told them we have appropriated X-number of dollars—I do not know the amount—for desperately needed housing on Indian reservations, and now we are coming along saying we are taking

back $100 million of the money that you received. And you look through this.

To AmeriCorps, Senator DASCHLE will restore $210 million, overwhelmingly supported by the American public; 90 percent support the idea. The Los Angeles Times showed 60 percent of the people who call themselves conservative support the idea.

Republican Governors. Montana's Governor says:

> While balancing the budget, fighting mandates, and streamlining government, I am committed to this community service program for Montana.

Michigan's Governor:

> AmeriCorps captures the promise found in all its citizens, young and old, who see problems in their communities and work together to solve them.

Massachusetts' Governor:

> Governors of both parties have shared my enthusiasm for national service.

Title 1 helps poorer people, the disadvantaged. The reality is we do not do a very good job in the field of education in disadvantaged communities. I am not saying all education in disadvantaged communities is terrible, but it needs a lift.

It is very interesting that Sweden, which does not have the income disparities we have in the United States, spends two to three times as much for education in the disadvantaged areas as in the more affluent areas. We do the opposite.

I was on a call-in program this morning with station WILL in Champaign, IL, and a faculty member of the University of Illinois got on the phone and he interpreted my remarks as being negative about American education. But he made this significant observation. He said some of the finest students we have come from the Chicago suburbs.

The Chicago suburbs. Not the city of Chicago, where the need is so great, where, frankly, we are not spending the money. If there is any question about the value of title I since it was enacted, the gap between black and white students has narrowed significantly. For 9-year-olds, the gap in achievement test scores has closed by 18 percent in math and 25 percent in reading.

This program works. And this is a program we are going to cut back on if we do not adopt the Daschle amendment. The dropout rate for 16- to 24-year-olds has declined significantly for all students, from 17 percent in 1967 to 11 percent in 1993. The decline in the dropout rate has been even more dramatic for African-American students, going from 28.6 percent in 1967 to 13.6 percent in 1993: even with the present appropriation that this rescission would cut back without the Daschle amendment, 13 percent of high-poverty schools will receive no funds at all. In the city of Chicago, the Chicago school district, you have to achieve 56 percent of poverty in your school before you receive any help. Clearly, a needed program.

Goals 2000. We hear a lot of talk around here how we are going to help the States. Goals 2000 says to the States you set your standards, you establish the program, and we will provide some assistance. We cut back on that.

Safe and drug-free schools. Cut back $100 million out of $472 million appropriated. We are going to solve the problem of crime not just by building more prisons but by drug treatment programs, drug prevention programs, education programs—very much needed.

Head Start. Every study shows Head Start pays off in this country. And just about every Head Start program has a waiting list of young people to get into the Head Start program.

I visited the Head Start program in Rock Island, IL, where, like every Head Start program, they have a waiting list. In Rock Island, IL, on Monday morning, one group of children come in; Tuesday morning, a second group comes in; Wednesday morning, a third group, and so forth.

I asked the woman in charge: What would it mean if you could have the same children in here not just 1 day a week but all week? She smiled and said, ''You can't believe the difference it would make in their lives.''

We save money by not funding Head Start so that all young people who need the help can get into it, but it is extremely shortsighted.

The WIC Program; every study shows it pays off tremendously. That is the health program for women, infants, and children.

School-to-work. I heard Gov. Tommy Thompson from Wisconsin—and, as the Presiding Officer knows, he is a good Republican Governor—I heard him praise what we did in school-to-work. We are spending a huge amount of our education dollar for those young people who go on and get a bachelors degree, but 75 percent of our students do not do that. School-to-work is designed for everyone, but particularly for those who are not going to go on to get that bachelor's degree. There was $30 million cut out of that.

Year-round youth training, under the JTPA Program, cut $100 million. With the kind of youth unemployment that we have, I do not think it makes sense.

Immigrant education. I hear a lot of speeches that we ought to make English the official language around here. I do not know what it would mean, incidentally. Would that mean you cannot get a translation if you are in court if you speak Chinese or Spanish or some other language?

But it is interesting that when we come up for immigrant education to have classes so that people can learn the English language—and that is really the way you make English the official language, let people learn the language, and we ought to do that—we are cutting $8.8 million out of that.

I believe that the amendment by Senator DASCHLE is a sound amendment.

I agree with Senator PACKWOOD and I agree with our Presiding Officer that we need a balanced budget amendment and that we ought to start from a zero base and not a current services budget. My hope is, and my belief is, that Senator DOMENICI is going to do that with the Budget Committee this year.

But, I think it is a mistake to cut back, particularly in this area of education.

I note on the floor the presence of the Senator from Vermont, who has been rightfully telling us for some time we ought to be spending a higher percentage of our budget on education.

It is very interesting, as interest has grown because of the deficit, we have spent less and less on education. In fiscal year 1949, believe it or not, 9 percent of the Federal budget went for education. Today, 2 percent of our budget goes for education. We will spend 11 times as much this year on the gross interest expenditure as we will spend on education.

Mr. President, I hope we will adopt the Daschle amendment. This should not be a partisan matter. I think it makes sense. I hope we will do the right thing for the future of our country and vote for it.

Mr. President, I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

PRIVILEGE OF THE FLOOR

Mr. JEFFORDS. Mr. President, I ask unanimous consent that Cory Heyman, a Jacob Javits fellow in my office, be granted floor privileges for today's proceedings.

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

Mr. JEFFORDS. Mr. President, I would like to talk to my colleagues about the rescissions bill and also, in a broader context, about the situation with respect to education in the country.

I am going to run through a relatively large number of charts today, each of which is very significant and with a great deal of information involved. As time progresses through the spring, I will go over each of these areas in greater detail.

But I think now, as we begin talking about the rescission bill, it is important that we examine the cuts in the critical area of education.

When it becomes necessary to cut, it is easiest when everyone holds hands and says, ''Oh, let's take our cuts and suffer together.'' However, in some cases, cuts may exacerbate the deficit problem, not ease it. Education is a critical item in this regard.

Earlier this year, business representatives from the Business Round Table, the National Alliance of Business, NAB, and the chamber of commerce approached me with concerns about the state of the work force and its ability to meet the increasing effective international competition.

As a result, this Wednesday, a summit will be held here in Washington

with business and education leaders, parent and student representatives, and political leaders.

I would like to share with you today the facts I will share with them on Wednesday. It is my hope that, when you review this information, you will agree that cutting educational funds could be most counterproductive to deficit reduction and for our future.

When the Berlin Wall came down, we all breathed a sigh of relief. But as we were beating against the wall over the decades since World War II, our economic competitors were beating us in entering into the evolving markets around the world. They now stand ready to meet the demands of the new markets of Asia, Eastern Europe, and the rest of the world.

Ours remains the most productive economy in the world, but our failing educational system and the inability to provide the necessary work force for our industry is seriously threatening our edge and our economic future.

Most worrisome is that the gap between our level of learning and that of our major competitors is increasing—that is, it is getting worse—not decreasing. Especially in the critical areas of math and science, American children trail their counterparts in Europe and Asia. And they are losing ground.

Let us take a look at the status of our education. I would remind everyone that in 1983, Secretary of Education Bell, under the Reagan administration, set forth ''A Nation at Risk'' and analyzed our educational system, analyzed where we stood in the world and declared that this Nation was at serious risk. In fact, he went on to say, in words of this nature, that if an enemy of this country had forced upon us the educational system that we have in this country today, we would consider it an act of war.

Since that time, 1983, a number of serious reports, documents and books have been written, all saying the same thing. We have had two summits since then. We established goals in 1989, which were adopted this past year, to determine where we must be in order to be competitive in the international world.

I think this first chart that I will show you, chart A, kind of says it all with respect to where we are with the rest of the world in those critical areas of math education. Look at it. You can hardly even see it is on the chart.

But the most startling aspect of this chart is to look at who No. 1 is—China—China, by far. And when you consider that it has a population of nearly 1.2 billion people and when you consider the serious deficit that we have in our trade with China, can you not help but be concerned that this is a serious problem.

But if you do not like that one, if you do not care about the international scene, if you do not think we have to worry about our market, take a look at this next chart. This is the one which shakes me up the most.

This one says that over half of the high school students in this country who graduate are functionally illiterate. That means they are unable to perform basic tasks to get a job.

That is so startling to me that I cannot help but wonder whether or not this Nation is going to survive if we do not do something.

The business community is deeply concerned about this. In fact, there was a report that came out a few weeks ago, which was reported in the New York Times and elsewhere, which indicated that businesses do not even bother to interview high school graduates anymore. It is not worth their time. They are not educated enough. What business does then is spend some $200 billion a year to train and educate their workers. I will show a chart later which illustrates the costs associated with a well-trained work force.

Let us take a look at where we stand. We established a goal under Goals 2000, that everyone shall be educated at least to meet certain basic standards. We set forth a curriculum and standards in the 1983 report, ''A Nation at Risk.'' In 1990, only 22 percent of our high school graduates were adequately educated in the recommended core curriculum.

We have a serious problem. Yet, we have a hard time convincing many of that. I found myself going to my own local high school and asking the question:

''How are we doing?''

And they said, ''We're doing fine.''

Then they told me, ''Well, our kids now are taking calculus and some of them are taking it in their junior year.''

I said, ''Wow, that's great, I didn't get it until I was in college.''

However, the problem with that is if you are in Taiwan, Japan, or other areas, you are getting calculus in your freshman year. And one wonders why we are so far behind.

I think the only way we can get people to understand is to show the impact it is having upon the Nation as a whole. I feel in this Nation, we have a tendency—I know I do—to compare our school system with the one in the next county or our State with another State, but we fail to compare it with those of our competitors.

If you take a look at this chart, and you will see as we go through these charts, if we do not have an educated population and if you as an individual do not have an adequate education, you will not have an adequate earning capacity in this Nation, to give you the kind of lifestyle you desire.

This chart basically shows that education means a job, and the more education you have, the more money you are going to make during your life. It also indicates that about 25 percent of the people who are school dropouts, many of whom are also functionally illiterate, have an extremely difficult time finding employment.

But as this shows, if you get a bachelor's degree your earning potential almost doubles; if you go up to a master's, it will double again. The point is if we do not have an educated population, if you are not well educated, you have a very limited earning potential.

Let us take a look now at the differences this means in the standard of living in this country. As I indicated, our education has not kept up. Our competitors are beating us. This is a chart which is used over and over again to show that in the last 20 years or more, the person who drops out of high school has seen a decrease of 35 percent—I repeat, a decrease of 35 percent—in their real income.

If you only have a high school diploma, you have seen an 18-percent decrease in your median family income, and if you had some college but did not graduate from college, there has been an 11-percent decrease over the last 20 years in your standard of living. Only those who went to college and beyond have seen an increase in their standard of living over the past 20 years. That is a sad commentary on where we are.

I think it is important that we keep this in mind and recognize that we have to improve the educational system. In a few moments, I will go on to explain what must be done and how I hope we can accomplish it.

Now let us get to the area we are discussing today and will be discussing in the next few months, and that is, what does the budget do, what impact does it have on our future budgets? What we find on this chart is that over half a trillion dollars in costs are suffered by this Nation because of a failed educational system.

Let me run through these figures. It costs $225 billion to our businesses each year—$225 billion each year—for remedial education, to teach the young people the things they should have learned up through high school, and for skill education, the things that they need to have to hold a job which will help us in our international competition in order to increase our Nation's productivity.

We spent $208 billion for various welfare expenditures in this Nation. This is yet another reflection of what happens when people are not sufficiently educated. There are some 80 million functionally illiterate individuals in this country who cannot fully contribute to our economy; $43 billion is the cost of crime to our society; incarceration costs anywhere from $20,000 to $60,000 per inmate, money which could be put to better use. Money is not the only way we suffer from crime; it also poses a danger to our society. Yet when we recognize that close to 80 percent of the people incarcerated are school dropouts, it indicates how extraordinary the impact of education is on our society.

We have $200 billion for expenditures on our citizens for lost productivity as well as, I mentioned, training.

What I want to point out is if we decrease our expenditures in education, then we increase the social costs and in turn our deficit will grow. But equally important—it is not shown on this chart—is that if we did not have to pay for these undereducated individuals and if there was not the drain on the economy their lack of education caused, we would actually have $125 billion more in revenue.

So when we cut back on education, we run the risk of not only increasing social costs but also decreasing the amount of revenues we will have at our disposal.

Let me go on and talk about the basic question which is relevant to the area of the deficit.

There are people who will say—and they are correct—that lack of money is not necessarily the problem and, in many cases, this is true. We spend more than any other society does, as a percentage of our gross national product, on education. But what we do not do is get our kids to learn as much as other young people do in this world.

Let us take a look at one of the areas that should graphically display why we are behind our international competitors. The only thing we need to look at in this country is the number of hours our kids spend watching television.

Look at that chart, it shows that we have far outpaced all of the other children in the world by the amount of time they spend on education, and yet we have the least amount of time spent on homework.

Yes, the problem is not just necessarily money. There is no question about it. A lot has to do with parents, a lot has to do with our culture, which sometimes puts leisure time and TV ahead of homework.

Let us take a look at the next chart. The next chart I want to point out is that even though we expend a lot more money than other countries do on our education, there are still areas we all agree are important and yet there are dire insufficiencies. For example, programs that assist lower-income individuals.

First of all, studies show that early intervention helps. A Michigan study, which was a 20-year longitudinal study, indicates that although kids will catch up in educational aspects, many who suffer for special education needs, will suffer social misadjustment. Yet all of those problems decrease substantially if you have a program like Head Start preschool education.

I remember when I first came to the Senate. A group of CEO's came to my office. I thought they would talk about tax relief, but they said the thing we need to do right away is to fully fund Head Start in order to get our educational system up to par. I will never forget that meeting because it made me fully aware of the educational needs of this Nation.

Title 1. That is, again, an educational program for low-achieving students in high-poverty areas, to help bring them up to par. Funding this program fully would be another $12 billion a year.

Special education. I was on the committee that wrote the special education law in 1975. It was a necessity. The courts ruled that every child in America is entitled to an appropriate education. We wrote the law that established the national criteria to make sure that people would be in compliance with the Constitution. We said we would fund it at 40 percent of the total costs of special education in the country. If we were funding it at 40 percent right now, many educational needs would be met and schools would not be in the dire circumstances they are in. Some 44 States are in crisis, as far as funding education. That would cost us another $11 billion a year if we were to fully fund the needs for special education—the funds that we promised our Nation when we passed that law many years ago.

To reach full funding for all three categories, it would require another $31 billion a year. That is to increase costs in programs that everybody has agreed are essential and necessary to education.

Mr. President, in conclusion, I want to say that we are faced with serious problems with respect to the deficit of this Nation. We know that we have to bring down the cost of Government. But it is important to remember the importance of educational funding as we go forward. Right now, 50 percent of our young people do not have the basic requirements of education to meet the demands of this Nation in order to be ready for a job. That is intolerable.

Take a look at international competition. People out there are seizing our markets. At a time when markets are expanding rapidly in Asia, Eastern Europe, and central Asia, we are not ready and will not be ready unless we change right now the priority that education receives in this Congress and in the country.

As I said, we will be having a summit meeting this week on Wednesday and we will have leaders from all over the country who will be examining what we should do as a country to ensure that our work force is ready for the next century and that our industry, which has provided us with a bountiful living over many years in the past, will be there when we need it.

On the positive side, I note that recently we had six young men that were involved in an international math competition. They not only came in first, but they had perfect scores. But as I pointed out earlier on a chart, it is the average that counts. Our average is among the worst, not the best.

Mr. President, I have traveled to cities and around this country and I have found programs that swell my heart with pride, and I feel that there is hope and there are ways that we can succeed. But those examples are few and far between. I have seen much more that indicates to me the frightful direction that our educational system is taking.

Mr. President, it is up to us in this body, in the Congress, to ensure that we do not do what is so tempting in these times of strife, and that is cut education along with other programs. We should do all we can to make sure that we bring education to a capacity that will meet our needs in the next century. Mr. President, if we do not help our kids, then this country will fail. I feel very strongly, as chairman of the Senate Subcommittee on Education, that I have a responsibility to make sure this body is aware of what must be done.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to, at the outset, commend my friend and colleague from Vermont for the focus and attention he has placed in the area of education. I think all of us in this body know that he has been a real leader, along with my friend and colleague from Connecticut, Senator DODD, in trying to bring a much greater focus and attention about the importance of the total investment in education as a national priority. He has been prodding this institution—and I know the appropriators—to try to give that major focus and attention.

As chairman of the Education Committee now, he continues his work, not only in attempting to shape and refashion existing programs more efficiently, but also in terms of the priorities of investing in education. I welcome his strong and clear statement. It is a very important statement. I just want to say that it is one that should be listened to.

I think during the course of this week, after the disposition of the conference report, which I expect to be done in a very short period of time, we will be back on the broader issues of Senator DASCHLE's amendment and Senator DOLE's amendment; and then, if those are not successful, as I understand it, there will be additional opportunities later in the week to focus on different parts of the composite amendment, and in particular on education. So we will have some opportunity to, in a more exact way, address the priorities of education. I certainly am hopeful that we can reflect in our ultimate rescissions bill some of the priorities that he has talked about.

Mr. President, I wanted to just take a few moments of time to address some of the points that were made by my friend and colleague, the Senator from Oregon, about the various cuts that were being proposed and the impact there was going to be in terms of real people across the country.

I think there was reference made to the various provisions of the underlying amendment, which is the Daschle

amendment, which brings some restoration of the funding, or at least does not eliminate moneys that were authorized and appropriated. As I think the membership understands, we are not talking about additional appropriations. We are talking about appropriations that have already been made and now are being diminished, or have been targeted for reduction by the rescission program and the amendment which will be before the Senate again this afternoon, which will restore some of that funding in some of these key areas.

The Senator from Oregon was pointing out that really these cuts are not really so bad because they are not really cuts, but they are a reduction in the increase in expenditures. I know that is perhaps the desire of some and perhaps the intention of a number. But the fact of the matter is, particularly when you take a look at what is happening over in the House of Representatives, it is the Senator from Massachusetts talking about real cuts; it is, for example, the CBO that talks about some $7 billion in current services, cuts in terms of the total nutrition programs, their estimate in terms of the nutrition programs. The Food Stamp Program would be cut some $21 billion over the next 5 years.

So I think that, quite frankly, these are more than just a reduction in increases. You are going to have some real impact and effects in terms of what is happening in the local communities. That is what I am getting when I travel around my State of Massachusetts from people who have been working in the vineyards for a long period of time and have a good understanding and awareness of the various programs and what they mean in terms of the local communities.

Of course, when we talk about Head Start programs, as my friend and colleague from Illinois pointed out, we are only talking about 35 to 38 percent of the total eligible children who are receiving it. We are very far behind the curve.

I think the Senator from Vermont reviewed that in greater detail, as well as some of the other education priorities, such as the school nutrition programs.

Currently, schools participating in the lunch program are reimbursed for every lunch served to a child. Children from families with incomes at or below 130 percent of the poverty level are eligible for free meals. Children between 130 percent of poverty and 185 percent of poverty are eligible for reduced-price meals. Children over 185 percent of poverty pay full price.

The School Lunch Program operates in 95 percent of all public schools, representing 97 percent of all public school children. The cash reimbursement rates are $1.75 for each free meal, $1.35 for each reduced-price meal, and 17 cents for paid meals.

While reduced-price lunches must cost no more than 40 cents, no limits are imposed on the amount of money that can be charged for a full-price meal. Some 25 million children participate in the School Lunch Program—at different levels, obviously, in terms of the support.

During the last recession, the number of school children receiving school lunches increased by 1.2 million.

We are now, even on the school lunch programs that are talked about in the House, that slack will not be picked up automatically in the School Lunch Program, but will be up to the whim of the priorities in the various States.

If we look at what has happened in the States, particularly with regard to children over the period of the last 10 years, 3 million more children are living in poverty in the last 4 years. No one can have a great deal of satisfaction that they are the ones whose needs will be attended to.

Currently, as the number of children eligible for free and reduced-price meals increases, the amount of Federal funds spent on the program increases. That is because we made a decision that meeting the nutritional needs of children is in our national interest and, therefore, all children who are eligible for a free or reduced-price lunch will be offered one. That fundamental national commitment has been altered or changed with the Republican block grant proposal.

With the block grants proposal, it says, well, we will leave it up to the States. We think the States will do that, but we are not saying, as a matter of national policy here in the Senate of the United States, that that is going to happen.

We might expect they will, we might hope they will, but we are not providing them either with the resources to do it or the guarantees that it will be done.

That is a major difference. We can quibble about all that we want in terms of what is happening, but the fact of the matter is, children will not get that fundamental guarantee, which is so important.

As I mentioned, the House proposal reverses that decision. Instead of guaranteeing every child a hot lunch—subsidized, of course, for those who cannot afford to pay for lunch—the House bill caps the amount of funds available for school-based nutrition programs, including school lunch.

So if the Republican position prevails, there will be no guarantee that a hungry child will be fed at school. There is no guarantee of that. There is now. That is a fundamental difference. Once the funds are used up by the States, that is it. Children are not guaranteed a lunch.

In fact, since the nutritional standards will be repealed if the House position prevails, the children fed will not meet the basic nutritional standards. We are not only repealing the guarantee, but we are repealing the nutritional standards.

As we pointed out before, the savings, so to speak, are being used for the tax cuts.

There is no flexibility built in for the economic emergencies, whether national, State, or local emergencies, and regardless of their nature. We will have repealed the entitlement nature of the program, replaced it with a cap amount of funding containing no adjustments for changes in the economy, population growth, or food price increases.

Some supporters of the block grants proposal try to make the argument that the block grants provide more children with school lunches. This is simply not plausible. To take a program that automatically provides schools with reimbursement for each child's meal based on a family income and replace it with a program that does not guarantee each child a meal, that does not adjust the funding based on the number of poor or low-income children needing lunch, that does not adjust for food price growth, is a cut in the program. It is a cut in the program, any way that you look at it.

If the number of poor and low-income children who need a school lunch grows beyond the funding that is authorized, children will have to be denied a free lunch or be required to pay more than they can afford, or receive an inferior lunch. Or maybe those who can pay will pay two, three, or four times as much as they do pay now, the sons and daughters of working families, as well.

Then we hear, well, there is more money in this program. More money compared to what? Compared to what CBO estimates is necessary to continue providing lunches to all school children who need them, like we do today?

No. According to the CBO, in fiscal year 1995, all child nutrition programs are funded at about $11.6 billion. It is $7.6 billion for child nutrition programs like school lunch, school breakfast program, summer food service; $400 million for commodities; $17 million for special milk; $3.4 billion for WIC. Funding would drop to $11.3 billion in fiscal year 1996 under the House Republican proposal; $6.6 billion for the school-based nutrition program and $4 billion for the family nutrition block grant.

That is a $300 million cut, without even looking at inflation, without even looking at the 5-year numbers, without even looking at the fact that beyond food price growth, the school age population itself will grow by 4-percent to 6-percent during the next 5 years. And the 4 percent to 6 percent growth does not include adjustment for any type, in the event that the economy slows down or unemployment increases.

Mr. President, I just cannot accept that this is just a reduction here on the funding of programs that are meeting our needs. They just are not doing it. That is true not only on the nutrition programs, but also on the other programs.

I talked about the school lunch programs. And the rescission bill will reduce, in addition to the $2.5 billion cut

from child care programs over 5 years in the House bill, will deny 378,000 children child care.

There are only 750,000—this is part of the child care program, very small child care return—but looking at the current situation, only 750,000 out of 8 million children eligible for child care currently receive assistance.

Many States have waiting lists for child care assistance that are simply astounding. GAO found waiting lists of 40,000 children in Texas and 255,000 children in California, taking as long as 2 or 3 years to get help in those States.

During 1993, Florida and Illinois each reported waiting lists of 25,000 children. A recent report by the Urban Institute found that it can take 5 years to get a child care slot in San Francisco. Birmingham, AL, alone has 5,000 families on a waiting list.

The idea that people can come to the floor and say, ''We are cutting the existing child care program,'' that it has gone through the appropriations—we are trying to just have a very, very, modest return of a child care program, based upon those kinds of needs.

Try to find, for working families in my State of Massachusetts, child care for $5,500. You will be lucky in any part of the State. Some are more costly in a number of communities. At the same time, we are putting pressure on these same parents to move out of a welfare situation—they may have small children and they want to work.

We have to ask, what is happening to the parents when they are not able to get child care? They are either not getting jobs or they are locking up their kids, or they are getting completely inadequate coverage for their children.

Quality child care creates opportunity and increases productivity—not just for one generation, but for two generations.

The GAO recently reported that assistance with child care makes it much more likely that low-income mothers will be able to work. And no wonder. The costs of child care consume over a quarter of the income of poor working families, as compared with just 7 percent of the income of nonpoor families. Without child care assistance, it is virtually impossible for many poor parents to go to work. What is happening out here is they are cutting back on these programs even more.

Child care is not about giving parents a blank check. It is about giving them a fair chance. Cutting children makes no sense. It will only pass the real life tragedy of dependency on from this generation to the next.

Families cannot afford that—and neither can we. That is why I support the restoration of funding for child care assistance for working families in the Daschle amendment.

The Senate rescission package also cuts $35 million from the WIC Program, which provides nutrition assistance to 7 million low-income women and children. It has long received bipartisan support, because it saves money in health costs in the long run by reducing the incidence of infant mortality and low-birthweight babies.

Since its inception, the WIC Program has been a stunning success. GAO has found that it has saved $1 billion—$1 billion—in medical expenses through the age of 18. We have spent $300 million and saved $1 billion. If that is not a wise investment for our Nation's children, I do not know what is.

Yet as many as 70,000 fewer children will be served by the WIC Program each month over a 12-month period as a result of this unjustifiable cut.

We are talking about, here, really is basically investment in children and good quality care. We are talking about WIC. We are talking about the Head Start Program, chapter 1, the drug-free schools. These are the programs we are trying to restore.

As I mentioned earlier in the course of the day, at a time when, evidently, we have seen the loss of $3.6 billion, that has been lost somewhere in that conference, hopefully to be recovered at an early time, many of us are out here trying to restore these programs which are lifelines to the children in this country, it underscores the importance of the Daschle amendment.

In a March 7, 1995, Boston Globe editorial, Prof. T. Berry Brazelton of Harvard Medical School wrote:

> Simply put, WIC works. And it works because it has forged an effective combination of state and federal involvement. The states administer the program, but under strict federal guidelines that ensure high nutrition standards, clear focus and consistent impact. The risk in our rush to right our nation's fiscal house is a loss of the very guidelines that have made WIC so successful.

Berry Brazelton, for those who have not either heard of him or read his articles, or listened to him on interviews, everyone who knows of his work with regard to children—he is really the Nation's favorite pediatrician. He is just an extraordinary human being who has appeared before our committees over a number of years and his words should be carefully considered and measured and, I think, adhered to.

Dr. Louis Sullivan, Secretary of Health and Human Services in the Bush administration, said in a Washington Post article:

> . . . Among my concerns . . . is that we may inadvertently strip programs of the national standards and guidelines that make them work. In the case of WIC, nutrition requirements guide the program toward better health, and Medicaid savings, while avoiding the potential confusion associated with creating a complex web of fifty state rules. Our children's health is not defined by state boundaries. Our nutritional standards should not be either.

He makes the point good nutrition in schools, the WIC programs, are matters of national responsibility. The WIC Program, as I know our Members understand, has been something that has been enormously important. There is a very modest return in the Daschle amendment for that particular program.

Both the House and the Senate rescission packages hit at-risk youth very hard: 80 percent of funding for year-round youth programs—the principal training and employment assistance for poor out-of-school youth—would be cut. Overall youth funding would be cut by about 40 percent, and the number of youth served would be reduced by over half. The impact of these rescissions is compounded by the likelihood that the cuts may be permanent, meaning that for the next several years close to a million fewer youth each year will be served.

We are in the process now of working to improve many of the youth training programs. We have 400,000 children every year who are dropping out of our high schools. They are a source of unrest in many of our local communities.

We have woefully too few programs or efforts to try to reach out to these young people. What we are trying to work through now, with Senator KASSEBAUM, is to utilize the school-to-work programs for the 70 percent of the children who do not go on into higher education. We want to work with the private sector in a partnership to move these young men and women into employment and also, as you develop those programs, to try to reach out to a number of the young people who may have dropped out of schools to bring them into the process as well.

If you emasculate the existing programs, our chance to once again reach out to young people who are basically those at the highest risk in terms of the criminal element in our society will not come to fruition. It is serious, important, bipartisan efforts that are being worked through now. It seems, with the dramatic kinds of cuts that are suggested here, we will basically undermine, in a very significant way, some of the very useful work I think can still take place.

Mr. President, I know others want to speak on the floor on these measures.

Let me just say I am very hopeful we will move towards the completion of the conference report, that we will have an opportunity to vote on a resolution, which will hopefully be supported by Republicans and Democrats alike, that will address the tax loophole that has been identified and which was addressed by the Finance Committee earlier. I hope that we will be afforded that opportunity, and that Republicans and Democrats together will work to support that resolution.

As we have heard, the majority leader and others, Republicans and Democrats, say it is their desire to address it. I am more than glad to do it. It is a sense of the Senate that:

> The Congress of the United States shall act as quickly as possible to amend the Internal Revenue Code to end the tax avoidance by U.S. citizens to relinquish their United States citizenship.

And the effective date of such amendment to the Internal Revenue Code should be February 6, 1995.

That statement has been incorporated by the majority leader, the chairman of the Finance Committee, the Senator from New York, and others on the Finance Committee as they desire. I hope we could either act on this resolution or a joint leadership resolution of the majority and minority leaders that would incorporate that concept.

I do not believe there has to be additional debate and discussion about it. We have had a chance to talk about it. Let us set a time to be able to do it. Let us send a message at the time that we are going to be debating the rescission package and the Daschle amendment that we can afford to cut these programs for children—WIC, the school lunch, the Head Start Programs—but we still cannot agree to close the loophole that is worth $3.6 billion.

I think the American people just cannot and will not understand it. I am very hopeful that we will be able to do it.

Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, let me commend the distinguished Senator from Massachusetts for what he is talking to now of fundamental programs that constitute investments—not spending—to save spending, to eliminate deficits. If there is one misgiving that we have with the ongoing exercise of the Contract With America—and it is good to bring in a new group and have a tonic, to turn our attention to where savings can be had—but in the zeal to try to bring about certain savings there is a mix of arrogance and more or less mob action pellmell for hell, let us just cut it all, everything, without any idea of what really saves money and what costs money.

For instance, for every dollar spent on women, infants and children feeding we save at least $3. For every dollar spent on Head Start we save $4.75. For every dollar spent on title I education for the disadvantaged we save another $6.50.

And having experienced government over the years, I have learned what saves money. For example, I had a problem 25 years ago with my own State on the subject of hunger and feeding. I had made a mistake as Governor. I had not paid too much attention to the hungry. In fact, a rejoinder had been given to me by my friend, the senior Senator, ''Well, there was hunger and the hungry in the days of Christ, and there will be hunger in the days after we are long gone, and it is almost a given.'' Not so. Not so at all.

At that time, I met and studied with those in the medical profession and in the nutrition discipline—Dr. Neville Scrimshaw at Harvard, Dr. Cravioto at Cornell, later at Columbia University, and Dr. Charles Upton Lowe, the chairman of the Committee on Nutrition of the American Academy of Pediatrics at that particular time. They had found that every adult has 13 billion brain cells in the cortex, and 10 billion of the 13 billion develop in the first 5 months in the mother's womb.

However, there is as much as 20 percent less cellular development of those brain cells resulting from the lack of nutrition, the lack of synthesis of those nerve cells, and the lack of protein. It is much like taking a television set off the desk here and dropping it on the floor, putting it back here, and turning it on. The hundreds of wires of circuitry do not join, do not connect. And in the field of brain medicine, they call that organized or general brain damage. That child is stultified in the first 5 months in the mother's womb and comes into this world with organic, or generalized, brain injury, lacking an ability, if you please, to concentrate, to assimilate, to be educable in the fullest of senses.

So I joined with Senator Humphrey after he came out of the Vice Presidency back into the Senate. I was not on the Agriculture Committee at that time. But we talked of this problem that we had in women, infants, and children's feeding. We found out that if we rendered protein supplements for expectant mothers, which now cost in the vicinity of around $400 over the 9-month period, we could save practically $30,000.

I just visited in the university hospital in my own hometown, the Children's Hospital at the Medical University of South Carolina. They had some 85 low-birth-weight infants. In my early days they would have been unaccounted for and lost; little low-birth-weight infants of 1½ pounds, 2 pounds, 2½ pounds. They had nurses around the clock. I will never forget it. It cost some $15 million to keep some 85 nurses going around the clock treating those little infants. The average stay for a low-birth-weight infant on that incubator in intensive care is 30 days at $1,000 a day, or $30,000.

So this is not a sick call by the distinguished Senator from Massachusetts for liberal spending programs. This is a studied investment by liberals, conservatives, Republicans, and Democrats alike to spend now to save billions later. That is the one misgiving I have about this so-called Contract With America because its proponents have no sensibility. They come here on the first day and all of sudden they have wisdom. Without any experience or a day in public service whatever, never having listened and learned anything, in a fell swoop they come in with across-the-board so-called spending cuts that actually will cost us billions.

Mr. President, when that baby comes in as a low-birth-weight infant, like it or not, it is yours and mine. We are going to take care of it in some children's hospital, in some intensive care unit, and for the wealthy parent or the poor, that cost is really going to the general public.

So we need to stop these penny-wise, pound-foolish cuts to preventive programs. We should never think in terms of tax cuts here for billionaires who have made their wealth in America and then renounce their citizenship in order to avoid taxes. It is almost a treasonous kind of activity in this Senator's mind and never should be dignified or recognized in law as a worthy project when we are going around cutting spending.

I am for cutting spending. I am for freezing spending. I am for closing loopholes, and I am for taxes. I have challenged this body and all Senators to give me their realistic budget plans since January. I will never forget the distinguished chairman on the House side of the Budget Committee, Congressman KASICH. On December 18, 1994, on a national TV program he came on and said, ''Don't worry about it. We don't care what the President puts in. We have three budgets before us. We are going to introduce them. But before we have tax cuts in January we are going to have the spending cuts and have this budget.''

Well, it is now April. It is going to be May or June before they get around to specifying their cuts. I met that particular challenge in January. I worked with the best of minds. I have introduced a list of cuts in the CONGRESSIONAL RECORD at least four times by now that shows that in order to get on a glidepath of balancing the budget by the year 2002, you have to cut $37 billion in domestic discretionary spending in the first year. Even with those reductions, the interest cost rises faster than the cuts. That is the only good, solid, credible attempt I have seen to show the kinds of cuts that are necessary, and I do not think I could vote for them all. And cuts of even this severity would require 7 years to reach a balanced budget.

I remember when President Reagan came to town. He said he was going to balance the budget in 1 year. Then, after he got in town, he said, ''Oops. This is way worse than I thought. It is going to take me 2, maybe 3 years.'' So the Budget Committee started submitting 3-year budgets. Then by the mid 1980's, the committee said ''Whoops, it got worse. We are going to have 5-year budgets.'' Now they have 7-year budgets. And I can tell you, after a few more years, they are going to have 10-year budgets. It is like a football game where they keep moving the goalpost.

A sincere effort to balance the budget will not cut out basic investments that save money in the long run. Realistically, it is going to take taxes as well as spending cuts, spending freezes, and loophole closings.

I think the Senator from Massachusetts has really brought a sobering moment to this body that allows us to understand that the proposals before us do not save money. Oh, the national media, lazy as they are, are running around saying that this rescissions bill has so much in spending cuts, and they

refer to these fine investment programs as cuts. But I can tell you, when you consider the costs to Medicaid, to the hospitals, to the schools, to the workplace and the economy, and on down the line, you will find that the proposed cuts actually increase spending. This is the lesson of those children at the medical university.

So I hope we can listen to this debate and understand that the Senate is not just in a race to get so many marks on the so-called Contract With America or whatever it is. It is a serious job of trying to cut back on overall spending while investing in programs that will save money in the long run.

I yield the floor.

Mr. SPECTER. Mr. President, I strongly support the conference report to H.R. 831, the Self-Employed Health Care Deduction Act.

There are approximately 9 million self-employed business owners representing almost 10 percent of the working population. These individuals are employed in all types of industries: from mining and service industries to construction and manufacturing. They are the entrepreneurial small business men and women that spur our national economic growth. These are the individuals that embody the American dream. This provision is critical to their survival.

My offices have been inundated with hundreds of calls from concerned taxpayers around Pennsylvania urging the Congress to reinstate the deduction. These callers are just a fraction of the 9 million self-employed taxpayers that are relying on us to pass this measure as quickly as possible so they can continue to utilize this deduction for the 1994 tax year.

Mr. President, I have consistently supported this deduction for the self-employed. In the 103d and the 104th Congresses, I introduced legislation to provide targeted health-care reform. One of the major provisions I included in that bill was 100 percent deductibility for health insurance for the self-employed. Under current law, businesses are permitted to deduct 100 percent of what they pay for the health insurance of their employees, but self-employed individuals may not deduct any of their cost because that provision expired on December 31, 1993. It is hard to find a provision in the Internal Revenue Code that is more discriminatory than this one.

According to the Congressional Research Service, 3.9 million uninsured workers are self-employed. Providing full deductibility of health insurance premiums, beginning with reinstatement of the 25 percent deduction for 1994 and researching 100 percent by 1993 for self-employed individuals is a simple matter of fairness. It should also make health insurance coverage more affordable for the estimated 3.9 million self-employed individuals and their families who are now uninsured.

On January 19, 1995, I signed a letter along with 74 of my colleagues to Majority Leader DOLE and Minority Leader DASCHLE urging them to reinstate this expired provision. I believed then, as I do now, that the interests of hard-working Americans need to be a top priority before the U.S. Senate.

Accordingly, I urge my colleagues to support the reinstatement of this provision. This legislation is an important first step in providing tax fairness to our Nations' self-employed business owners.

I thank my colleagues and I yield the floor.

(At the request of Mr. DOLE, the following statement was printed in the RECORD.)

● Mr. HATFIELD. Mr. President, I am pleased to announce my strong support for H.R. 831 which would permanently extend the deduction for health insurance costs for self-employed individuals. This legislation will allow, on a permanent basis, self-employed small business owners, sole proprietorships, and partnerships to deduct a portion of their health insurance costs for tax purposes. This legislation will assist those small businesses which are so vital to the economy of my State of Oregon, as well as the rest of the Nation. I am pleased that the 104th Congress is about to address this issue on a permanent basis.●

Mr. PRYOR. Mr. President, today we take a step forward to correct a situation adversely affecting small businesses and farmers which I have many times called an absurdity.

During this tax filing season, over 9 million self-employed small businesses and farmers will fill out their tax returns. And when they do, they will learn first hand of how this absurdity affects them and their family. The absurdity I am speaking of Mr. President is that no part of their health insurance premiums are deductible in their 1994 tax return due April 17—just over 3 weeks from today.

This in contrast to owners of large corporations that have a permanent 100 percent deduction, and that typically pay smaller health care premiums because of their size. It is a double penalty Mr. President. A double penalty on innovators and job creators in our economy—people who should be encouraged, not penalized.

Mr. President, this inequity must be corrected and it must be corrected quickly. This should be a high priority for this Congress, and I am very happy that we are taking up this matter today.

I want to comment briefly on one aspect of this bill which is extremely important—and that is this deduction for health insurance will be made permanent.

Many times we focus on the amount of the percentage deduction. In the past it has been 25 percent, and today's bill increases that percentage to 30 percent which is a very positive step toward the goal of a 100 percent deduction which I hope we will continue to work toward. In fact, Senator GRASSLEY, Senator ROTH and I introduced legislation in January of this year to achieve a 100 percent deduction by 1997, and I look forward to working with them again in the future to meet this goal.

But Mr. President, I cannot stress enough the importance of making this deduction permanent, and this is borne out by the history of the deduction.

In 1986, the self-employed were first given 25 percent deductibility as part of the Tax Reform Act of 1986—with the understanding that it would be eventually increased to 100 percent, the same deduction incorporated business enjoy.

In the Omnibus Budget Reconciliation Act of 1989, the deduction was extended for 9 months. In 1990, 25 percent deductibility was extended through 1991. And in 1991, 25 percent deductibility was extended through June 30, 1992. Mr. President, each time we scrambled to reinstate the deduction—uncertainty surrounding the deduction was high, and it was shameful to treat the self-employed in this way.

But on June 30, 1992, the worst scenario happened—the deduction expired. Small businesses and farmers could not deduct the cost of their health insurance. The 1992 tax season came and went and still there was no reinstatement of the deduction because of the difficulty of moving any tax bill. Then, in August 1993, as part of the Budget Reconciliation Act, the deduction was retroactively reinstated from July 1, 1992, to December 31, 1993. Self-employed were required to amend their 1992 returns to take the deduction, and no doubt some failed to do so and lost their deduction.

So that brings us to 1994 when the deduction once again expired, and no bill has been moved to correct the inequity—until today. Mr. President, this uncertainty is unpardonable and it must not happen again. Under this legislation the deduction will never again expire—it is permanent.

Mr. President, we all understand the difficulty of moving a tax bill on the Senate floor where any of the 100 Senators my offer any amendment with no time limit. So that is why I and my friend and colleague on the Finance Committee, Senator ROTH, sought signatures on a January 19, 1995, letter to Senator DOLE and Senator DASCHLE stating that we would ''not support or offer any amendments to the legislation'' should they schedule it for Senate floor action.

We were pleased to obtain 75 of our colleagues' signatures, and I am even more pleased today that no amendments will be offered and we will agree to the bill on a voice vote. I ask unanimous consent that a copy of the letter be printed in the RECORD, and I thank my colleagues for putting aside some issues very important to them in order to correct this problem and quickly as possible.

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

U.S. SENATE,
Washington, DC, January 19, 1995.

Hon. ROBERT DOLE,
Senate Majority Leader,
Hon. THOMAS DASCHLE,
Senate Minority Leader,
Washington, DC.

DEAR SENATOR DOLE AND SENATOR DASCHLE: We are writing to you regarding the need to extend the 25% deduction for health insurance for the self-employed, which expired at the end of 1993. As you know, more than 9 million self-employed business owners, representing almost 10% of the working population, lost the ability to take this deduction when the law expired. It is our hope that the Chairman of the Ways and Means Committee will soon take up this legislation as a stand-alone bill, and that the House will soon pass this bill and send it to the Senate.

In order that we may move as expeditiously as possible, we are writing to assure you that if you receive this legislation, and if you schedule it for Senate floor action, we will not support or offer any amendments to the legislation. As many of these small business men and women begin to file their 1994 tax returns, we believe that it is essential that Congress act now to avoid the administrative difficulties that could arise from amended returns if the legislation is not passed until after April 15th. Thank you for your consideration.

David Pryor; Don Nickles; Jesse Helms; Arlen Specter; Bill Roth; Chuck Grassley; Dirk Kempthorne; John Warner; Mitch McConnell; Ted Stevens; Kit Bond; Dale Bumpers; Chuck Robb; Paul Simon; Carol Moseley-Braun; Joe Lieberman; J. James Exon; Connie Mack; Bob Kerrey; John McCain; J. Bennett Johnston; Harry Reid; Wendell Ford; Kent Conrad; Sam Nunn; Ernest Hollings; Jeff Bingaman; Max Baucus; Kay Bailey Hutchison; Spencer Abraham; Bryon L. Dorgan; Dan Coats; Patrick Leahy; Herb Kohl; Barbara A. Mikulski; John Ashcroft; John Glenn; John F. Kerry; Bob Graham; Hank Brown; Jay Rockefeller; Mark Hatfield; Dianne Feinstein; Howell Heflin; Ben Nighthorse Campbell; Slade Gorton; Fred Thompson; Al Simpson; John H. Chafee; Trent Lott; Larry Pressler; Larry E. Craig; Olympia Snowe; Lauch Faircloth; Rod Grams; Rick Santorum; R.F. Bennett; Dick Lugar; Jim Jeffords; Conrad Burns; Paul D. Coverdell; Richard H. Bryan; Bill Frist; Craig Thomas; Jim Inhofe; Mike DeWine; Jon Kyl; Strom Thurmond; Bob Smith; Phil Gramm; John Breaux; Richard Shelby; Orrin Hatch; Bill Cohen; Patty Murray.

Mr. DOLE. Mr. President, we have before us the conference report to H.R. 831, permanent deduction of health insurance costs of self-employed individuals. Passage of this conference report today will help 3.2 million self-employed Americans across the Nation get one step closer to deducting a portion of their health insurance costs.

The House has already passed this conference report. There are only 14 more days to April 17—tax day. And the clock's ticking. It is critical that this bill be signed into law prior to that day.

Since 1986, Congress has allowed the self-employed a 25-percent deduction for their health care insurance costs. Almost every year, we have had to extend the deduction, but we failed to extend it last year when it expired on December 31, 1993. Mr. President, H.R. 831 makes the deduction permanent. We don't want to leave the 3.2 million tax filers in 1994, hanging on the edge of a cliff every year. And we don't want to tell them that although corporations can deduct 100 percent of their health care insurance costs, small businesses cannot. We decided 9 years ago that in order to make the playing field more equitable, we should allow small businesses to deduct their health care insurance costs. H.R. 831 allows them to deduct 30 percent of their annual health care insurance costs.

Mr. President, I want to say to many of my colleagues that the 3.2 million Americans we help today are farmers and small business owners that live and work all across America. Although we were able to raise the percentage of their annual health insurance costs that they can deduct from 25 to 30 percent, I am disappointed that we were unable to raise this level even higher. It was my strong desire that we should have been able to do so. But, we have been able to make this deduction a permanent one, so that these Americans will no longer have to worry about whether or not they will be able to take the deduction next year.

EXPATRIATE PROVISION

Mr. President, included in the Senate version of H.R. 831 was a proposal to tax U.S. citizens who renounce citizenship. But, the measure was adopted without the benefit of hearings.

Subsequently, the Finance Committee's Oversight Subcommittee held a preliminary hearing. The House also held a hearing on this issue earlier this week. This proposal raises important questions, and the hearing exposed some serious concerns.

It is vital to enact H.R. 831, vital. But it is premature to enact this expatriate tax provision. We cannot delay action on H.R. 831 while we continue to consider alternatives to this expatriate provision.

Let me be clear on this—because my colleagues on the other side of the aisle seem to believe that we are somehow opponents of the expatriate provision. We want to get this done. And it is clear that it will be effective as of February 6—but there are some serious problems with this provision, so we will not enact it today. The conferees on the bill have asked the Joint Committee on Taxation to study the provision and to look at other alternatives and get back to us by June 1, 1995. And so, I would say to my colleagues that this sense-of-the-Senate resolution, asking us to do what we are already doing, is nothing but a filibuster. A tactic to waste time that we can ill-afford.

OFFSETTING REVENUES

We primarily pay for the deduction by repealing a Federal Communications Commission [FCC] program that I believe is not only ineffective, but costs the Federal Government billions of dollars.

THE FCC'S TAX CERTIFICATE PROGRAM

Congress, in 1943, gave the FCC authority to grant tax deferrals to owners of broadcast facilities who were forced to sell their properties to break up monopolies during World War II.

In 1978, the FCC expanded this provision to give a tax preference to radio, television, and later cable broadcasters who sold their properties to minority-owned firms. For this policy, the FCC defines minorities as including blacks, Hispanics, American Indians, Alaska Natives, Asians, and Pacific Islanders.

The greatest flaw in this program is that the economic benefit doesn't go to the minority buyer, the economic benefit does to the seller. It's like a kickback. If you sell to me and not the other guy, I'll give you a little extra something. And I won't be paying for it, the American taxpayer will. I don't understand it, and I don't understand why people would think this is benefiting minorities when the monetary gain is going to the seller.

AFFIRMATIVE ACTION

Now, don't get me wrong. I am proud of my civil rights record. And I have supported affirmative action in the past—that's no secret. But my record does not disqualify me from raising legitimate questions about the continuing fairness and effectiveness of affirmative action—particularly when the affirmative-action label is used to describe quotas, set-asides, and other group preferences.

Equal treatment, not preferential treatment, should be the standard. Equal opportunity, not equal results, must be the goal.

Last week, as we debated this same bill on the Senate floor, my distinguished colleague from Maine, Senator COHEN, gave a very eloquent speech where he pointed out that America is not a color-blind society, and he's right.

Discrimination continues to exist. The color-blind ideal is just that—an ideal that has yet to be achieved in the America of 1995. But, Mr. President, do you become a color-blind society by dividing people by race? Do you achieve the color-blind ideal by granting preferences to people simply because they happen to belong to certain groups? Do you continue programs that have outlived their usefulness or original purpose? The answer to these questions is, of course, a resounding ''no.''

The debate over affirmative action can be an opportunity to unite the American people—not divide us.

CONCLUSION

What we will accomplish here today is taking a million dollar, unjustifiable tax break, for millionaires, not minorities, and turn them into health care for ordinary Americans. Americans who really need it.

I urge my colleagues to vote for this conference report.

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

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

The legislative clerk proceeded to call the roll.

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

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

The PRESIDING OFFICER. Is there further debate on the conference report?

Mr. MOYNIHAN. Mr. President, I would simply like to state for the RECORD the fact that the Committee on Finance, in dealing with the provisions on the payment of tax by persons who expatriate, was confronted by mixed assessments of the legality of such an action.

The International Covenant on Civil and Political Rights, which the United States ratified in 1992, article 12, section 2 states: ''Everyone shall be free to leave any country, including his own.'' The question is whether there is a restriction on this right.

The point here is that present law provides that any taxpayer that renounces his or her citizenship for tax avoidance purposes is subject to the current tax on gains on U.S. assets for 10 years. This has been the law for roughly 30 years, but it has not been enforced. It probably has not been enforceable. Regulations have never been issued. And we mean to do, we mean to do.

The President proposed this on February 6 in his budget, and what we will do in the end will be applied as of February 6. There will be no windows, no provisions of that kind.

Just that the record might show that we have been trying to be orderly and have had some sense of due process here, on 24 March, I received a letter from Hurst Hannum, associate professor of international law at the Fletcher School of Law and Diplomacy, of whose eminence I need hardly to remind the Senate, in which he wrote to express his serious concern over the proposed exit tax and the issue which he had addressed in his 1987 book, ''The Right to Leave and Return in International Law and Practice.''

We responded to him with information he wanted further on the matter. He writes on March 31 to say:

> As I noted then, what appeared to be the imposition of a tax solely on the ground that a person was renouncing his or her citizenship could interfere with the right . . . [under article 12 of the Covenant].

He says, ''I am gratified that the human rights issues related to this bill have become a subject of serious debate.''

I said on Friday—it was commented on in our hearing—when we are dealing with civil rights issues, human rights issues, we must never be more careful than when the group involved is a despised group.

I very much regret that the daily talking points of the Democratic Policy Committee today said what Democrats believe—''We believe that education for our children should not be cut.'' Fine, I so agree. ''Especially while billionaire Benedict Arnolds are allowed to escape taxation.'' They are not going to escape taxation. I am not sure they are Benedict Arnolds. They are people making decisions that they have a right to make under international law, and the United States has the right to collect taxes from them, under our law.

We now have a letter from Professor Hannum that says:

> In sum, imposition of a nondiscriminatory tax on accrued income at the time citizenship is renounced, in a manner consistent with the way in which that same income would be treated at the time of death, does not appear to me to violate either the internationally protected right to emigrate or the (somewhat less well protected) right to a nationality.

Mr. President, I ask that the letters be printed in the RECORD, and I yield the floor.

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

TUFTS UNIVERSITY,
Medford, MA, March 24, 1995.

Re: Tax Compliance Act of 1995, H.R. 981.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate.

DEAR SENATOR MOYNIHAN: I am writing to express my serious concern over the proposed ''exit tax'' included in Sec. 201 of H.R. 981. This concern is based not on an evaluation of its tax consequences, an area in which I am not an expert, but rather on the possible inconsistency of the tax with fundamental international human rights norms and U.S. international legal obligations.

As you know, the U.S. is now a party to the Covenant on Civil and Political Rights, article 12 of which guarantees the right of everyone ''to leave any country, including his own.'' By coincidence, the United States will present its first report on compliance with the Covenant to the Human Rights Committee in New York next week.

Although I understand that the ''exit tax'' is based on renunciation of citizenship rather than on leaving the country, it is difficult to see how one can ''punish'' the former without seriously compromising the latter. Indeed, the imposition of confiscatory taxes has been a policy pursued by many countries to discourage emigration, whether on purported national security grounds, specious economic arguments, or to prevent ''brain drain;'' I address these and other issues in my 1987 book, ''The Right to Leave and Return in International Law and Practice'' (Martinus Nijhoff).

In 1986, a meeting of eminent American and European legal experts adopted the ''Strasbourg Declaration on the Right to Leave and Return,'' a copy of which I attach for your information. I would particularly draw your attention to article 5, which states, inter alia, that ''[a]ny person leaving a country shall be entitled to take out of that counry . . . his or her personal property * * * [and] all other property or the proceeds thereof, subject only to the satisfaction of legal monetary obligations, such as maintenance obligations to family members, and to general controls imposed by law to safeguard the national economy, provided that such controls do not have the effect of denying the exercise of the right.'' The tax in question would not appear to meet these standards.

Without having examined the provisions of Sec. 201 in greater detail, I cannot state definitively that it would violate international law. However, the human rights implications of such a provision appear to be extremely serious, and adoption of the law would seem, at best, to be hypocritical, given the legitimate and consistent U.S. insistence on free emigration from other countries over the years.

I hope that the Senate will examine these issues with great deliberation before it decides to balance the budget on the back of individual rights.

Yours sincerely,

HURST HANNUM,
Associate Professor of International Law.

APPENDIX F

STRASBOURG DECLARATION ON THE RIGHT TO LEAVE AND RETURN

(Adopted on 26 November 1986)

PREAMBLE

The Meeting of Experts on the Right to Leave and Return,

Recognising that respect for human rights and fundamental freedoms is essential for peace, justice and well-being and is necessary to ensure the development of friendly relations and co-operation among all states;

Recalling that the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Convention on the Elimination of All Forms of Racial Discrimination, as well as regional conventions, recognize the fundamental principle, based on general international law, that everyone has the right to leave any country, including one's own, and to return to one's own country;

Emphasizing that the right of everyone to leave any country and to enter one's own country is indispensable for the full enjoyment of all civil, political, economic, social and cultural rights;

Concerned that the denial of this right is the cause of widespread human suffering, a source of international tensions, and an object of international concern;

Adopts the following Declaration:

Article 1

Everyone has the right to leave any country, including one's own, temporarily or permanently, and to enter one's own country, without distinction as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, marriage, age (except for unemancipated minors independently of their parents), or other status.

Article 2

Every state shall adopt such legislative or other measures as may be necessary to ensure the full and effective enjoyment of the rights set forth in this Declaration.

All laws, administrative regulations or other provisions affecting the enjoyment of these rights shall be published and made easily accessible.

Article 3

(a) No person shall be subjected to any sanction, penalty, reprisal or harrassment for seeking to exercise or for exercising the right to leave a country, such as acts which adversely affect, inter alia, employment, housing, residence status or social, economic or educational benefits.

(b) No person shall be required to renounce his or her nationality in order to leave a country, nor shall a person be deprived of nationality for seeking to exercise or for exercising the right to leave a country.

(c) No person shall be denied the right to leave a country on the grounds that that person wishes to renounce or has renounced his or her nationality.

Article 4

(a) No restriction may be imposed on the right to leave except those which are

(1) provided by law;

(2) necessary to protect national security, public order (*ordre public*), public health or morals or the rights and freedoms of others; and

(3) consistent with internationally recognized human rights and other international legal obligations.

Any such restriction shall be narrowly construed.

(b) Any restriction on the right to leave shall be clear, specific and not subject to arbitrary application.

(c) A restriction shall be considered ''necessary'' only if it responds to a pressing public and social need, pursues a legitimate aim and is proportionate to that aim.

(d) A restriction based on ''national security'' may be invoked only in situations where the exercise of the right poses a clear, imminent and serious danger to the State. When this restriction is invoked on the ground that an individual acquired military secrets, the restriction shall be applicable only for a limited time, appropriate to the specific circumstances, which should not be more than five years after the individual acquired such secrets.

(e) A restriction based on ''public order (*ordre public*)'' shall be directly related to the specific interest which is sought to be protected. ''Public order (*ordre public*)'' means the universally accepted fundamental principles, consistent with respect for human rights, on which a democratic society is based.

(f) A restriction based on ''the rights and freedoms of others'' shall not imply that relatives (except for parents with respect to unemancipated minors), employers or other persons may prevent, by withholding their consent, the departure of any person seeking to leave a country.

(g) No fees, taxes or other exactions shall be imposed for seeking to exercise or exercising the right to leave a country, with the exception of nominal fees related to travel documents.

h) Permissibility of restrictions on the right to leave is subject to international scrutiny. The burden of justifying any such restriction lies with the state.

Article 5

a) Any person leaving a country shall be entitled to take out of that country

1. his or her personal property, including household effects and property connected with the exercise of that person's profession or skill;

2. all other property or the proceeds thereof, subject only to the satisfaction of legal monetary obligations, such as maintenance obligations to family members, and to general controls imposed by law to safeguard the national economy, provided that such controls do not have the effect of denying the exercise of the right.

b) Property or the proceeds thereof which cannot be taken out of the country shall remain vested in the departing owner, who shall be free to dispose of such property or proceeds within the country.

RIGHT TO ENTER OR RETURN

Article 6

a) No one shall be deprived of the right to enter his or her own country.

b) No person shall be deprived of nationality or citizenship in order to exile or to prevent that person from exercising the right to enter his or her country.

c) No entry visa may be required to enter one's own country.

Article 7

Permanent legal residents who temporarily leave their country of residence shall not be arbitrarily denied the right to return to that country.

Article 8

On humanitarian grounds, a state should give sympathetic consideration to permitting the return of a former resident, in particular a stateless person, who has maintained strong bona fide links with that state.

PROCEDURAL SAFEGUARDS

Article 9

Everyone has the right to obtain such travel or other documents as may be necessary to leave any country or to enter one's own country. Such documents shall be issued free of charge or subject only to nominal fees.

Article 10

a) Any national procedures or requirements affecting the exercise of the rights set forth in this Declaration shall be established by law or administrative regulations adopted pursuant to law.

b) Everyone shall have the right to communicate as necessary with any person, including foreign consular or diplomatic officials, for the realization of the rights set forth in this Declaration.

c) No state shall refuse to issue the documents referred to in Article 9 or shall otherwise impede the exercise of the right to leave, on the grounds of the applicant's inability to present authorization to enter another country.

d) Procedures for the issuance of the documents referred to in Article 9 shall be expeditious and shall not be unreasonably lengthy or burdensome.

e) Everyone filing an application for any document referred to in Article 9 shall be entitled to obtain promptly a duly certified receipt for the application filed. Decisions regarding issuance of such documents shall be taken within a reasonable period of time specified by law. The applicant shall be promptly informed in writing of any decision denying, withdrawing, canceling or postponing issuance of any such document; the specific reasons therefor; the facts upon which the decision is based; and the administrative or other remedies available to appeal the decision.

f) The right to appeal to a higher administrative or judicial authority shall be provided in all instances in which the right to leave or enter is denied. The appellant shall have a full opportunity to present the grounds for the appeal, to be represented by counsel of his or her choice, and to challenge the validity of any fact upon which a denial or restriction has been founded. The results of any appeal, specifying the reasons for the decision, shall be communicated promptly in writing to the appellant.

FINAL CLAUSES

Article 11

Any person claiming a violation of his or her rights set forth in this Declaration shall have effective recourse to a judicial or other independent tribunal to seek enforcement of those rights.

Article 12

No state may impede communication by any person with an international organization or other bodies or persons outside the state with regard to the rights set forth in this Declaration, and no sanction, penalty, reprisal or harassment may be imposed on anyone exercising this right of communication.

Article 13

The enjoyment of the rights set forth in this Declaration shall not be limited because of activities protected under internationally recognized human rights or other international legal obligations.

Article 14

Nothing in this Declaration shall be interpreted as implying for any state, group or person any right to engage in any activity or perform any act aimed at destroying any of the rights set forth herein or at limiting them to a greater extent than is provided for in this Declaration.

Article 15

The present Declaration shall not be interpreted to limit the enjoyment of any human right protected by international law.

TUFTS UNIVERSITY,
Medford, MA, March 31, 1995.

Re Tax Compliance Act of 1995, H.R. 981.
Attention: Patricia McClanahan.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate.

DEAR SENATOR MOYNIHAN: I wrote you on 24 March expressing my concern over the possible human rights implications of the so-called ''exit tax'' called for in the above-referenced bill. As I noted then, what appeared to be the imposition of a tax solely on the ground that a person was renouncing his or her citizenship could interfere with the right of every person ''to leave any country, including his own,'' which is guaranteed under article 12 of the Covenant on Civil and Political Rights.

I am gratified that the human rights issues related to this bill have become a subject of serious debate, and I appreciate your contribution to that debate. Having now received additional and more specific information about the tax, however, I have become convinced that neither its intention nor its effect would violate present U.S. obligations under international law.

Although imposition of a special tax on those who wished to renounce U.S. citizenship might be questionable, it is my understanding that the tax in question is based on accrued income and, in effect, treats renunciation of citizenship as the financial equivalent of death for the purpose of attaching tax liability. There are undoubtedly negative consequences to the individual concerned in having to pay taxes on gains while he or she is alive rather than after death, but there is no internationally protected right to escape taxation by changing citizenship. However, in order to clarify that the purpose and effect of the proposed tax are non-discriminatory, the language might be rewritten to offer the individual the option of complying with the new tax or electing to have realized gains taxed only as part of the individual's estate—subject to an appropriate escrow account being established for money which would otherwise be expected to be beyond U.S. jurisdiction at the time of death.

In sum, imposition of a non-discriminatory tax on accrued income at the time citizenship is renounced, in a manner consistent with the way in which that same income would be treated at the time of death, does not appear to me to violate either the internationally protected right to emigrate or the (somewhat less well protected) right to a nationality.

Thank you for the opportunity to clarify my views on this important matter.

Yours sincerely,

HURST HANNUM,
Associate Professor of International Law.

Mr. PACKWOOD. Mr. President, I believe we are ready to vote.

The PRESIDING OFFICER. If there is no further debate, the question occurs on agreeing to the conference report.

So the conference report was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. DOLE. What is the pending bill?

The PRESIDING OFFICER. The pending business will be H.R. 1158.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Chair recognizes the majority leader.

MORNING BUSINESS

Mr. DOLE. I now ask for the transaction of routine morning business not to exceed 15 minutes, with the Senator from Washington being permitted to speak for 10 minutes as in morning business.

CORPORATION FOR PUBLIC BROADCASTING

Mrs. MURRAY. Mr. President, I thank the Chair.

Mr. President, I must rise today to support a program that some in this body may argue is unnecessary, but that the American people wholeheartedly support.

As we debate the very difficult question of eliminating funds to various agencies, it frustrates me that some of my colleagues blindly lump the Corporation for Public Broadcasting into a general pool of rescissions.

The Corporation for Public Broadcasting is a true public service, owned by the American people. What other Government program can we claim reaches 99 percent of all Americans?

Since 1967, CPB has developed public telecommunications services of the highest quality to serve the American people. All of us on this floor agonize over what serves the taxpayer most.

Certainly, public broadcasting has proven itself as a national asset supporting television and radio stations in all 50 States, the District of Columbia, Puerto Rico, American Samoa, Guam, and the Virgin Islands.

Last year, CPB funded 351 public television stations and 629 public radio stations. Each week NPR touches the lives of 16 million listeners and more than 100 million viewers tune in to PBS weekly.

The numbers show that CPB is a Government program that works, and serves the people of this country. It is one program where the American taxpayer is actually seeing a return on their dollar.

But is CPB a luxury? In these days of deficit reduction, can we afford this service? In thinking about this question, I have reflected back on my role as a mother and teacher.

I am not independently wealthy and have been faced with balancing a checkbook my entire life. When times are tough, everyone suffers, but never have I sacrificed the education of my children.

All parents worry about the uncertain future of their sons or daughters. Frankly, that is why I am so committed to continued funding for the Corporation for Public Broadcasting.

Education is at the heart of what public broadcasting does. CPB reaches almost every home, school, and business in America to make important learning resources available.

CPB is dedicated to helping and inspiring learners of all ages, in schools, at colleges and universities, at work, and at home.

Public broadcasting is not subsidized television but rather accessible education. More than three-quarters of the country's public television stations offer for-credit adult courses at various levels.

Since 1981, 2.8 million people have taken public broadcasting telecourses for college credit. Over 29 million students in over 70,000 schools receive public TV as an educational resource. Of the top 10 television programs used by teachers in the classroom, 6 are from public TV.

Sure, some may classify public broadcasting as entertainment. I even admit that I became absorbed in ''The Civil War'' and rushed home to catch ''Baseball.'' But therein lies the secret of public broadcasting. Its ability to education while holding our attention.

From ''The Electric Company'' to ''MacNeil-Lehrer,'' from ''Carmen Sandiego'' to ''Great Performances,'' CPB has captivated audiences and provided an educational alternative to network television.

Children today need the same educational stimulation my children had access to, if not more so. Changing family structures and working parents mean more and more children are left home alone. These are the children dependent upon ''Sesame Street'' and ''Barney'' for guidance, education and solace. If there is no one at home to pull the kids away from the set, or to choose programming, can't the Government at least provide an accessible alternative which stimulates learning?

The average public television station airs more than 5 hours of quality, noncommercial children's programming every single day and 22.4 million children watch public television each week. The futures of these children can be dramatically shaped by the programs they watch each day.

Remember that 1 year of programming from PBS and NPR, costs each U.S. citizen just $1.09. Less than a penny a day. In fact, CPB's entire annual budget equals what the networks make in just 15 minutes of Super Bowl commercials.

More than 95 percent of CPB funds go back to communities nationwide as support for their broadcast operations. More importantly, for every $1 of Federal funding directed through CPB, stations raise more than $6 from other sources.

I urge my colleagues on their next visit home to tune in a publicly supported station within their State. Radio stations such as KPBX in Spokane and KFAE in Richland and television stations like KCTS in Seattle and KYVE in Yakima will prove to you how far a minimal Federal investment can be stretched.

Mr. President, the question here is should there be public television. My answer is a solid, loud yes.

Just as we have public schools, public libraries, public roads, and public parks, we should have public television.

''Public'' means we, you, and I, own it. We have a say. We have input. We have access.

To only have private television means that those who can afford to own the airwaves will decide what we watch and who can watch. Someone else, someone with the wealth to afford it, will decide what opinions will be aired and whose words will be heard.

I believe it is imperative that the public have access and input to the airwaves.

Let us not be the Congress that is known as the one who took the public out of television.

Let this Congress be remembered for turning the tide on the deficit, but let us do so without sacrificing our children, their education and their future.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

THE FOURTH ANNUAL FIREFIGHTERS CHALLENGE

Mr. DOLE. Mr. President, as a longtime supporter of our Nation's firefighters, I am honored to sponsor this resolution that will allow the Congressional Fire Service Institute to hold its Fourth Annual Firefighters Challenge on April 26, 1994, in the park across from the Russell Senate Office Building.

Widely regarded as the most exciting firefighting competition in the Nation, firefighters from as far away as California, Florida, and Ontario, Canada, are scheduled to compete in an event that demonstrates the level of fitness and conditioning essential for today's fire service.

Twenty-four hours a day, 365 days a year, firefighters are on stand by—ready to come to our aid. These well-trained men and women are our first line of defense against fires and a host of other natural disasters. It is my

hope that this site will provide an excellent opportunity for the general public and congressional staff to learn more about firefighting and gain a better understanding of the rigors these genuine heroes face.

Mr. President, I hope we might be able to clear this, either during the wrap-up tonight or tomorrow—at least sometime this week. I will not introduce the resolution at this time until we have had it cleared on both sides of the aisle.

SCHEDULE

Mr. DOLE. Mr. President, let me say for the information of our colleagues, I have been talking with Senator DASCHLE, the Democratic leader, to see if there is some agreement we can reach on this supplemental appropriation bill. Right now I understand on that side of the aisle there are at least 70 amendments and on this side 27. That is almost 100 amendments. If we are to complete action on the bill and go to conference yet this week, today is Monday, we do not have a great deal of time. It was our hope to be in recess on Friday. I think the House also hopes to go out on Friday.

So, I have been talking with the White House. If they do not want to finish this bill, then they ought to let us know, because we may not want to finish the Defense supplemental. We are prepared to make the readiness argument with this President any time he wishes on why we need the supplemental appropriations. The President sent me a letter. I think I received it Saturday morning, and I responded Saturday afternoon to the President's letter.

Mr. President, I ask unanimous consent those two letters be printed in the RECORD at this point just so we would have a record made.

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

PORT-AU-PRINCE, *March 31, 1995.*

Hon. ROBERT DOLE,
Republican Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: I am writing to urge you to take prompt action on the supplemental appropriations bill for the Department of Defense. I know that you and all Members of Congress have been working at a heavy pace the past three months and that you have many issues on your agenda. But I know you share the view that it is extremely important that the defense supplemental be addressed before Congress adjourns next Friday.

Both the House and Senate have passed defense supplemental appropriations to pay for ongoing contingency operations. I applaud those actions and agree with the Senate's decision to meet our full commitment to Jordan, in furtherance of the Middle East peace process, in this legislation. Unfortunately, these matters seem tied up in the Conference, and a deadline is looming that requires immediate congressional action to recognize the emergency nature of this supplemental bill and minimize offsetting reductions.

Secretary Perry and General Shalikashvili have repeatedly told me and have reported to Congress that unless supplemental funds were appropriated by March 31, the readiness of our Armed Forces would be adversely affected. That deadline has not been met. As you know, Secretary Perry has told Congress that he will be forced to take specific actions that will impair the readiness of our forces if Congress fails to act by April 7. I realize the respective committees are meeting and are making some progress, but the Conference is still not resolved and time is very short.

I am also concerned about reports that the emergency defense supplemental may be combined with rescission legislation now pending before you. I know you will not permit the Congress to hold the readiness of our Armed Forces hostage to other debates. It is imperative that the Congress approve the supplemental before you adjourn for the Easter/Passover recess.

Sincerely,

BILL CLINTON.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, April 1, 1995.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As you know, many of my colleagues in the Congress have long voiced concerns about the declining readiness of our Armed Forces and its impact on the brave men and women who so proudly serve. We have warned that the severe defense cuts imposed by your Administration compounded by costly ''peacekeeping'' operations, neither authorized nor approved by Congress, will drain the readiness accounts and strain our military preparedness. Indeed, these pressures have already manifested themselves in unacceptable readiness ratings for three Army divisions as early as last November. Further, I remind you that several of my colleagues began exhorting Secretary Perry and General Shalikashvili to send us their defense request as early as possible, but for some unexplained reason your Administration delayed that action until mid February with the submission of your budget. Our continued warnings have consistently fallen on deaf ears. Now that a severe readiness crisis is upon us, I am hard pressed to see this as the fault of the Congress. Your decision to blame the Congress for any delays and the impending readiness crisis is unfortunate.

Although we have been hampered by a laundry list of amendments offered by members of your party, the House and Senate have taken quick action on your defense supplemental request. The delay in submission coupled with Congressional desires to pay for these costs rather than add them to the debt has made our job more difficult. However, as you point out, we are now in conference and I am hopeful to bring final action before the Easter/Passover recess. As to whether the Congress will choose to combine your defense supplemental and your domestic supplemental request will be a matter that we will decide early next week. The readiness of our Armed Forces is important to all of us as is reducing the deficit, responding to emergency needs in California, and supporting the peace process in the Middle East. Your leadership on these matters would be useful in helping to limit the number of extraneous amendments offered and in bringing all of these issues to an early and acceptable conclusion.

Sincerely,

BOB DOLE.

Mr. DOLE. It may be that the White House has no interest in the pending supplemental legislation. If they do not, I do not know why we are here, why we are going to debate 97 amendments so certain people can score political points. On every amendment offered on that side from now on there will be a second-degree amendment. It seems to me that is about the only way to make certain both sides are protected here. Because we have had all this talk about how the Democrats are so concerned about children and we do not care about children, we are not sensitive to children. I wonder where they were on the balanced budget amendment when we asked just one more Democrat to vote for a balanced budget amendment so we might protect our children over the next 5, 10, 15, 25 years, but we did not have any response to the argument then.

So now we are seeing efforts to put a little back here and a little here, even though there are increases in all these programs, so the liberal press will write the right spin on the story that the Democrats are protecting children and, of course, we are depriving children of food and medication and about anything else you could believe. I am certain the liberal press will put that spin on it, as it always has in the past.

So it is my view there should not be anything else happening on the bill unless there is going to be debate on the primary amendment from that side, the amendment offered by the distinguished Senator from South Dakota, Senator DASCHLE, and the amendment offered by this side, by the Senator from Missouri, Senator ASHCROFT, and others.

I am prepared to get consent that we have the debate, time divided equally between now and 6 o'clock. Then at 6:15 we debate whether or not elephants can come to the Capitol. We may have to take a rollcall vote. But that will be 1 hour of debate, and the vote—we have not determined yet, hopefully it will not come until tomorrow morning.

I know the Senator from Massachusetts was here on Friday. He is here again today. He wants to offer his amendment even though I do not think it is necessary. I think we are all for the amendment.

But if it is offered, it probably will be second-degreed and then we will be right back in the same predicament we are in now. I hope the Senator from Massachusetts will let me and the Democratic leader try to work out some agreement where the Senator from Massachusetts would be permitted to offer the amendment. I do not have any problem with that. In fact, I support the amendment. So I do not want to be misunderstood.

Is there any way we could accommodate the Senator from Massachusetts and not offer the amendment today but let us proceed on the debate so at least we could have the debate? We are now working with the White House, with the Democratic leader, with our office

to see—if we cannot get any agreement, then none of the amendments will pass in any event.

So I hope we could be permitted to have general debate equally divided between now and 6:15, by sponsoring of the two major amendments. And then at 6:15, the Senator from New Hampshire, Senator SMITH, will be recognized to offer his amendment on House Concurent Resolution 34.

Mr. KENNEDY. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. KENNEDY. Mr. President, I say to the majority leader that I know the majority leader had said on Thursday evening that he was hopeful the amendment of the Senator from South Dakota would be up and he thought at that time it might have been disposed of on Friday. There was certainly no objection from me on that. I thought that was probably going to be the case. Now the Senator has pointed out that we have both the Daschle and the Dole amendments before the Senate.

I have indicated that I was quite prepared to just send my amendment to the desk, have it printed, and after we had disposed of the principal amendments of Senator DOLE and Senator DASCHLE, I would hope that we would be able to consider my amendment. But I would obviously respond to the request of the joint leadership in terms of working out an appropriate time. I am more than glad to do this, recognizing that we have a great deal of business before the Senate prior to the recess.

Mr. DOLE. If the Senator will yield, I understand the Senator will have it printed today but it will not be offered today.

Is that correct?

Mr. KENNEDY. I have talked on it quite a bit, Mr. President. I am not sure that I really have to take any more time on it. I would be glad to send the resolution to the desk. Obviously, it would be a matter before the Senate. I would like to get it printed. I would send it to the desk and have it printed, and then I would be glad to work out with the majority leader and the minority leader the time when we could consider it. I am more than glad to accommodate. If we wanted to do it at the conclusion of the other two amendments, that would be fine.

I can assure the leader that I do not think it will take any more than 5 or 10 minutes equally divided to dispose of it. I will be glad to give an assurance to the leader and to Senator DASCHLE that we would not consider it until after the disposition of at least the two current amendments. They really are the heart and the thrust of the issue here, and they are our first priority. I think they are enormously important, and we ought to consider them.

Mr. DOLE. Mr. President, will the Senator yield further? The Democratic leader indicated to me that he was prepared to vote on the D'Amato amendment, which indicates that he must have the votes to table. Would there be any objection to having it follow the vote on the D'Amato amendment, because his amendment was pending prior?

Mr. KENNEDY. I understand from the floor staff that Senator Daschle has indicated willingness to go to the vote on D'Amato tomorrow, and it is entirely acceptable to me to vote right after the D'Amato amendment on this amendment, if that is agreeable.

Mr. DOLE. The caveat, Mr. President, would be if we decided to pull the bill down because there are so many amendments. I do not want anybody to be blindsided. But it could happen, with 97 amendments, which would take quite a while, that we might just pull the bill down until after the recess. As long as the Senator understood that, I think we have an agreement. He could send it to the desk now, and have it printed with an understanding that following the vote on the D'Amato amendment, disposition of the D'Amato amendment, the Senator be recognized for a vote on his amendment.

Mr. KENNEDY. Mr. President, I send the amendment to the desk, and ask that it be printed in the RECORD for the information of Senators.

It is my understanding that we will have the vote on the D'Amato amendment.

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

At the appropriate place in the amendment, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX AVOIDANCE.

(a) IN GENERAL.—It is the sense of the Senate that Congress should act as quickly as possible to amend the Internal Revenue Code of 1986, to eliminate the ability of persons to avoid taxes by relinquishing their United States citizenship.

Mr. KENNEDY. That is satisfactory.

Mr. DOLE. As I said, the only exception would occur——

Mr. KENNEDY. I understand what the Senator said. It could be withdrawn.

Mr. DOLE. Mr. President, I think there is a serious effort by the Democratic and Republican leaders and the White House to try to see if we can bring this to closure. If we cannot, we will pull the bill down. If we can, we will try to finish it tomorrow evening. There is no way we can finish it with 97 amendments. That would take the rest of this week and all of next week, and I have something else planned for next week. In any event, many other Senators have plans for next week.

I wonder if it would be all right, between now and 6:15, the time equally divided.

I thank the Senator from Massachusetts.

Mr. President, I ask unanimous consent—this has been cleared by the Democratic leader—that all time between now and 6:15 p.m. be equally divided between the Democratic leader and Senator ASHCROFT, or their designees, for debate on the Daschle and Dole amendments.

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

Mr. DOLE. I further ask unanimous consent that at 6:15, whenever the Senator from New Hampshire is available, during that timeframe, that we proceed to House Concurrent Resolution 34, and that Senator SMITH be recognized.

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

CONCLUSION OF MORNING BUSINESS

Mr. DOLE. Morning business has expired.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

The Senate resumed consideration of the bill.

Mr. COVERDELL addressed the Chair.

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

Mr. COVERDELL. Mr. President, I would like to speak to the proposal that is before the Senate, and specifically I want to refer to a Reuter's news account that was issued this morning. I am going to read from the account. It says:

This administration believes a strong dollar is in America's interest, and we remain committed to strengthening the economic fundamentals that are ultimately important to maintaining a strong and stable currency.

That quote, Mr. President, is from our Treasury Secretary, Robert Rubin. The story goes on, however, and says that the currency market did not pay any attention to our Secretary of the Treasury driving the dollar down to yet another record low against the Japanese yen. Since the start of the year, the dollar has plunged more than 13 percent against the yen.

The story goes on and says that America's bulging budget—bulging budget—and trade deficits to its shrinking savings rate is driving the currency lower, and Washington—that is us—seems unable or unwilling to do anything about it.

Mr. President, Chairman Greenspan recently called the falling dollar ''unwelcome and troublesome.'' He said just recently that ''Foreign markets were increasingly distressed about the huge amounts of Washington borrowing to pay for deficit spending.''

The central bank chief—that is, Alan Greenspan—also linked last week's projection—now 2 weeks ago—of the balanced budget amendment by the Senate with the latest troubles facing our dollar.

The Secretary of the Treasury has gone before the world to try to strengthen the dollar, and the world did not pay any attention. The Chairman of the Federal Reserve said our dollar has suffered from the failure to pass the balanced budget amendment and it is destabilizing our currency.

In deference to time, Mr. President, I am not going to read from the seven different economists who are defining the problem with our currency as being directly related, as the Reuter's story acknowledged, to our budget deficits; more importantly, to our unwillingness to do anything about it, to the defeat of the balanced budget amendment and to spiraling trade deficits.

Last week, in front of Emory University students in Atlanta, my home city and State, the President and this same Secretary tried to tell those students and America that we really are operating an operational surplus. I said at the time that was not factual and, more important, it was harmful because by telling the Nation we have an operational surplus, you are sapping the will of this country to do the things it needs to do.

Mr. President, in light of these reports about the falling dollar today, I would like to call on the President of the United States to change his mind and call on the Congress to pass a balanced budget amendment. That is one of the strongest actions; these statements before the world are not having an effect. The world saw us defeat the balanced budget amendment. The world saw the President's budgets with $200 billion deficits as far as the eye can see. The world is watching us argue about these minimal cuts right here today. Mr. President, the President should call on the six Senators on the other side of the aisle that voted for a balanced budget amendment 1 year ago who changed their mind this year, who participated in what is now happening to our currency worldwide. And the best short-term signal we could send to this world about our currency is that we are going to stand up and pass a balanced budget amendment and send it to the States for ratification.

The Senators from New Mexico, North Dakota, California, Kentucky, and South Carolina decided to vote against it this year. They voted for it last year. The President said he was for a balanced budget ''but.'' And I would suggest to you, Mr. President, that the world has taken more notice of the word ''but'' than any of the other things that are emanating from the administration such as we really have an operational surplus.

For Heaven sakes. By the way, the reason they calculated that was they said you would not have to add in our interest on debt and then we would have a surplus.

I was speaking to a group of business people today, and I said:

> You remember when you went before the loan officer and the loan officer said, ''I am sorry; I can't loan you any more money because of your financial statement.'' And you turned to the loan officer and said, ''Well, if you just forget the interest payments I am making to you, I would have a great financial statement.'' You know what the reaction of that loan officer would be.

Mr. President, the world has taken note of the, ''I'm for a balanced budget but I am going to oppose a balanced budget amendment. I am going to submit budgets to the Congress and to the people with huge and unending deficits.'' And the quickest way we could turn this around would be for the President to call the leaders of this Senate and say, ''Pass it.''

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Missouri.

Mr. BOND. Mr. President, I thank the Chair. I would like to get back to what I believe is the business before us. Are we on the Daschle amendment as amended by the Dole amendment?

The PRESIDING OFFICER. Yes, that is correct.

Mr. BOND. I thank the Chair. It seems as if we have been at this for some time, and we have had some very enlightening discussions in other areas, but this bill, which the distinguished Senator from South Dakota seeks to amend, is an extremely important one. I spent some time last week presenting the details of this measure and talking about reasons why it was necessary for us to rescind budget authority and outlays for the coming year. Having made those points, I do not want to make them again. I wish to instead focus on some of the basic underlying assumptions in the Daschle amendment.

You will recall that this bill as we reported it out of the Appropriations Committee provides in the current year and next year about $6.7 billion for the California disaster relief effort. The Daschle amendment cuts $1.3 billion out of that.

Mr. President, I would have to say what a difference a week makes, because last week we heard from our colleagues on the other side of the aisle that what we needed was an across-the-board cut in all Federal agencies as an emergency step in order to pay for the terrible natural disasters which have afflicted the country this past year. In particular, we heard a very compelling argument from the Senator from California about the tragedies in her State and the need to provide the money so that the residents of California would get their lives and communities back together. Thus, they offered an amendment to provide $6.7 billion in disaster funding and cut elsewhere across the board.

Today, it appears maybe they do not need all that money. Today, just a few days later, the terrible California disaster described so eloquently is not going to require the $6.7 billion it did last week. Now they only require $5.4 billion. Never have I seen $1 billion saved quite so quickly.

I had to ask myself why. Well, I soon discovered it is not that they really want to save that money. Instead they want to spend it on some of their and the President's favorite programs. Today, instead of setting the money aside to help disaster victims, they want to raid a rainy day fund and spend it on so-called volunteers or throw more money at HUD, an agency in the midst of its own financial and management disaster. It is no wonder that many of my colleagues agree with the Congressional Budget Office's analysis of what happens when a rainy day fund for disasters is set up. I believe we ought to set money aside, but there are some questions I have about setting it up.

Let me quote from the disaster task force report which was issued only 3 weeks ago. I had the pleasure of serving with the distinguished Senator, Mr. GLENN, from Ohio as co-chair of that disaster task force. We brought together all of the information on disasters and asked the agencies—CBO, GAO, CRS—about what we might do. In that disaster task force report prepared by the agencies there was a very prophetic statement. Our report said:

> A tendency to spend accumulated funds might be a problem unless the law restricted the types of disasters that would qualify. Policymakers could become tempted to be more generous in relieving small disasters or to raid the fund for spending in other programs.

Well, Mr. President, that kind of looks to me like what we had. Only 3 weeks from the report and days from the discussion of the rainy day fund the first raid is being attempted on disaster relief.

So let me tell my colleagues, if this is what we can expect, regular, systematic raids on the disaster relief fund to pay for political goals, then I for one, this Senator, is not going to support any sort of rainy day fund.

What kind of discipline does this show to the American people, that just days after arguing for a $6.7 billion rainy day disaster fund, the same people now want to raid the fund for other purposes? How many families set aside funds for emergencies and then successfully resist the temptation to raid them? How many communities and small businesses set aside funds and then successfully resist the temptation to just dip in a little more for some reason? But not our colleagues here today. They view the disaster relief fund as a honey pot which lets them avoid tough choices of where else to cut in order to spend more on the programs they like.

Instead of standing up and saying, ''We don't like your proposed spending cuts; here are ours to replace them,'' our friends on the other side of the

aisle, once again show their colors on spending cuts. They say, ''We want to spend first and worry about the deficit and the debt later on''.

Again, I go back to the prophetic words of the disaster relief task force. In that report the agency said:

> Requiring the Congress to cut spending and other programs would raise the political cost of providing disaster relief. Now, increases in disaster relief increase the budget deficit, which may impede economic growth over the long term. But the effects on the standard of living of future generations have far less direct influence on political decisions than having to cut programs this year or next year.

No wonder our debt is nearly $5 trillion. No wonder the President's budget thought it would be OK to leave the deficit at $200 billion a year for the next 5 years, adding another $1 trillion to our national debt. This is a debt, Mr. President, that threatens our economic stability.

Our distinguished colleague from Georgia has already spoken about what judgment the international financial markets are passing on the value of the dollar. And it is because we just do not seem to be too concerned about adding another little $1 trillion to our national debt.

Well, Mr. President, I think it is very serious for our economy and it is very serious for our children and grandchildren who are going to be carrying the burden of that debt on their credit card.

Let me speak about one particular aspect of the Daschle amendment. I want to focus on that for, I hope, the enlightenment, perhaps, of my colleagues. But maybe they all know it.

I want to focus on the proposal to restore national service funding. I believe this issue highlights the fundamental differences between those who would shrink Government and those who still believe in business as usual.

The bill before us proposed a cut of $210 million to bring AmeriCorps and other new programs authorized by the 1993 National and Community Service Act back to the fiscal year 1994 level. The fiscal year 1995 appropriation for this year was $575 million; the rescission currently in the bill would bring that funding level back to $365 million. The National Service Corporation had hoped to have 33,000 volunteers enrolled by the end of fiscal year 1995. The bill before us, as reported out of committee, would keep the number of volunteers—and I say ''volunteers'' in quotes—at about 20,000. I urge my colleagues to vote against the Daschle amendment for the additional reason because I do not believe the increase in funds for AmeriCorps is justified.

The cut we have proposed is legitimate. We are not gutting the program, as some have suggested. The corporation actually received a huge increase for the current fiscal year over the fiscal year 1994 level. They had $365 million in fiscal year 1994 for AmeriCorps grants, education awards, technical assistance, and related activities. They received $575 million in last year's appropriation for the current fiscal year. That is a 58-percent increase for an untested program. I have not seen any increase of that level in any other discretionary program. At a time when we are running budget deficits of hundreds of billions of dollars each year on top of a debt load of $4.8 trillion, we just cannot afford the increase.

This rescission will not affect any programs now in operation. The fiscal year 1995 funds are not scheduled to be spent until the start of the school year in September 1995. So we will not have to stop work that is now going on. We are simply proposing that the amount available to the programs scheduled to begin this fall be the same as for those that began last fall.

Under the Senate bill, none of the volunteers—or, actually, employees—currently serving will be affected. The program would remain at the same level. The corporation could still increase the number of those it hires and chooses to fund in State and local programs next year by reallocating the money provided.

For instance, the corporation is now spending $32 million on innovation, demonstration and assistance activities, which includes training and technical assistance for AmeriCorps programs. Presumably, most not-for-profits that receive funds are already experienced themselves in training new employees and providing services. And many of them are working with true volunteers.

The corporation also spent $3 million this year on planning grants. Now, those do not fund a single new position, but simply allow an organization to plan how they will use volunteers in the future. And, both the National Service Corporation and the State commissions spend a good deal of money on public relations and recruitment of volunteers—read ''employees.'' I would argue that we can do less of that since the program is now well established, if it is continued, and it is well known.

In addition, the corporation awarded more than $14 million to Federal agencies this year, nearly 10 percent of the total amount available for AmeriCorps grants. Why are we padding the Federal payroll with paid, they call them, volunteers—I call them employees—at the same time the administration claims it is downsizing the civil service?

We cut it on one hand, but we call them volunteers and we spend $14 million hiring them on the other hand. I think there is a good deal of room to make cuts in these areas if the corporation wants to increase the number of those serving in State and local programs, under the bill.

I remain a great skeptic of the program. I am looking forward to conducting oversight hearings, which we will have in our subcommittee during the next few months, to determine exactly where our money is going. And, in particular, I am concerned about the money going to AmeriCorps national direct programs.

Under the act, in 1993, there are three different ways that you can receive funds. One-third of the funds are available to States according to a population-based formula. The States then choose which programs receive funds. Another third of the funds are distributed to programs that are first selected by the States and then submitted to the corporation for competitive consideration. The final third of the funds for AmeriCorps are distributed directly to the National Service Corporation to programs operated by national nonprofit organizations, programs operating in more than one State, and to Federal agencies. I would like to focus the attention of my colleagues on some of these programs.

I think America would be surprised to learn where fully one-third of the funds for AmeriCorps is actually going. I venture to guess that most Americans believe that money in this pot is going to help support the efforts of some well-established, reputable, mainstream volunteer organizations that we have all come to know and rely on. We would expect, Mr. President, the funding would go to the Red Cross, the Girl Scouts, Boys and Girls Clubs, Big Brothers and Big Sisters, and the 4–H; that they would be the ones receiving funds from that source. That certainly was my expectation.

Needless to say, I was surprised to learn that is not where the money is going. So I asked, and the Corporation for National Service provided me, with a list of all applicants in the ''National Direct'' program for 1994, as well as a list of those groups that receive funding.

I have made a chart of some of the examples that we have found. I think they will be illustrative.

All of these groups applied for ''AmeriCorps Direct'' awards for fiscal year 1994, as well as many other groups. This is not the exclusive list.

Here is the list of who was funded and this is a partial list of those who were not funded. Many well-established, reputable, and noncontroversial voluntary organizations did not receive funds. But look at the list of those who did receive funds, in addition to those that are Federal agencies. Can you say ''politically correct''?

Take a look at what we funded. This was our volunteer money. We are downsizing the civil service, cutting the Federal Government, getting rid of employees.

So why is the money going to hire people in the Department of Agriculture, the Department of Energy, the Department of the Interior, the Department of Justice, the Department of Labor, the Department of Transportation, the Environmental Protection Agency, and the Department of Veterans Affairs?

Sounds like a good way to cut the civil service. If you get a program, call it a ''volunteer'' program and use it to fund these.

And then there are others, ACORN Housing, Legal Services Corporation, National Endowment for the Arts, National Community AIDS Partnership.

These are the programs being funded by the AmeriCorps direct funding program.

These are some of the ones that are not funded, and somehow it strikes me as passing curious that they chose not to fund the Future Farmers of America, the National 4–H Council, the Girl Scouts of America, the American Red Cross, Big Brother/Big Sisters, Boys and Girls Clubs, National Audubon Society, Appalachian Mountain Club, American Library Association, United Negro College Fund, United Way of America, and United Cerebral Palsy Association.

I have had an opportunity to work with many of these fine organizations, and when you are talking about volunteers, this is where I think you need support, if you need support, to get people who are actually doing volunteer work.

Mr. SANTORUM. Will the Senator yield?

Mr. BOND. Yes.

Mr. SANTORUM. Are those not funded? Did they apply for grants and were refused?

Mr. BOND. These are agencies all of which applied. ''Funded'' are the ones which were funded by the AmeriCorps direct program. The ones ''Not Funded'' are the ones I just read, beginning with the Future Farmers of America.

Mr. SANTORUM. That is amazing.

Mr. BOND. That is exactly my point. I do not believe that the priorities chosen by the National Service Corps are the priorities of the American people. Americans do choose where they give their time voluntarily. We know where people want to give and work as volunteers. Over 80 million Americans choose to donate unpaid time to charitable volunteer work each week and they choose their churches, their schools, their hospitals, the Red Cross, the Girl Scouts, the Big Brother/Big Sisters. They do not choose to donate their time to the Environmental Protection Agency, the Department of Transportation, or the Department of Labor.

I think the American people might well be shocked to learn that these Federal agencies were chosen over other well-known, well-established and much respected volunteer organizations which were turned down.

I am sure that if you go back to the State programs, my colleagues will undoubtedly show me examples of Girl Scouts and Red Cross programs funded through the State commissions, one of two sources of funding, but that is not the area of national priorities. The corporation has clearly chosen not to fund those groups. The further away from States and local communities where the volunteer work is actually being done, where people volunteer their time and their resources, that the decisionmaking occurs, that is where decisions to fund the Federal Departments and those agencies which carry out the politically correct goals happen.

I suggest that the funding decisions of the national corporation may not reflect the priorities of American people. I have not examined the decision of the State commissions sufficiently to be able to comment on those. We will explore those in the VA, HUD Appropriations Subcommittee during our fiscal 1996 oversight hearings.

But for the purposes of the discussion of the Daschle amendment, I absolutely do not believe we should restore funding for the Corporation for National Service. In fact, considering some of the other tough decisions we have made, there is room for further cuts. We are only bringing the program back to the 1994 level. Based on what I described, I believe that is overly generous.

For these reasons, I urge my colleagues to turn down the Daschle amendment. The Daschle amendment has one provision which has been called to our attention by Senator INOUYE, the problem with funding for Indian housing. I have been working with Senator INOUYE and his staff. I believe we can accommodate the needs of Senator INOUYE for the Indian housing.

I think we need to take special recognition of the problems which may arise there at a later time in the discussion of this bill when we have an amendment, however we work it out with Senator INOUYE, who has been a leader on this, and Senator MCCAIN.

We will attempt to work out a good compromise to make sure that the cuts do not fall unnecessarily heavily on our native Americans. I will discuss the particular needs of that program. That, too, is included in the Daschle amendment.

But the main point of the Daschle amendment is to cut $1.3 billion from what was described last week by my colleagues on the other side of the aisle as ''critically needed, vitally important, let's-do-it-now emergency relief'' so we can go back and spend money on HUD, which is already spending too much money, on the National Service Corporation, the AmeriCorps direct dollars, which are keeping all those wonderful people employed at Federal agencies.

Mr. President, I just do not believe we need to restore those cuts. So I urge my colleagues not to accept the Daschle amendment.

I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the junior Senator from Missouri.

Mr. ASHCROFT. Mr. President, I want to commend the senior Senator from Missouri for an outstanding presentation. The juxtaposition of the funded agencies and the volunteer agencies is a stark and compelling contrast. To think that the Future Farmers of America applied and were turned down when the Department of Agriculture was funded; to think that the 4–H Council applied and was turned down while the Department of Energy was funded; to think that the Departments of Interior, Justice, and Labor were successful applicants when no ''volunteers'' were provided to the Girl Scouts or the American Red Cross. In my mind, and I think my good friend would agree, this reflects very poorly on the character and quality of the AmeriCorp Program.

Mr. President, we are not talking about rescinding Federal money in a vacuum. I believe this entire debate must be placed in the context of America's financial condition. The American people are alarmed at a $4.8 trillion debt. Last November, they said ''It is time to stop this out of control spending, and put our fiscal house in order.''

In family budgeting, what father or mother would say, ''Even though we are $72,000 in debt, business as usual will suffice.'' Despite our massive debt and rising deficits, Bill Clinton has suggested just that. The President has projected $200-billion-a-year deficits for as far as the eye can see. Mr. President, this type of unrestrained spending must stop.

So, I rise today in support of the majority leader's amendment. If enacted, this package would significantly decrease discretionary spending for this fiscal year. More importantly, it would achieve that end by attacking non-essential government services. AmeriCorp, which I discussed earlier, is a perfect example. This so-called volunteer program, which costs $30,400 per participant per year, is not a volunteer program at all. It is a way of paying individuals to do things that people already do.

Mr. President, out of the $30,000 used to support each volunteer in this program, $15,000 goes to administration and overhead costs. That means that this is really just a program to support the Federal bureaucracy. Then, when you think of the rest of the money—the $15,400 that is left over for the volunteer after you have paid the $15,000 for overhead and costs—you have to understand that 20 percent of all of those volunteers are working in the Departments of Agriculture, Energy, Labor, the Environmental Protection Agency, or the National Endowment for the Arts.

AmeriCorps. It sounds like you ought to stand up and salute. The truth is that the American people ought to stand up and grab their wallets because it represents a raid on their resources. And not just the American people, but also the yet unearned wages of generations to come.

Mr. President, we hear over and over again from the Democrat party that we have to save the children. Well, let us save them from bankruptcy. Let us practice a little responsibility. The

Senator from California earlier today said, ''Say goodbye to Big Bird,'' as if we were to curtail funding for public broadcasting there wouldn't be any worthwhile children's programming. This is nonsense and the American people know it. In fact, a recent Lou Harris poll found that public broadcasting is third on a list of Federal programs that should be abolished.

Only $7.5 million of the $300 million spent on PBS goes directly to children's programming. Where does the money go? It goes to purchase and develop programming for wealthy adults. According to one of its own member stations, WMET, ''one out of eight contributors to PBS is a millionaire. One out of seven has a wine cellar, and one out of every three has spent time in Europe in the last three years.'' This is not a social welfare program, it is welfare for the rich. Mr. President, these are the types of people taking advantage of PBS, and taking advantage of the American taxpayer. As my friend Senator PRESSLER noted, the wealthy donors to public broadcasting could easily make up the 14 percent of Federal funding that CPB receives if they simply gave an additional $55 a year.

Mr. President, I believe we also need to look carefully at the foreign operations budget. The House suggested rescinding $191.6 million. The Senate cut only $100 million. Well, I think we ought to be rescinding what the House proposed. The additional $91.6 million would bring our total Federal foreign operations reduction to 1.4 percent. If we are serious about balancing the budget, and if we really care about kids, we must at the very minimum do that.

So, we have an opportunity to say to the American people that we heard the message of November 8. We understand that it is important for us to make serious cuts. The Senate has a $13 billion rescission package. The House was at $17 billion. Thus, we can add the $1.3 billion in this amendment and still not make it to the House level.

Mr. President, during the debate on the balanced budget amendment, member after member who opposed the bill talked about making tough choices. Furthermore, they all indicated that they were ready to move toward a balanced budget. Let me suggest that now is the time to begin. It is time because that is what the American people sent us here to do. Unfortunately, the President continues to takes us down a different road, a road of increased deficits and debt. Let this Chamber be different. Let this Chamber fundamentally alter the way Washington works. We should rescind the funds which were proposed by the committee and add to it what the majority leader has suggested. If we do, we will begin to demonstrate responsibility, and that brings me to my last point.

I think what Government does is teaches. We all talk about the value of education. The most important lesson we can learn is the lesson of responsibility. Are we or are we not people who pay our bills? Do we live with the consequences of the decisions we make? Are we willing to accept responsibility for what we do? If our citizens make that kind of commitment, the coming era can once again be called the American century. Regrettably, as a Government, we have yet to make that commitment. Some of us are concerned that as citizens we have not made that kind of commitment either. Maybe our Government is not teaching responsibility the way it ought to. Maybe our example speaks so loudly to young people that they believe they are not responsible for the actions that they take. After all, when we continue to appropriate and spend, when we continue to obfuscate and mislabel, government fails in its obligation to the citizenry.

Mr. President, let us instruct the young people of this Nation properly. Let us show them that we have the willingness to exercise the discipline necessary to succeed in balancing the budget. In my mind, this means not only having a rescission bill, but also supporting the majority leader's amendment. It is my sincere hope that the Senate will do just that.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I rise to support the amendment by Senator DASCHLE, and I am doing so primarily because of my belief that we should not make as drastic cuts in the education accounts as the majority leader would have the Senate make.

Let me put this in context, Mr. President. I know there is a lot of talk about, are you in favor of deficit reduction, or are you not in favor of deficit reduction? I honestly believe that all Members are in favor of deficit reduction here in the Senate. We want to find an appropriate way to accomplish that.

In my opinion, the test of whether we are serious about deficit reduction will come in two areas. First, our willingness to curtail spending in a whole range of areas—not just the areas being addressed by this bill, but all areas—defense, intelligence, community funding, agricultural subsidy funding, foreign aid funding, as well as the domestic accounts. Entitlements are a key part, when we are serious about constraining spending.

The second area in the test of whether we are serious is whether or not we will reject the siren call to cut taxes. There is a major effort, on the other side of the Hill this week to try to go ahead and cut everybody's taxes, particularly the taxes of the wealthy. In my view, that is not a responsible action if we are serious about deficit reduction. It does not make any sense to give speech after speech after speech here in the Congress about our concern about the deficit and then turn around and cut taxes and reduce the revenue that the Government is receiving to keep that deficit from escalating. Those are the real issues.

Now I want to talk for a few moments about the impact of the proposed rescissions on education, because I believe very strongly that not only should we try to maintain funding in education but wherever possible we should try to increase funding.

As I travel around my State, Mr. President, and ask people in town hall meetings, ''What percentage of the Federal budget do you believe is committed to improving education?'' Some say maybe 5 percent, others say, maybe 10 percent, and we get into discussions over how much money is spent on education. I respond, ''Let me tell you, it is 1.7 percent of the Federal budget that is committed to improving education in this country.''

That is a figure which is down substantially from what it was a decade ago. In 1985 we committed 2.5 percent of our Federal outlays to improving education. This last year, it was 1.7 percent.

Mr. President, education is not the cause of our large Federal deficit. It has been taking its share of cuts all along and, in fact, even if the amendment of Senator DASCHLE is approved, there will be substantial cuts in education as part of this rescission bill. We are willing to accept that.

There are 19 different programs that the Department of Education operates dealing with education. The proposed amendment of Senator DASCHLE would try to restore funding to the level we appropriated and authorized last year in 7 of the 19—not in all of them—but in 7 of the 19.

Programs such as the title I grants which go to schools with disadvantaged children; the school-to-work opportunities, which help students to transition from school into employment; the Safe and Drug-Free Schools Program; and the Immigrant Education Program, aimed at those people who are legally here in the United States legally working with green cards and their children need to be educated.

The Head Start Program. Mr. President, there are many students, many children in my State who would like to participate in the Head Start Program. However, there is inadequate funding for them to do that. In most cases, these are children of very low-income families. I think that the Head Start Program is a good investment for our country. I think we can legitimately be for deficit reduction without cutting back on the funding for the Head Start Program.

I want to urge my colleagues to think about priorities as we go about this cutting exercise. It does not do any good to rush ahead with cuts in all areas. The American people want Members of Congress to be very selective in the cuts that we make. The Wall Street Journal and NBC News did a poll recently that said that 79 percent of Americans believe that cutting Federal

spending for education takes this country in the wrong direction.

That is exactly what the majority leader is proposing that we do here today. He is proposing that we go ahead with major cuts in the Federal funds for education. I think it is a shortsighted approach. I think we will at some stage down the road regret our action.

This year, we are spending 1.7 percent of the Federal budget on education. We can continue to ratchet that down. We can get it down to 1 percent. We can get it down below 1 percent and we will still have a very large Federal deficit. Mr. President, we are kidding the American people if we suggest to them that cutting our funds for Head Start is going to solve the deficit problem. It is not going to solve the deficit problem. We need to acknowledge that upfront and go after some of the areas where real money is being spent in our Federal budget. There are many of those areas.

I urge my colleagues to join in some of the other proposals which will undoubtedly be made as we get into consideration of the budget resolution, which involves serious cuts in Federal spending for the future.

Mr. President, it is not as easy as just saying ''Cut, cut, cut,'' regardless of the impact on whoever in our society, and ''Cut, cut, cut'' regardless of what priority is thrown out the window in the process. We need to be specific about where cuts make sense and where they do not make sense. Clearly we need to find ways to conserve funding and to restrain Federal spending.

I expect by the end of this legislative session, I will have done at least as much as most of my colleagues on both sides of the aisle to support cuts in funding for a variety of Federal activities.

However, cuts in education at this stage in our Nation's history do not make sense. They are not supported by the American people. Senator DASCHLE tries to restore a few of the funds that are otherwise proposed to be cut. I support him in that effort. I wish we could restore more. However, we are not able to.

Even if the amendment of Senator DASCHLE is adopted, there will be rescissions in virtually all the programs, lesser rescissions than are proposed by the majority leader but rescissions still. There are 12 of the 19 programs that are in the Education Department which will take significant cuts even if the Daschle amendment is adopted.

Mr. President, I will not belabor the point, but I do think the least we can do here in the U.S. Senate this evening is to try to maintain last year's level of funding in some of these key programs that relate to education. That is what Senator DASCHLE's amendment does. That is why I urge my colleagues to support the amendment. I thank the Chair. I yield the floor.

Mr. ASHCROFT. Mr. President, I yield 10 minutes of the remaining 20 minutes of the majority time to the Senator from Arizona, Senator KYL.

Mr. KYL. Thank you, Mr. President. I thank my colleague for yielding.

Let me take a couple moments, first of all, to address some of the comments of my colleague from New Mexico, because I think the debate is fairly framed by some of the things which he had to say. It does demonstrate the difference in approach that we take to this matter of reducing the Federal spending and trying to find ways to rescind spending from last year which is what the Dole amendment is all about.

The Senator from New Mexico makes a primary point that education funding should not be further cut. I would like to make two points with respect to this.

The first is, as far as I am concerned, it is not a matter of cutting spending. It is a question of who does the spending. Our idea here is that the Federal Government should do less of the spending and that the families of America should get to do more of the spending.

As a result, when we talk about a $500 tax credit for children, for example, what we are saying is, who would you rather have spend the money on your children? The Federal Government or the family who is responsible for their care?

We would rather give the family the $500 per child and let them decide whether they are going to enroll their child in a special education program, buy a new computer, get some books or in whatever way they feel it best to spend that money for their children's education—to do that, rather than to assume that the Federal Government can put better use to that money than can the families of America. That is the theory for our approach to this question of Federal spending.

Second, to get right to the point of the rescission package that is before us, the Dole amendment, says that we should add about $1.3 billion in rescissions, in other words in cuts to the package that has been put before the body from the Appropriations Committee. This would conform, or get close to conforming, the Senate package of rescissions with the House package, at roughly $16 or $17 billion.

Let us talk about how it might affect education. One of the items we would like to rescind more of the money on is the AmeriCorps Program that the Senator from Missouri was talking about a moment ago. The AmeriCorps program in the House rescinds, or has rescinded in it, about $416 million to a level of $158 million, close to $159 million, for next fiscal year. The Dole amendment would conform the Senate position to the House position. Right now, the Senate position is to only rescind half that money.

How does the AmeriCorps program affect education in our country? Here is one way. The AmeriCorps Program spends as much money on one person, one so-called volunteer—who, of course, as we know is not a volunteer at all but is paid for work, $20,000 to $30,000 a year, $40,000 in Alaska—as could be spent to fund eight Pell grants for needy students to come to school. As we know, the Pell Grant Program is based on need; it goes to needy students. So we could send eight needy students to college for what we are spending today on one volunteer in the AmeriCorps Program.

This chart makes the point. At this level here, you have the 3.9 million young people in America who are volunteers today, not being paid a penny for their volunteer service, and here you have the maximum of 20,000 young Americans who will participate in the AmeriCorps Program.

What is the cost? Bear in mind, these almost 4 million people get paid nothing. These are the youngsters, the youth of our country, young men and women, teenagers and young people who are doing volunteer work who are between the ages of 16 and 24, as compared to these 20,000. What is it costing? This makes the point about the Pell grants, as I said. Here are the number of people, Pell grant recipients, who could be funded with the money for one AmeriCorps volunteer in the State of Alaska.

Incidentally, we might ask the question, why does it cost over $40,000 a year for an AmeriCorps volunteer in Alaska, but we will leave that for another day, perhaps.

The point is, with this Alaska volunteer, if we rescinded the money for that AmeriCorps volunteer, we could send over 28 needy young Americans to college next year. That is what education is all about. So when some of our colleagues say we need to pay more attention to education, I say you bet we should, in two respects:

First, we should not waste it on programs that really do not help the needy. We should put it where it does the most good. That means going along with our package of rescissions here with respect to AmeriCorps.

Second, instead of talking about cutting education funding, we ought to talk about who actually does the funding. Who does the spending? It ought to be the families of America, not the U.S. Government.

I was curious about the chart that was behind the Senator from New Mexico, and I gather has been used by some of the Senators on that side of the aisle. The whole point of the chart is who gains and who loses, and that is the way a lot of liberals look at the American Government. It is a zero sum game. We need to take from them so we will have something over here. It is never taught that John F. Kennedy used to engage in trying to expand the pie. Remember what he said, ''A rising tide lifts all boats.''

His point in saying that, by the way, was we needed to have a capital gains cut for corporations. It does not sound like the Democratic rhetoric that we hear today. But this was a Democrat

President who understood if we are all better off we are all better off, and you cannot be employed if there is no employer, and employers need money to pay for people, to pay for their employees. So he understood that making everybody better off is the name of the game, not arguing over the size of the existing pie.

That is what the chart that the Senator from New Mexico was standing next to basically tries to portray—who gains and who loses.

Our idea is that is the politics of envy. As I said, it is a zero sum game. Our general point should be to reduce Federal spending generally so there is more left over for the American family to spend so there is more left over for savings and for investment, for growth in the American economy so that our children and grandchildren will have a better future.

Mr. FAIRCLOTH. Will the Senator from Arizona yield?

Mr. KYL. I will be delighted to yield.

Mr. FAIRCLOTH. This bill cuts $13 billion from the Federal budget. That is roughly 1 percent.

If we cannot muster the fortitude to take 1 percent out of the budget here and now, what does it say for future deficits?

Mr. KYL. I say to my colleague from North Carolina, that is the same question I had been asking all last week when various people said to me, ''My goodness, you are cutting something out of this and cutting something out of that?''

I said, ''This is just the beginning. If you do not have the fortitude to do this, how are you ever going to balance the budget?''

By the way, these were the same people who were against the balanced budget amendment on the basis we were elected to make the tough decisions. Looks like they are running for the woods now.

Mr. FAIRCLOTH. What it amounts to is not only have we failed to pass the balanced budget amendment, we are here in deep debate over whether we can take 1 percent out of it. We saw, by failure to pass the balanced budget amendment, very clearly that the value of the dollar against every other industrialized currency throughout the world took a deep dive. The Senator from Georgia talked about it earlier. Now we are further reinforcing the idea throughout the financial communities of the world that we do not intend to reduce the budget. We are simply going to talk about it.

Mr. KYL. I think the Senator from North Carolina makes an excellent point there.

Mr. President, might I inquire how much time remains on this side, for the Senator from Missouri?

The PRESIDING OFFICER (Mr. GRAMS). Nearly 12 minutes remain.

Mr. KYL. Let me sum up. If the Senator from North Carolina has more to talk about here, that will be fine. Otherwise, let me take a minute to sum up because I know the Senator from Pennsylvania has something to say about this, as well.

Mr. FAIRCLOTH. I thank the Senator for allowing me to ask the question.

Mr. KYL. Let us just sum it up this way, because there are a whole list of programs that are the subject of the rescission in the amendment of the Senator from Kansas, the distinguished majority leader.

The majority leader's amendment—what we will be voting on tomorrow—is to add some rescissions, some additional reductions in spending to programs like AmeriCorps, as we pointed out, foreign operations, the foreign aid program that the Senator from Missouri talked about, the Corporation for Public Broadcasting that the Senator from Pennsylvania has talked about, the Internal Revenue Service—there are a whole variety of them. My colleague from Arizona, JOHN MCCAIN, had suggested about $337 million in cuts that the President himself requested and that this body has not seen fit to include in its rescissions package.

Let me conclude with this. It is not as if we are trying to do something rather odd here in suggesting a little more in the way of rescissions. On the AmeriCorps Program that we were talking about, what was the vote in the House of Representatives for rescinding twice as much as the Senate is proposing to rescind? Was that a partisan vote? Democrat and Republican? The vote was on March 15, 382 to 23. This is a bipartisan understanding of what we need to do to get our budget deficit under control here. So, by a vote of 382 to 23, the House of Representatives voted to rescind about $416 million from AmeriCorps.

It seems to me that the Senate could do just as well.

So I hope that our colleagues will support the Dole substitute when it comes to a vote, and I appreciate the Senator from Missouri yielding time.

Mr. ASHCROFT. Mr. President, I yield 5 minutes of the time allotted to the majority leader's amendment to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. SANTORUM. Thank you, Mr. President.

I thank the Senator from Missouri for yielding. I would like to follow up on what the Senator from Arizona and others have spoken about with respect to this amendment by the Senator from Missouri, both the senior and junior Senators with respect to the AmeriCorps Program.

I would first like to touch on the Corporation for Public Broadcasting. We are proposing in this amendment to increase the amount of rescissions—in other words, to reduce the deficit—by an additional $1.3 billion, restore the California disaster relief funds of $1.3 billion, and add $1.3 billion in cuts with the Dole amendment.

The principal area that we are trying to deem the cuts, so to speak—the biggest one—is the President's own rescissions package, which is $337 million of what he termed pork, special interest demonstration projects put in by Members of Congress, both the House and Senate. They are the President's own rescission. We are saying let us vote on your President's own rescissions, and let us reduce the deficit as he would like to have seen done with these rescissions.

Another big area is the AmeriCorps Program, which is the national service program, which we have heard some talk about, which I will mention briefly.

But the one that I think has gotten a lot of publicity which I think is just an amazing program that gets funded here is the Corporation for Public Broadcasting. This is a very controversial measure. I think I have received more mail on attempts to cut the Corporation for Public Broadcasting than any other single issue that has been before the U.S. Congress.

That is interesting in the sense that it is only $285 million in the budget. I was reminded by a television station in Pennsylvania, WHYY, that it is only .003 percent of the national budget, so it is not significant. ''Why are you picking on us?'' I heard the Senator from New Mexico say, ''Well, education overall is only 1.7 percent of the budget. Why are you picking on us?'' We are not going to balance the budget on education. We are not going to balance the budget on the Corporation for Public Broadcasting, nor on AmeriCorps. If you keep going down, do you know what are going to come up with? We will not balance the budget because we will never get any of this stuff. We will never balance the budget.

What is the answer? Let us cut the big programs. OK. Let us all line up here. Everybody who wants to cut Medicare, come on down the aisle. Come on. Come on down the aisle. There is nobody coming down the aisle. Nobody wants to cut Social Security? Come on. It is a big program, $200 or $300 billion. Come on down the aisle. Where is everybody? Where is everybody who wants to cut Medicaid? Where is everybody that wants to cut national defense? Where is everybody who wants to cut the big programs? The Government is made up of a few big programs but lots of little programs. A lot of these little programs are very good programs. A lot of them are well-meaning programs. But, frankly, a lot of them need to be pared back or need to be eliminated.

I happen to believe the Corporation for Public Broadcasting is one. The reason we are having so much trouble, frankly, is because of letters like this sent out by the president of WHYY–TV in Philadelphia, and as a result of numerous public broadcasting infomercials and public broadcasting, both on radio and television, to write your Congressman and Senator and

say, ''Do not let them take Barney and Big Bird off the air. Do not let them take our subsidy away. Go out there and lobby on our behalf,'' hiring lobbyists and people to come down here and try to convince us to keep the money flowing. Keep that money flowing to the Corporation for Public Broadcasting.

I have written a letter of I think three or four pages in response to the constituents who have asked me. It is a letter that I gave a lot of thought to, and I said here are all the reasons why I think the Corporation for Public Broadcasting should be cut.

These stations in Pennsylvania decided they are going to write a letter responding to my letter and lobbying and pointing out all the flaws in my letter.

I ask unanimous consent to submit for the RECORD following my statement a copy of this letter and a copy of my response point by point.

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

(See exhibit 1.)

Mr. SANTORUM. Thank you, Mr. President.

I will tell you that, while he says all these things are in fact not true, the fact of the matter is they are all true. Everything that I have in that letter is exactly right. He is providing information. I can go through just some of them. I suggest in my letter that there are many private sector sponsors who would like to be involved, and who could—and in fact are—supporting public broadcasting. And we could in fact privatize the Corporation for Public Broadcasting, which is the entity by which the Federal funds flow through.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. GRAMS. I yield an additional 2 minutes from the time allotted to the majority leader for his amendment.

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

Mr. SANTORUM. Thank you. I thank the Senator from Missouri.

I say you can privatize the Corporation for Public Broadcasting, which is an entity located here in Washington that the Federal dollars are allocated through. He responds and says that public broadcasting stations may not by Federal regulation be for-profit enterprises. Well, I did not say anything about for-profit stations beings owned by the private sector. What I said was that we could privatize the organization that provides some funding to those stations, which in fact we can, and which the Senator from South Dakota, Senator PRESSLER, is in the process of trying to do by statute.

This is the bait and switch which is going on in this letter. In his letter he says:

> The Senator describes American public broadcasting—an effort in constant threat of financial starvation, forbidden to sell anything and forbidden to make a profit—as ''well-endowed.''

I do say they are well endowed. I justify that by saying that ''Barney'' and ''Sesame Street'' combined have royalties of about $2 billion of which the Corporation for Public Broadcasting gets virtually nothing.

Various other programs—I have my share of ''Shining Time Station Puzzles'' for my 4-year-old and my 2-year-old. I have my share of other things from the ''Puzzle Kids,'' whatever they are called, something like that. I do not know—''The Puzzle Gang.'' I have a bunch of this stuff—Mr. Rogers, a wonderful man from my hometown of Pittsburgh, who does a tremendous job for the community, does a tremendous show. But these assets can and should be used, instead of going to public broadcasting, go to the taxpayers, who go out and work darned hard for their dollars, to have it funneled through here to pay for the Corporation for Public Broadcasting, to pay for a lot of the other things.

He mentions one other thing. He says the Senator's comments are ideological, that I come at it from an ''ideological standpoint.'' He is absolutely right. I do come at it from an ideological standpoint. My ideology is that the Federal Government should not be supporting these things, that we need to reduce the size of Government. But it certainly is not from the ideological standpoint that I do not agree with what is on there. That is irrelevant. Does the Federal Government, when we have limited resources, have a role of supporting broadcast television in an era where broadcast television is almost as much a dinosaur as the crank phone when we are going to cable and direct satellite communications? We should support public broadcast television? It is ridiculous. We have to move into the 21st century in the U.S. Senate just like public broadcasting has to move in the 21st century in telecommunications.

That is what this is all about. I can tell you that we are going to have a battle about this. I do not know if we are going to win. I tell you, if we do not win, I question the sincerity of the people in this Chamber to really do anything about reducing the deficit. I really question whether we are really willing to stare at children who are facing 82 percent tax rates, as PAUL COVERDELL says, in 10 years only having five Federal programs left if we just do nothing. How can we stare those children in the face, that we say, as in the Daschle amendment, we care about so much? How can you care about someone and let them keep 18 percent of what they earn? How can you care about someone if you are not willing to stand up and defeat the special interests and do what is right for the long-term interest of the American children? This Daschle amendment, putting more money in programs today, is not the answer. Preserving the fiscal integrity of tomorrow is what really is going to help America's children.

I yield the floor.

EXHIBIT 1

TEXT OF SENATOR RICK SANTORUM'S LETTER TO CONSTITUENTS

Federal funds for public broadcasting are administered and distributed by the Corporation for Public Broadcasting (CPB). The CPB makes direct grants to public television and radio stations, as well as grants to the Public Broadcasting Service (PBS) and national Public Radio (NPR) for program projects and productions. In 1994, the CPB received $253 million from Congress.

The majority of funding for public television and radio does not come from the CPB, but rather from member stations, educational institutions, corporations, and private citizens. For example, in 1993 the CPB provided only 14.2% of the industry-wide spending for public broadcasting. It is also important to note that PBS and NPR are not divisions of the CPB; they are private, nonprofit organizations that utilize federal funds to supplement their operating budget. In 1993, the CPB provided only 13.9% of the total PBS budget and 4% of the total NPR budget. It is therefore not accurate to suggest that ''Sesame Street'' and other popular PBS shows would be forced off the air if CPB funding were reduced or eliminated.

In this time of federal downsizing and fiscal reform, tough decisions need to be made about government spending. Last year Congress reduced funding for the Low-Income Home Energy Assistance Program (LIHEAP), which is vital to Pennsylvania senior citizens. Congress has also taken steps to close the Philadelphia Naval Shipyards, which employs thousands of Pennsylvania residents. With cuts of this nature taking place, it is hard for me to justify the continued use of federal resources to subsidize the well-endowed public broadcasting industry.

If Congress acts to scale back, privatize, or eliminate the CPB, I am confident that the resulting loss of funds for public television and radio will be compensated by new corporate sponsorship and public support. Several major corporations have already expressed interest in supporting a privatized Corporation for Public Broadcasting.

In addition, PBS, a major contributor and supporter of public television, has yet to utilize its full range of funding options. You may or may not be aware that commercial products related to Barney, the amiable children's character on PBS, grossed almost $1 billion last year. PBS receives almost none of these profits because it chose not to secure licensing rights for commercial products related to PBS shows. PBS will also receive very little of the $800 million grossed by ''Sesame Street'' products. To put it bluntly, I do not think taxpayers should pay to put Barney on public TV for Barney to make billions of dollars. If PBS were to secure even a small percentage of these earnings through product licensing, the lost share of federal funds would be easily replaced, or even doubled.

Congress has also provided other means of support or public broadcasting besides direct funding through the CPB. Over thirty years ago, Congress directed the Federal Communications Commission (FCC) to designate specific VHF television channels for educational broadcasting. This FCC frequency allocation program continues to allow public television and radio stations to remain exempt from the sizeable fees and costs paid by private commercial stations. Congress has also given non-profit status to public broadcasting stations, allowing them to receive

tax-deductible contributions and avoid paying corporate taxes, which amounts to a federal government subsidy. I continue to support these significant accommodations made by Congress for public broadcasting.

After considering the factors of private funding, commercial licensing, and additional federal supports for public broadcasting, I have reached the conclusion that the future of public broadcasting in the United States is not dependent on continued funding through the CPB. The CPB has played an important role in expanding access to public broadcasting and improving program quality since its establishment in 1967. Now that these primary goals have been achieved, I believe it may be time for Congress to evaluate proposals to downsize, privatize, or discontinue this organization.

Americans have shown a strong commitment to supporting public television and radio. This commitment will continue as long as PBS, NPR, and their local affiliates remain committed to the production and broadcasting of programs that enrich the educational and cultural life of our nation.

(tv 12 WHYY 91 fm),
INDEPENDENCE MALL WEST,
Philadelphia, PA, February 21, 1995.

Thank you for sending the copy of the letter you have received from Senator Santorum. It seems clear that the national conversation about public broadcasting is based more on political posturing than on reasoning and fact. That conversation needs to be elevated.

The Senator suggests that ''tough decisions need to be made about government spending.'' He's right, and most Americans agree. Why, however, does he join those who aim so fiercely at a national instrumentality that provides educational and cultural services and earns the great majority of its money from non-federal sources? Why does he join those who single out, with great fanfare, a national educational effort that accounts for only .0003 of the national budget?

To me, the answer is that Senator Santorum writes from an ideological standpoint, and his arguments are the common ones in the current national discussion about public broadcasting. The danger is that misinformation is too often treated as fact.

The Senator describes American public broadcasting—an effort in constant threat of financial starvation, forbidden to sell anything and forbidden to make a profit—as ''well-endowed.'' The facts are, simply and clearly, otherwise.

The Senator suggests that ''several major corporations have already expressed interest in supporting a privatized Corporation for Public Broadcasting.'' This is a pretty far-fetched notion, since CPB is merely a funnel for federal money. Does he mean that a private corporation will provide the $285 million each year currently appropriated by CPB? It seems unlikely. In addition, public broadcasting stations may not, by federal regulation, be owned by for-profit enterprises.

He goes on to suggest that commercial products resulting from the Barney series could fuel PBS, which shows a basic lack of understanding concerning public broadcasting and how is subsists.

The Senator's suggestion that ''Congress directed the Federal Communications Commission to designate specific VHF television channels for educational broadcasting'' is incorrect. The FCC's Sixth Report and Order of 1952, which set aside both VHF and UHF channels for educational use, was not ordered by Congress.

He goes on to suggest that the ''non-profit status'' of public broadcasting stations was ''given'' to them by Congress. That is untrue. The nonprofit status was ordered by the FCC, which prohibited commercials on the new stations, in order to eliminate possible competition between commercial and educational stations. He also claims that ''private commercial stations' pay ''sizable fees and costs'' that the educational stations do not. This is simply not so.

It's important that the current conversation about public broadcasting in America be elevated to a reasonable, civil level, a level on which fact, opinion and fantasy can be separated, a level on which ideology plays a minimal role and a level on which service to Americans is the goal.

We appreciate your continued interest.

Sincerely,

FREDERICK BREITENFELD, JR.,
President.

THE ERRONEOUS WHYY LETTER

From: Frederick Breitenfeld, Jr., President, WHYY, TV12, 91 FM, Independence Mall West, Philadelphia, PA.

WHYY/Frederick Breitenfeld, Jr.	Facts/RJS Position
''Why . . . does [RJS] joint those who aim so fiercely at a national instrumentality that provides educational and cultural services . .''.	My aim is fierce at deficit reduction. Government spending cuts should be even handed. CPB can't be excluded from deficit reduction cuts affecting all federal spending.
''Why does he join those who single out . . . a national educational effort that accounts for only .0003 of the national budget?''.	Should Congress only single out massive federal programs? Should CPB, merely because it's a small program, not contribute its share to deficit reduction?
''To me, the answer is that Senator Santorum writes from an ideological standpoint . .''.	Yes? Less federal government and eliminating the deficit are the ideological reasons underlying these cuts. I believe the vast majority of Pennsylvanians share this view.
''The Senator describes American public broadcasting—an effort in constant threat of financial starvation, forbidden to sell anything and forbidden to make a profit—as 'well-endowed.' ''.	It sounds as if Mr. Breitenfeld agrees that the CPB should be able to reap the commercial rewards of its educational ventures such as ''Barney'' and ''Sesame Street,'' all the more reason for reduced federal funding.
[Regarding RJS's mention of corporate support of CPB privatization]: ''Does he mean that a private corporation will provide the $285 million each year currently appropriated to CPB?''.	No. I mean there are many corporations which, through tax incentives, would readily support an independent, privatized CPB.
''He goes on to suggest that commercial products resulting from the Barney series could fuel PBS, which shows a basic lack of understanding concerning public broadcasting and how it subsists.''.	Fact: Barney grossed almost $1 billion dollars in 1994, PBS should be allowed to reap the reward of its product.
''He goes on to suggest that the 'non-profit status' of public broadcasting stations was 'given' to them by Congress. That is untrue. The nonprofit status was ordered by the FCC . .''.	Congress passed the following: ''There is authorized to be established a non profit corporation, to be known as the 'Corporation For Public Broadcasting,' which will not be an agency or establishment of the United States Government.'' 47 USC 395(b)
''He also claims that 'private commercial stations' pay 'sizeable fees and costs' that the educational stations do not.''.	Commercial stations pay taxes. Commercial stations pay processing and regulatory fees.

The PRESIDING OFFICER. Just a reminder, there are 2 minutes remaining of the majority leader's time.

Mr. ASHCROFT. Mr. President, I observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Mr. President, I take this opportunity to reiterate why we believe this amendment is important.

Fundamentally, it goes to the heart of what it is that we as Democrats believe we are here for: protecting working families, investing in children, and doing that in a meaningful way without reducing the overall commitment to deficit reduction one iota.

That is really what this amendment does. It provides the kind of commitment we need for working families, and the commitment especially we need for children. But it also recognizes the need for deficit reduction because children and working families are directly affected by that as well.

We do so by restoring some of the cuts that were made in areas that directly affect children in the most significant way—children dependent upon child care, so that working families can meet their obligations at the workplace; Head Start for children who depend upon a program that has now been in use for more than 30 years, clearly which has shown to be one of the most important ways with which to prepare children to be better students and to be more able to cope with all of the challenges in early life.

We also protect young adults interested in national service. These young people are committing themselves to their country in a way that makes a significant contribution to our country through national service and community assistance, and at the same time to generate the ability to go back to college or to go to college in the first place to advance their education in as many ways as they can.

We also recognize that women, infants, and children of all ages really depend upon adequate nutrition. If they do not have adequate nutrition, they really do not have the ability to ensure good health. If we learned anything in the debate over the last couple of years about health care, it is that perhaps the best investment we can make is an investment in preventive care. Making sure people stay healthy is the best way to ensure that they are not going to need expensive care later on.

That is exactly what the Women, Infants and Children Program does. It assures adequate nutrition, adequate nutrition assures adequate good health, and with good health we assure the opportunities for young people and for women to be productive citizens in this country.

Aid to schools, of course, is something that we have long felt is perhaps the single best investment this country can make. As we look at the real defense of this country, as we look at ways to maximize the security and the strength of this Nation, there is no better way to do it than to ensure that our schools have the resources they need to prepare young children to be good adults later on.

Obviously, we have gone through some very disappointing days last week, in that we thought we were going to have a good debate as early as last Thursday on this very issue, whether we ought to be able to protect 1 million children who are affected by all of these programs. We were denied that debate. And, unfortunately, as well, the majority has now offered a

second-degree amendment that would gut this amendment and would further the attack on some of these programs directly affecting kids and families.

So we are anxious to debate priorities as we go about the difficult task of balancing the budget. But I hope that we would not replace a vote on the priorities we place on kids and families with a vote on cutting the deficit further. We really ought to accomplish both things.

We recognize the importance of deficit reduction. We recognize the importance of investment in children and families. That balance is really what we are trying to strike in the first place. We agree that the deficit has to be reduced. We agree that the $15.3 billion that bill now provides is a significant reduction and ought to be supported.

Where we apparently disagree is whether or not we could take some of the funding in the out years for FEMA, funding that goes beyond what even the House has proposed, and use it to direct resources to people who are really dealing with emergencies right now.

It is an emergency if you are a young family and cannot get child care. In some cases it is going to be an emergency if some of these schools do not get impact aid funding or some of the money that they are counting on in this year's budget to ensure that they meet their obligations later on.

So it is really a very fundamental question of providing the delicate balance between addressing those concerns, the investments in the families of 1 million children, and investing, as well, in meaningful deficit reduction over the course of the next 24 months.

We also, of course, had an opportunity to address the issue of billionaires who renounce their citizenship in order to avoid paying taxes on their fortunes. I am very pleased that the distinguished Senator from Massachusetts has indicated his determination to ultimately resolve this issue. I think the Senate will go on record one way or another, hopefully sooner rather than later, that that is not something that we support; that we recognize that, as we are trying to make very tough decisions about priorities and about kids and where the resources ought to go, to say no to child care, no to Head Start, no to AmeriCorps, but yes to billionaires who renounce their citizenship is not a set of priorities I think anybody in this Chamber is very comfortable with. So we want to find a way to deal with that issue, as well.

I applaud the effort that others have made to talk about priorities as we deal with the rescission package and the offsets required for FEMA. I hope, as we go through this whole debate, we will be very cognizant of the need to ensure a proper balance between that investment and meaningful deficit reduction.

We want some bipartisan cooperation here, as well. We want to ensure that our amendment is adequately debated, that we have a vote on this amendment; not one in the second degree, not on some substitute, but an up-or-down vote on this amendment, so we can say, without equivocation, these are our priorities, unaffected by whatever additional amendments others may want to offer.

We want to have a clear statement of priorities and a clear statement of intent with regard to what our investment truly is.

We are at a crossroads. I think that crossroads, to a certain extent, is going to be affected by decisions we make on this particular bill. We can choose to work together and find ways with which to ensure that Democrat concerns can be addressed as well as Republican concerns.

But second-degree amendments used to prevent us from having an up-or-down vote on something we hold to be very important sends the wrong message, I believe, about our desire to work together to accommodate both sides as we take up very serious legislation.

We have legitimate amendments that reflect our thoughts about the direction our country should take on balancing the budget. Whether it is in this bill or whether it is in bills that will be taken up at a later date, I hope that the majority would allow votes to be cast on each and every one of these issues.

We have a difference of opinion with the majority over how best to cut $1.3 billion. We have about $1.2 trillion to go as we balance the budget over the course of the next 7 years. We are not going to get there unless we work together.

The approach taken by the majority on this bill so far does not bode well. The overwhelming majority, if not all of our colleagues, on the Democratic side support the amendment that we have laid down.

Let there be no mistake. This was not done at the behest of the President of the United States, as has been suggested. This proposal was the response of our caucus. We feel compelled to stand up for children. We feel compelled to speak up for working families.

If the other side moves to table our amendment and has the votes, there will be others offered to address the needs of working families by cutting other less urgent priorities. But we are willing to offer them in a deliberate process that can be performed expeditiously, and I hope the majority would respect that.

If, on the other hand, our amendment would be agreed to, we could complete our work on this bill even more expeditiously. And I hope that remains a possibility. I hope that Republicans and Democrats could agree that, indeed, we must reduce the deficit, indeed we must find ways with which to maximize the opportunities to fund FEMA, but I think we would also agree that respecting the investment that we have made in our commitment to kids and our commitment to schools and our commitment to working families ought to be respected, as well.

So, we really have a choice here, Mr. President. I hope that we could support both the need to ensure that the Federal Emergency Management Administration has the resources necessary to continue its extraordinary work in providing emergency assistance to communities all over the country, and I hope that we could also move ahead with meaningful deficit reduction.

But I also hope that in addition to those two priorities, what I have said about our commitment to investment in kids in education could be at the top of the list as well.

There have been calls on the other side of the aisle to privatize the Corporation for Public Broadcasting, and the majority leader's amendment is the first step in laying that groundwork by cutting the funding for the Corporation for Public Broadcasting. That is another issue. I hope that those of us who are opposed to taking that draconian approach toward public broadcasting will have the opportunity to debate it up or down.

But the issue here is not public broadcasting; it is not anything other than what we have listed on this chart. The issue here is child care; it is Head Start; it is giving kids an opportunity to earn college access and college tuition by participating in national service; it is ensuring we have good preventive care; it is ensuring that we have the kind of investments in schools that we really need if, indeed, we are serious about maintaining the commitment to schools to maximize their educational opportunities to the children who walk in the doors each and every day.

So those really are the issues here, Mr. President. We hope that people understand the need to restore the child care opportunities for 5,000 children, as we have listed. It tells working families that we want them to continue to work and to generate all the income their talents will allow and we are going to assist them in their child care needs. Without child care, many low-income parents may find themselves on welfare. Our amendment will enable those parents to continue work.

We had an opportunity just last week to meet a couple who participated in a news conference with us on minimum wage. It was a couple from Pennsylvania who had been on welfare who came to the conclusion less than a year ago that they were not going to allow themselves to be dependent anymore, who decided they were going to go out and find jobs, and find the kinds of opportunities in the private sector we have been admonishing them to go out and find.

Unfortunately, all they could find were minimum-wage jobs or something slightly above minimum wage. I think, in one case, one of the jobs they had paid $5 an hour rather than $4.25. They did not have health insurance. They

have two children. The children get sick from time to time. They have no way with which to address their children's illness. They try to keep their health care bills low, but they said, ''It was so much easier when we were on welfare. We had Medicaid. We could go into the hospital and we knew at least we had minimal coverage. We had income that was almost as good as what we have right now, and we did not have to worry about child care.''

That is exactly the dilemma a lot of young families are facing. They do not want to be on welfare. They want to find alternatives. What we are trying to tell them is if you go out and do the right thing, we are going to reward work. We want to reward work by making sure that your income at the end of a hard-working week is not going to relegate you to poverty, even though you may be struggling.

We know that you have to go out and find perhaps a second job, and we are willing to accept that. But if you go out and make sure you do what we expect you to do, that is, not rely upon welfare to meet your needs, we want to the extent we can help you with meaningful child care, and with meaningful pay for the work that you do each and every day. We want to send you the message that we are glad that you made the decision not to be on welfare and that you are going to continue to be productive citizens within your community by working at jobs that we hope will begin paying more.

But that is really the issue here with regard to taking care of their children, with regard to educating their children, with regard to providing them with adequate nutrition, with regard to ensuring that once their children go to school that they have the necessary resources to be taught and to be as competitive in the United States as they need to be, given the competition in other countries.

So, Mr. President, that is really what our message is. We want to make work pay. We want to make work pay by providing meaningful opportunities for children who may need child care support. We want to provide meaningful opportunities for children who are beneficiaries of the Head Start Program. And we also, as I said, want to help 36,000 young people who will benefit from national service by the continuation of a program that, in our view, has worked exceedingly well in the very short period of time that we have seen it in operation.

If our amendment is not adopted, a promise will be broken to tens of thousands of young Americans, the communities they serve, and the charitable groups they help. These organizations and communities have now been told we are going to have this program there; it is going to work; you can count on people assisting you as you go through the difficult decisions you have to with regard to how you are going to cope with your budget and how you are going to address many of the operational challenges that you face every day.

This program is really a partnership, a partnership with communities, a partnership with organizations, a partnership with young people who recognize that when there is an expectation that assistance can be provided for college that, indeed, the reciprocal responsibility is to ensure that those children and those young people understand that there is a commitment required of them, as well.

So national service is something I hope is around for a long period of time, a program that I believe deserves our full support. Simply to eliminate it, to forget its success already, would be very shortsighted, indeed. In fact, I hope that Republicans can join us, as they have in the past, in recognizing just what a tremendous opportunity it is for a lot of young people.

So, Mr. President, I think the message is very clear; it is pretty simple. The message is simply that we want to do what everybody here says we ought to do, and that is reduce the deficit to the extent that we can; provide the funds necessary to ensure that the Federal Emergency Management Administration is given the adequate funds necessary to continue in their role; but then, third, we also recognize the very delicate balance that we have in providing the investment that we need to provide in ensuring the continuity of a lot of the services that we now provide schools, children, and working families.

So I hope that as we make our decision about this amendment, we understand that there is a need to maintain that balance; we understand that it sends exactly the wrong message to say no, we are going to have to cut child care, Head Start, cut funding for something as valuable as national service, but somehow we are going to protect those expatriates who renounce their citizenship in order to save tax dollars. We should not say that we are going to protect the billionaires, but we are not going to protect the children.

I know that there are many people in this Chamber who would support that notion, but I think it sends the wrong message if we are on record as willing to allow the billionaire expatriates to avoid paying taxes and yet vote to cut successful children's programs as dramatically as this.

So I hope, Mr. President, we can be cognizant of the message our vote on this amendment will send. We want to ensure that deficit reduction, that FEMA funding, and that investments in kids and working families are all protected. This amendment does that. It does that by restoring some of the balance that was lost, especially in the House, restored in part in the Senate Appropriations Committee, and now can be restored almost in its entirety by voting in favor of the amendment we are offering now.

We will have more to say about it certainly tomorrow morning and in the coming debate over perhaps the course of the next day or so. I hope we can convince our Republican colleagues that this is an amendment worthy of their support.

I would like to see a strong bipartisan message that Republicans and Democrats support the commitment we have made to kids, the commitment we have made to working families. I certainly hope that before the end of this debate, Republicans and Democrats can demonstrate that support and vote in favor of this amendment.

With that, I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent for 40 minutes to be equally divided on the bill.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, reserving the right to object, can the President inform the Senate as to what the current unanimous-consent agreement allows with regard to remaining time on our side?

The PRESIDING OFFICER. There are nearly 26 minutes left under the unanimous-consent order on this debate.

Mr. DASCHLE. I ask the Senator from Iowa whether it is his intent to seek 40 minutes in addition to that 26 minutes? I have not yielded back the 26 minutes, so I want to protect that in case other Senators may be interested in coming to the floor to speak on the amendment.

Mr. GRASSLEY. My request would be in addition to the 26 minutes.

Mr. DASCHLE. I have no objection.

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

Mr. GRASSLEY. Mr. President, I yield myself 10 minutes.

Mr. President, I rise to speak in strong support of the committee's actions regarding AmeriCorps. I particularly want to commend Senator BOND for his work in this area. But I also have had an opportunity to hear Senators KYL, ASHCROFT, SANTORUM and FAIRCLOTH speak very eloquently on the very same subject. I compliment them for their fine remarks.

I know that Senator BOND has been closely reviewing the AmeriCorps Program and has found, as I have, that there are many unanswered questions concerning AmeriCorps, and further increases at this time do not seem to be advisable.

I have been looking closely at AmeriCorps since last July when I began a series of letters requesting information and data about AmeriCorps. Unfortunately, I did not receive answers to many of the questions that I asked, or the information I received was either misleading or incomplete.

Recently, AmeriCorps has promised me access to much of the data that I requested, and I hope this reflects a genuine change of attitude and a willingness to cooperate.

However, even from the information that I have been provided, there are many reasons to question the merits of this program. Let me first focus on the cost of the program, because in reviewing the actual AmeriCorps grant awards, we have found program after program where costs are $30,000 to $40,000 per AmeriCorps worker.

For example, the organization ACORN recently received a grant of over $1 million from AmeriCorps. ACORN also receives funds from Fannie Mae as well. This program is for 42 AmeriCorps workers, and the cost per worker of over $41,000.

In comparison we could help 20 young people go to college through the use of Pell grants with that same amount of money. Let me add that the costs of the ACORN program do not include the significant Federal overhead, nor the fact that many AmeriCorps workers drop out of the program. Thus, the cost per successful worker, which ought to be the true cost measurement of this program, would be significantly higher than $41,000.

As I mentioned, the cost of $41,000 per worker is by no means out of the ordinary for AmeriCorps. Legal Services Corporation received almost $1 million from AmeriCorps with the cost per AmeriCorps worker of over $48,000. Recently, AmeriCorps finally admitted that in one grant to a Los Angeles school district the taxpayers were paying a consultant $50 an hour—that is an hour, Mr. President.

We are being told that AmeriCorps is beneficial. I do not know what benefit the taxpayers are getting by having somebody on an hourly wage earning the equivalent of over $100,000 per year. This is outrageous and, of course, it gives other boondoggles a bad name.

Mr. President, let me compare AmeriCorps workers with the Boy Scouts, for instance—a well-known group of people who are out doing good every day. They do not receive any money from AmeriCorps. In fact, they were turned down for funding by AmeriCorps so that funding could be provided to such traditional volunteer groups as the EPA and the Department of Agriculture.

The Boy Scouts have over 5.3 million young people and adults performing volunteer work and helping in their communities. According to the Boy Scouts' 1993 annual report, for the National Capital Area Council, their total expenses were $4.8 million, for over 50,000 Scouts, that is $95 per Scout per year.

Well, that sounds about right, does it not? The Federal Government pays someone $50 an hour for 750 hours of work for a total of $37,500 to consult about volunteering. And the private sector can give you almost 400 actual volunteers with the same amount of money without a dime of cost to the taxpayers. Let me say that these Scouts are doing just great work. For example, last November, 40,000 Scouts in the DC area distributed 1 million bags to doorsteps of homes in their communities to help a food collection effort. The next week the Scouts returned to collect the filled bags and to bring them to a central distribution center, which was distributing the bags then to the needy during the holiday season.

I want to now clarify a few points regarding AmeriCorps. First, AmeriCorps workers are spending a significant amount of their time doing work other than helping their communities. For example, under AmeriCorps' own regulations published in the Federal Register, AmeriCorps workers can spend taxpayers' money studying for the GED. I do think that it is fine and good that young people are taking time to study for the GED. However, it is questionable whether our taxpayers' money should pay some young people to study for the GED, when hundreds of thousands study for it without receiving a single dollar from the taxpayers.

The second point I want to make, in summary, is that AmeriCorps was presented to Congress as a way to help young people pay for college. Yet, according to AmeriCorps' own admission, at least a fifth of the workers have not attended college and probably will not attend college. They are not receiving an educational award. They are instead getting cash awards, as was revealed by NBC news very recently. For many, this is just another Government jobs program.

Mr. President, AmeriCorps is a program with costs that are far exceeding the estimates provided by the administration. It is a program that may not be managing the taxpayers' money properly. In many respects, it is a questionable use of taxpayer funds. Since we could certainly stretch these dollars a lot further in programs such as Pell grants.

Finally, AmeriCorps is a proposal that is duplicating, at enormous expense, services that are being provided by the private sector. I, like Senator BOND and so many others, am a skeptic of this program. I am holding off final judgment until I receive the information promised me by AmeriCorps and by the results of the General Accounting Office report that is reviewing the cost of the AmeriCorps Program. Once the data is in, the program may need reinvention. Certainly, we can accomplish the goals of this program without awarding grants with costs of $40,000-plus per worker.

To increase funding for AmeriCorps at this time, with so little known and with so many problems that are known, is not in the best interest of the taxpayers. We need to proceed cautiously with this program until all of the data is in.

So I strongly urge my colleagues to vote against any efforts to increase funding for this program.

I yield the floor and yield back any of my unused time.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. How much time is remaining on the Republican side?

The PRESIDING OFFICER. Just over 12 minutes remain in the debate.

Mr. SANTORUM. Mr. President, I want to continue the discussion on the Dole amendment which, again, provides an additional cut in spending of $1.3 billion for this fiscal year, the year we are in right now. It would supersede the Daschle amendment that would put back another $1.3 billion in spending, and it leaves in place the $1.3 billion that was going to be taken away from the original purpose of this bill, which was a disaster relief fund.

So $1.3 billion is scheduled to go to California under this bill. Again, the reason for this bill even being here is because of the earthquake disaster in California.

The amendment of the Democratic leader takes $1.3 billion, takes that away, and replaces it with a whole bunch of other programs.

What we do is leave the money there, take his programs away and, in fact, reduces the deficit by $1.3 billion more.

We think that is the general direction that we should try to reduce the deficit and programs that we believe merit further scrutiny and reduction without being disruptive here in the middle of a fiscal year.

One of the programs, as the Senator from Iowa just very articulately said, is the AmeriCorps Program. This is the one area where not only is there a contention whether we should cut it, but where the Democratic leader wants to increase funding for AmeriCorps from the current bill, and the majority leader wants to decrease funding from the bill.

It is the one area we have in common on the two amendments, but we are going in opposite directions. I think it is appropriate, because it probably represents the best discussion of the differences between the direction of the two parties when it comes to the role of Government in providing services to individuals, and, really, the concept of what Government should do and what can be left to the private sector.

Interestingly enough, we have a program such as the AmeriCorps Program which hires Corps volunteers. Most people say, if you hire someone, they are no longer a volunteer.

That is somehow lost on the people who created the AmeriCorps Program, because hiring a volunteer is, in fact, part of the vernacular. They hire volunteers in the AmeriCorps.

What do the volunteers get paid? We heard the number around here, I will give you a number, from Wisconsin, which is put together by Representative TOM PETRI from Wisconsin. That AmeriCorps volunteer, the one who was, in fact, mentioned by President Clinton, I guess it is Kentucky, a woman who was mentioned by President Clinton in his speech on the state

of the Union, who teaches second-graders to read in rural Kentucky, a compelling story that the President used during his State of the Union Address. This person gets paid $9,000—not a lot of money—but $9,000 in stipend pay. In addition, she gets a voucher to pay for her higher education of a little over $5,000; she gets roughly $8,000 in child care benefit paid to by the Government under this program; she gets Medicaid coverage which is $4,000 for her family of five; because most of her benefits are tax free she qualifies for another $3,200 in earned income tax credits, making this job that she has equivalent to a job that pays $34,000 in the private sector. Now, that is a lot for a volunteer.

I happen to agree with what the President of the Ohio-West Virginia YMCA said:

> The national service movement is about institutionalizing Federal funding for national and community service. It is about changing the language and the understanding of service to eliminate the words ''volunteer'' and ''community service'' and in their place implant the idea that service is something paid for by the Government.

That was someone from the YMCA.

This is dangerous program. People say, wow, dangerous program. Is that not extreme? How can this program be dangerous? This is dangerous to the whole philosophy of who America is, what we are all about.

Are we a country that is a great country because we have great Government employees? I would think that the people around the world look at America and they say we are a great country, but probably not anywhere in their top 50 of their reasons is that we have great bureaucrats, that is the reason America is a great country.

I can guarantee on the top 10 of any list is that America has a great spirit of community and helping your neighbor and voluntarism. As de Tocqueville said, ''America is great because it is good. When it ceases being good, it will no longer be great.''

Paying volunteers decreases our goodness. It is not the American spirit. It is not reaching out to help your neighbor just because they are neighbors, not because you get paid for it.

Do not tell me all these compassionate stories of how these people are so wonderful because they are helping. They are wonderful. It is great to help. But they are no different than the insurance agent who helps someone who comes and has their car wrecked and comes and helps then. It is their job. It is a wonderful job. It is an important job. It is necessary for the insurance person who helps. But do not raise this to some elevated standard of national and community service when, in fact, it is paid bureaucrat.

I have a suggestion. I happen to agree that there is a lot of work out there that can and should be done by folks in the genre of the AmeriCorps Program. We have a solution for that. It targets the people who need the jobs. It targets the people that need the training, who need the work experience.

I heard the Democratic leader say ''all these young people in AmeriCorps.'' Again, talk to the facts. You can be 60 years of age and be in AmeriCorps. It is not focused at young people. You can be a multimillionaire and you can be in AmeriCorps. There is no age other than up to 60, and there is no income qualifications.

Now, I can tell Members that we have a pool of people who desperately need help, who desperately want to work to feel that they can give back. The community needs them as much as they need the community. It is people on public assistance. People on welfare.

We create a program as we do in the Republican welfare reform bill that puts people needing job skills, training, and just some success in their life, give them the opportunity to go out and work that job. Why not give them the chance? Why give some rich doctor's kid $34,000 a year to go to school?

That is not what this program should be about. That is not a program, I do not think, this body wants to defend. It sounds so grand and it sounds so wonderful when they talk about how wonderful voluntarism is, but, folks, look at the facts.

As well-meaning as this program is, this is a program that is another social experiment based in Washington that is destructive of our nature and our character as Americans. We should end it. Quickly, decisively, and hopefully, tomorrow.

I reserve the balance of our time.

Mr. KENNEDY. Mr. President, on behalf of the minority leader, I yield myself such time as I may consume.

Mr. President, as has been mentioned during the course of the debate on the Daschle amendment, part of the Daschle amendment applies to restoration of some $210 million for the AmeriCorps Program. This program has been addressed earlier, in the course of the afternoon, and I will take a few moments to comment upon it.

First of all, Mr. President, I welcome the opportunity to hear from my colleagues who talk about how even a stipend which effectively is the minimum wage should not be available for individuals who want to volunteer in their community.

There are many in this institution who would evidently like to preserve voluntarism just for the very wealthy individuals in our country. There are a lot of needy kids, a lot of poor people, who have a sense of idealism and a commitment to service, and who would like to be able to take the time that others who have the financial resources can take in order to volunteer and to do good works.

The AmeriCorps concept is to give people an opportunity to work in their communities. It does provide a stipend which is basically the minimum wage. It does provide an award at the end of service to encourage people to go back to school, or to go to school. These are people who otherwise probably would not be able to afford it.

The educational award is about $4,700. We basically took what was going to be an average cost for tuition in State universities across the country. Most of those State universities' costs have gone up. But it is still a good start. So AmeriCorps lets young people go there—it combines service and education.

I am so interested to hear some people say that some of these programs are not going well. Talk to your Governors. This is a State and local responsibility, not a Federal program. Ask your Governors how it is working. I know that in Massachusetts, the participants do a superb job.

There are outstanding business men and women. There are local community leaders and activists—all of whom are involved in the shaping and the fashioning of the program.

If there are some programs that are not working, I am sure Eli Segal wants to know about them. We will get busy trying to do something about them. But the fact of the matter is, this is not a Federal program controlled from the top down. This is a program that is developed and run in local communities, with local support and initiative.

I would like to mention a recent study which surveyed what 1,654 AmeriCorps workers accomplished in 5 months. These 1,654 workers are only 8 percent of the 20,000 total AmeriCorps participants.

These 1,654 people taught and tutored 15,480 children from preschool to junior high school. These children had no other opportunity to get this kind of additional educational help and assistance.

These 1,654 people established afterschool programs for 4,650 children. Those are children of working-class and working families, children who probably would have been left unattended if they had not been involved in those afterschool programs. The AmeriCorps participants work under supervision to develop tutorial programs and other effective programs.

These 1,654 people organized community service projects for 4,400 children.

These 1,654 people escorted some 8,500 children in schools through safe corridors. We can say, what does that really mean? The fact is, if you get children who live in difficult areas with high crime rates, the AmeriCorps people work out a system so the children can go safely to the school and return to school. Maybe it is difficult for us to understand what is happening out there in many of the urban areas—in the inner cities. But you have thousands of children who are so intimidated that they will not go to school. The AmeriCorps members have developed programs that have the broad support of the children and the parents, programs that permit the children to go to school through safe corridors.

These 1,654 people have been doing work with gangs to reduce gang violence, as well as work with victims of domestic violence and other troubled teenagers.

The list goes on—a number of immunization programs as well. I will include in the RECORD a list of the accomplishments—these are all accomplishments of only 1,654 volunteers, or 8 percent of the total, and these were randomly selected.

I should also mention the work that has been done in southern Texas on immunization programs. There are thousands and thousands of children today who are immunized, and without that program they would not have been immunized.

A study recently released of the first 5 months of the AmeriCorps program surveyed 52 program sites—or about 8 percent of the total sites. 1,654 participants—out of a total of 20,000—were working at these sites. Here is a sample of what they accomplished.

On education, the 1,654 AmeriCorps members worked largely in poor urban and rural areas;

They taught and tutored 9,068 preschool, elementary school, and junior high school students in basic educational skills;

They developed or ran enriched learning programs such as computer-based instruction, scientific experimentation, and peer tutoring for 6,414 children;

They established after-school and vacation programs for 4,656 children;

They organized community service projects for 4,469 children;

They provided literacy or employment training for 694 adults; and

They provided intensive educational support—including regular counseling—to 30 troubled teenagers living in group homes and 22 homeless preschoolers.

On public safety, the 1,654 AmeriCorps members worked to reduce violence in families, in schools, and on the streets;

They escorted 8,500 children to school through safe corridors;

They started 258 neighborhood safety programs and patroled 250 vacant buildings;

They resolved 414 school conflicts that might otherwise have ended in violence, and taught conflict resolution to 8,119 children;

They counseled 1,350 potential or actual gang members and taught alternatives to violence;

They answered crisis hotlines and made referrals for 878 victims of sexual and domestic violence, and provided counseling for 470 such victims; and

They counseled 1,180 teenagers about alcohol and drug abuse.

On health, the 1,654 AmeriCorps members provided medical services and information to low-income families;

They trained 1,144 inner-city residents in CPR;

They provided emergency medical services to over 1,500 people;

They screened 1,100 low-income children for lead toxicity and other health risks;

They distributed 150 car seats to low-income families, and immunized 158 people;

They provided health counseling and transportation to 220 low-income families and over 5,000 individuals, and provided health information to over 4,500 individuals; and

They conducted workshops and distributed information on AIDS and tuberculosis to over 7,000 people, and conducted 301 HIV tests and counseled patients on the results.

On meeting basic needs, the 1,654 AmeriCorps members provided food, shelter, and support for senior citizens, low-income families, and homeless people;

They helped 123 elderly persons, 50 visually impaired adults, and 9 visually impaired children to live independently;

They organized weekly social activities for 400 nursing home residents;

They built wheelchair ramps at five low-income homes, four public buildings, and three parks;

They trained and supervised 58 volunteers and then repaired the homes of 256 senior citizens;

They renovated 238 inner-city housing units and 99 rural homes, and are working on the renovation of 121 more;

They refurbished 2 homeless shelters and began to renovate a home for senior citizens, a home for battered women, and a home for the formerly homeless;

They distributed food to more than 16,625 low-income people and packed 7,000 dinners and 32,000 breakfasts for the hungry;

They found shelter for 400 homeless families, and they sorted and distributed clothes to 350 homeless individuals;

They secured hospice housing for 27 people with AIDS and helped weekly to feed 1,250 people who are HIV-positive;

They provided housing information to over 500 low-income and homeless families; and

They found donated furniture, repaired it, and delivered it to 300 newly housed families;

On environmental and neighborhood restoration, the 1,654 AmeriCorps members responded to emergencies, restored the natural environment, and improved urban neighborhoods and parks;

They inspected and repaired 87 small dams, protecting 200 farms;

They provided disaster recovery assistance to 350 small land owners recovering from a flood, including advice on floodplain management;

They fought 2 major forest fires, saved 1 national park road from washing out, and joined 5 search and rescue efforts;

They planted 212,500 trees;

They restored 320 acres of wild land and 27 miles of riverbed and stream banks;

They removed 2,000 pounds of trash from an urban river;

They surveyed 5,700 acres of National Forest land and monitored reforestation efforts;

They built, restored, or maintained 311 campsites, 88 miles of trails, and 17 bridges, 4 beaches, and 3 duck blinds;

They converted 29 overgrown lots into green space, built 7 community gardens, and planted trees along 30 city blocks;

They created 4 playgrounds and restored, repaired, or maintained 19 historical landmarks;

They distributed 1,375 water-conserving toilets and 1,700 water-conserving showerheads in low-income neighborhoods; and

They renovated 11 community buildings, including an inner-city medical clinic, community centers, and public schools.

This is only a small sample of what community service participants have done. These examples are from a survey of 52 randomly selected AmeriCorps sites between September 1994 and January 1995. In 5 months, just 1,654 participants accomplished all this.

In all, there are 20,000 AmeriCorps participants in the field this year—and they will work for at least 9 months. They are doing important work—work that makes their communities and the Nation a better place.

In addition, hundreds of thousands of children are learning about community service through their schools with the help of grants from the ''Learn and Serve'' part of the Federal legislation. These children are learning the ideal of service, and they will keep it all their lives.

They are also getting things done in their communities. In Springfield, MA, Putnam Vocational High School had the highest dropout rate in the district. It received an $1,800 grant through the ''Learn and Serve'' part of the program, and a group of students built a health facility for the school and the community. The students did the carpentry, electrical wiring, and construction work as part of their vocational courses. The result is a new health clinic that includes four examining rooms, two counseling rooms, a lab, and an auditorium for health education classes.

Is this the kind of initiative Republicans want to stop?

To my colleagues who say that we need to be spending our tax dollars wisely, I ask, isn't it wise to give young people the opportunity to tutor young children, build low-income housing, and work to prevent gangs?

We must not let partisan politics derail this important initiative. If you want to know whether community service is a good investment, ask the 20,000 Americans who are participating in full-time service though AmeriCorps or the more than 300,000 students from kindergarten through college who are doing service that is integrated into

their academic studies through ''Learn and Serve.''

Even more important, ask the people whose lives they have touched. Ask the homeless preschoolers who received counseling and education. Ask the chidden who can go to school with less fear of being shot. Ask the senior citizens who received support and home repairs. Ask the low-income families who received hot meals or new homes. Ask the small farmers whose land was protected from floods. Ask the parents who lived next door to the polluted river.

I do not know where the opposition to this program is coming from. With all the problems we have in this country, we are trying to give an opportunity to some 20,000 young Americans who want to do something for their communities. I can't believe the hours that are being taken to try and demolish that program. Surely we have other needs in our Nation and better things to do than trying to dismantle the voluntary service programs in this country.

Yet, Mr. President, it seems that there are those who want to do this. I think it is appropriate that we have a chance to debate this issue.

I want to just mention some of the businesses that are involved in partnerships with the nonprofit organizations that develop and sponsor the AmeriCorps programs.

In my own State, Timberland is a well-known and enormously successful corporation. It helps pay for participants' uniforms, sponsors individual teams of young people, provides employment opportunities for City Year graduates, and runs a national marketing campaign to benefit the program.

Timberland invested some $5 million to be used over the next 5 years to help City Year expand in new communities across the Nation. They know that this is not just some program that is not worth its salt. They are not in there to just throw $5 million around—throw $5 million away. This is one of the really outstanding companies that has decided that City Year is a good, valuable program, and they are down there, working with these young people and helping to develop, on the basis of success in Boston, this program in other cities around the country.

The Bank of Boston is also allied with the City Year Program in Boston. The bank director, Ira Jackson, told the Boston Herald last week, ''Our commitment to City Year has been the most successful philanthropic investment this institution has made in its 208-year history.''

This is the Bank of Boston, and its association with the City Year Program is their best philanthropic investment in 208 years.

J.P. Morgan supports a program called AmeriCorps Leaders which places experienced graduates of community service programs in new programs to help them get started.

IBM helped develop an AmeriCorps program called Project First that aims to improve students' technology skills. Community service participants serve alongside retired IBM retirees in public schools to help bring the new technologies into the classrooms and integrate computers into the curriculum. In Boston, for example, they might work with children and with computers in the many schools that do not have a great range of electronics. They work with them, tie them into graduate students—for example, over at MIT or other technical institutes—to help those children work, to help them figure out their homework, to give them additional assistance with school. It is a very creative, imaginative program that is already paying off significantly with enhanced academic achievements and accomplishments. It is also an enormous source of satisfaction for the volunteers.

General Electric, in partnership with the United Way, has invested some $250,000 in national community service.

These corporations I am mentioning, if they had listened this afternoon to the critics of these programs, they would not have understood what they were hearing. They would not have recognized the program that these critics were describing. They would have wondered what they are doing with their dough. These are major American companies and corporations that generally get value for every dollar that they spend. They have been enthusiastic about investing money in national and community service programs.

This is a partnership program. These programs are developed in local communities, with the help of businesses and nonprofit organizations, and then they are approved at State level.

Mr. SANTORUM assumed the chair.

Mr. KENNEDY. You know, this has been a modest program. We agreed to phase it in over 3 years—$300 million, $500 million, $700 million. We are not saying this program will answer all the problems facing us. But certainly, we as a country ought to be able to challenge our young people to give something back to the community in return for all it has given to them. That is basically what this program is about. We are saying, ''Look, during the period of the 1980's and early 1990's, we did not provide a lot of opportunities for young people who wanted to be a part of the process and be involved in the community.''

Sure, voluntarism is a time-honored tradition and of significant value. Sure, it is taking place. Sure, there are a lot of young people in this country who do not need this kind of stipend and do not need this support. But I do think that, when you review these programs, you will find—I know in my own State, with which I am more familiar than with other parts of the country, although I have met AmeriCorps workers from all over—you will find that the participants are outstanding.

Maybe some of my colleagues who have been the most critical have spent a good deal of time in their States and in their local communities visiting these programs and talking with the participants. Maybe they have. I see my friend and colleague, the Presiding Officer now, from Pennsylvania. I should tell him that I have heard good witnesses from Philadelphia who talked about this program. Pennsylvania has been an important leader in developing these programs, both in cities and in rural areas. We have had inspirational testimony about the difference that this program has made in those young people's lives.

I think we ought to be able to reach out to young people across this country who are trying to make a difference for their communities and for their Nation. I think we ought to support them in their efforts. I am proud of the AmeriCorps Program. I am proud of the young people who serve in this program, who are trying to give something back to their communities. I think the program deserves the support of this Congress. I am very hopeful it will have that support.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Louisiana.

Mr. BREAUX. Mr. President, I yield myself time from the distinguished minority leader's allocated time. How much time is remaining under that?

The PRESIDING OFFICER. There are 33 minutes and 48 seconds.

Mr. BREAUX. I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, my colleagues, I have listened with a great deal of interest this afternoon, and last week to some extent, to my colleagues speak on the program known as National Service or AmeriCorps. Unfortunately, I think it has become more of a political debate than it has been a debate on the merits of this concept.

I was thinking the other day that if two Members of Congress, perhaps two Members of the Senate, would have the opportunity to sit down one evening and pretend that they were neither Republicans nor Democrats and they would say to each other, ''Well, let us for the sake of argument see if we can in the privacy of this room sit down and come up with a program, not thinking about who gets the credit, but come up with a program designed to bring about new ideas and how we might teach to our young men and women in this country something about community, something about opportunity, and something about responsibility, what type of a program would we write, if we were not concerned about who gets the credit?''

I would think that in that room perhaps they would look out over the history of our country and say, ''All right, when Congress had that opportunity in the past, what type of programs did

Congress write?'' I think they would think back to one of the most successful programs being the GI bill. The GI bill was based on a very simple premise; that was, people who served their country have an opportunity to get back something from their Government but that they got something from their Government because they had given something to their Government in the first place. That was what the GI bill was based on. It said to returning GI's who had served this country in the military that because of your service, your country is going to help you. We were going to help you go to the college of your choice. And as a result of that program, we gave literally hundreds of thousands of young Americans the opportunity to go to college, not because it was a handout, not because it was a grant, not because it was some sort of entitlement, but it was based on the theory that they had given something to their country and, therefore, their country was going to give them something back. And what we gave them was an opportunity for an education.

I would think then that the two Senators would say, ''All right, let us see if we can now craft a program that builds on that GI bill, that concept that has served so many millions of Americans who have gone to college under the GI bill, let us see if we can craft a program that teaches young Americans something about responsibility, teaches them something about the communities that they live in, and something that also gives them an opportunity to better themselves. And, oh, by the way, let us make sure that program that we write will cost no more than one-thirtieth of 1 percent of our national budget.''

That would be a real challenge. But I guarantee you, if the two Senators did not care who got the credit, they would come up with something that is very close to the National Service Program, the program known as AmeriCorps, which today is facing the prospect of being slashed and burned and killed before it has a chance to ever-present young Americans with opportunities, to teach them responsibility, and teach them something about their community.

Suppose people when we talked about the GI bill had said, ''We are not going to do that. Let them go out and earn their own living, let them work. We are not going to have a GI program to help kids get to college. We don't care what their status is. We are not going to do that.'' How many young Americans would not have had the opportunity to be as successful as they are as a result of that program?

So what we have, I think, Mr. President, is a National Service Program that should be allowed to continue. It should be allowed to prosper. It should be allowed to flourish. What that program says to young Americans is that we are going to ask you to work in your community, not in a far-off country in another part of the world, although those services are needed, but we are going to ask you to work in your State, in your city, in your county. We are going to ask you to work with your local people who have identified what their problems are, what their concerns are, where they need help, if they need help in education, if they need help in police protection, if they need help in environmental cleanup programs, if they need help in health services for their local community. We are going to ask you to go back to your local community, and we are going to ask you to work in that local community. We are going to pay you a minimum wage stipend because we know you are not going to be able to do it if you do not have some form of assistance to allow you to feed yourself and clothe yourself and help you live your life.

We are going to pay you a minimum wage and ask you to do that, knowing that you could be making a lot more money in some other job, particularly if you have already graduated from college and are now paying back these loans. But in return, if you do that, we are going to help you go to college. We are going to help you with a grant to go to college based on the fact that you have worked in your community to make it a better place to live. That is the concept of reciprocal responsibility. That is saying to young men and women that your Government is going to help you if you give something back, if you give something back to your community and this country right here in America.

That is the whole essence of what the AmeriCorps Program is all about. It is not a giveaway program. It is not saying we are just going to give you money because that is what Government is all about and go to college because your Government is giving you something and asking nothing in return.

Those two Senators, who would not care about which party got the credit, would be very proud of this new direction, of this new partnership, of this new way of thinking, that says, yes.

We have programs that give grants to go to college. In most cases you have to show that you are poor. In most cases you have to go through a lot of paperwork to show that your parents do not have enough money. But this program will be based on the fact that we want to help anybody who believes enough in their country to believe in working in their local communities, assuming some responsibility at a time in their lives when that is very, very important, connecting that young person to their community in a way that perhaps they have never had the experience in doing before. And based on what they do, your Government will help you go to college with assistance. I would suggest that program would be one that we could all be very proud of.

We know, unfortunately, the problem is Congress sometimes gets involved with who gets the credit, who gets the blame. I think a good program like this should have enough credit for everybody to take claim for it.

I was interested just the other day in reading an article by one of our Republican colleagues from the House. He said in talking about this program and the Republican effort to slash it and to kill it and to, in effect, terminate it, this Republican House Member said, ''We have a wounded President.'' He further said that AmeriCorps ''is something that this President deserves to be proud of, but it is a target for those people who do not even want to give him that.''

I would suggest that is the real message that we are leaving on the floor today, not that this is not a good program, not that it does not teach a young person something about his own community or her own community, not that it does not teach them responsibility, that a government will help you if you do something. There is no free lunch. And I would not suggest they are not going to have it because it gives a young person opportunity by allowing them to have a college education. No. I would suggest that this House Member hit the nail on the head when he said that we have, in his opinion, a wounded President, this is a program that this President can and should be proud of, but that it is a target and it is a target not because of the merits; it is a target because of the politics. I would suggest that is not how we should legislate the future of young men and women in this country.

We have heard a lot of numbers thrown out on the floor today about how much the program cost. It is costing us one-thirtieth of 1 percent of our national budget.

Is that too little to invest in giving young men and women an opportunity, a sense of community, and teaching them about responsibility? I think not. In return for each full year of commitment, a 2-year maximum, a volunteer can receive $4,725 in tuition assistance and health care and a stipend which is approximately the minimum wage.

So we pay young men and women a minimum wage to work in their local community doing things that are extremely important in that local community, and then, after they have done it, we say we will now help you with tuition for you to go to college.

I think that is a bargain. I think that is a new way of thinking about the role of individuals and their Government, that their Government is going to help them when they show responsibility and a willingness to contribute to their local community. I would suggest that is much better than just sending them the check and saying, ''Well, we are the Government; here is the check; go to college.''

What we are saying with this program is that we are going to help you if you do something in return. I think that makes a great deal of sense.

Some people say, ''Well, if you pay someone a minimum wage, they are not a volunteer.'' The former distinguished chairman of the Armed Services Committee, the Senator from Georgia, SAM NUNN, my good friend, almost laughed at that suggestion because we all know now we have a volunteer army. Does anybody suggest it is not voluntary anymore because we pay them a salary? Of course, not. We pay everybody who volunteers in the military. We pay them more than a minimum wage. We pay them a livable salary. But the whole military is voluntary now. No one is drafted. No one is required to serve. It is an All-Volunteer Army, and yet we still pay men and women who voluntarily join the military.

So I would suggest that paying a young person a minimum wage stipend in order to work in their local community does not detract from the fact that this is a voluntary program. Many of these young graduates who return to work in their local communities are voluntarily doing it. They could earn a great deal more if they would go right into the private sector at a high-wage job. But, no, they are saying this is what I wish to do. This is a way to pay back my Government for what it has done for me. It is still clearly a voluntary program.

I do not understand why we are arguing about this. Some of the polls that I have seen say that over 90 percent of the American public, when they are explained in a rational and reasonable tone what the national service program is all about, say this is a good idea; why did we not think of it before? Why do we only have grants coming out of Washington that you have to go through weeks and months of paperwork to make sure you have the right income level to finally qualify? Why not say to all Americans we are going to help you if you are willing to serve in your community?

That is the essence of what national service is all about. That is the essence of what AmeriCorps is all about. The Peace Corps was a successful program. We sent men and women from our country to far-off lands to help improve conditions in those far-off countries and people thought it was a good idea. It was and it still is.

Here is a Peace Corps Program for our own country to help urban areas, to help rural areas, to help local officials who desperately need young, talented, future leaders of this country working in their communities. I think the beautiful thing about it is that it is a partnership, it is a reciprocal partnership between you and your Government to help people quit thinking the Government owes them something, that just because they are born the Government owes them something and is going to pay for it. It is a partnership.

Again, if I could have those two Senators who did not care whether they were Republican or Democrat, who did not care that this was Bill Clinton's idea, I guarantee they could walk out of that room and say we thought of something that really makes sense. Let us make sense.

Is it perfect? Of course, not. Nothing is perfect. Are there some examples of how things should not have been done? Of course. But the program is in its infancy stage. Let us let it breathe for a few years to try to get it on track. If there are some problems with it, let us fix the problems and make sure they do not occur again. But do not kill the program. Do not say to the young men and women of America, we are going to continue to try and teach you there is something like a free lunch, because this program is just the opposite. This program says you will get from your Government help and assistance when you agree to give something back.

Funding was $575 million for fiscal year 1995, one-thirtieth of 1 percent of our budget. Can we not invest one-thirtieth of 1 percent in the lives of future Americans, young men and women who want to learn about community, who want to learn about responsibility, who want to have opportunity given to them for what they have invested?

I think that is a wise expenditure of tax dollars. I think we are going to see great dividends paid, maybe not right now but in future years; that when somebody sits back and compares some of the good programs that Congress has done they will point to the GI bill as one of our most wonderful programs, but at that time, if we are successful, they can also say that when Congress had the opportunity in the 1990's they built on the GI bill and passed a national service program, and now, maybe 10, 20 years later, it is producing the results we would like to see.

Mr. President, I will be offering an amendment to help restore some of the draconian cuts that were passed by the House on this program. My amendment would allow for still a 20-percent reduction in the spending from last year. Most programs come in and say we need more money, more money, more money. My amendment is going to say, all right, in this time of fiscal balance and concern about deficits, let us reduce last year's spending by 20 percent even though we have more money and more requests than we did before. Let us reduce by 20 percent the President's request for the National Service Program, but let us keep it viable. Let us keep it working. Let us keep the innovative ideas that are coming out of that program so that we can say, when we had the opportunity to teach our young men and women in this country the things that are needed in order to make this country great, we stood up and were counted and voted in favor of my amendment.

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

The PRESIDING OFFICER. The Senator has 16 minutes and 7 seconds.

Mr. BREAUX. I reserve the remainder of my time.

Mr. President, I yield back the remainder of the minority leader's time.

Mr. DODD. Mr. President, I rise in support of the Daschle amendment. This amendment is essential to restore funding for critical national education and children's needs that were disproportionately targeted for reduction in the rescission bill.

Last week, the Children's Defense Fund released its annual report, ''The State of America's Children.'' CDF reports that child poverty has reached its highest level in more than 30 years. Last year, one in every four children in our Nation was poor.

CDF reports:

> An American child is reported abused or neglected every 11 seconds; is born into poverty every 32 seconds; is born to a teen mother every 62 seconds; is arrested for a violent crime every four minutes; and is killed by guns every two hours.

Mr. President, no great nation can long survive if it does not provide adequately for its children. I know of none of my colleagues who would disagree with this statement. But, I know of too many who are prepared to violate its spirit by reducing funding for proven and vital programs, by slashing welfare programs to save money, and by elimination the safety net that protects American families.

The rescission bill before us today contains $13 billion in cuts in Federal programs. Overall, this is a much better bill than the one that passed the House. But, nonetheless, a large and disproportionate share of these cuts are targeted at programs that benefit children and youth.

CHILDREN

This bill contains a 20-percent reduction in the President's investment programs. That reduction translates into a $42 million cut in Head Start.

Mr. President, last year I authored the Human Services Act that reauthorized the Head Start Program. At the time, I was prepared for a real challenge and a spirited defense of the legislation on the floor. Instead the legislation passed unanimously with no dissension and no acrimony. Head Start is a proven program that gives disadvantaged youngsters an early and important step forward in their educational development—yet this rescission bill goes after it.

The bill before us also includes an $8.4 million cut in the child care and development block grant. Currently, eight States have more than 10,000 children on child care assistance waiting lines. And many more child care slots will be needed as we seek to move people from welfare to work.

The Women, Infants, and Children's Program takes a $35 million hit in this bill. WIC has always been a popular and bipartisan program. The program is a wise investment providing nutritional assistance to low-income pregnant women and children. It saves money and lives in the process. Last year, I

joined with 70 of my colleagues in requesting full funding for this vital program.

The Daschle amendment would restore the cuts in these three important programs, and it would pare back cuts in education.

EDUCATION

Today, our Nation faces tremendous and unparalleled economic challenges. Increased global economic competition and rapid advances in technology have created major structural changes in our work force.

If we are to meet the economic challenges of the 21st century, it is critical that we invest in the education and training of our work force—even if it takes us a little longer to get our budget fully into balance.

Yet at precisely the time in our Nation's history when our educational challenges are greatest, the Federal commitment to education has diminished. Since 1979, we have cut in half the Federal commitment to elementary and secondary Education as a share of total education spending. This decrease has exacerbated the disparities in education spending across school districts and threatens to compromise our future economic productivity.

Education takes a heavy hit in this bill. It includes a $100 million cut in the only Federal program that seeks to combat violence and drug abuse in our schools—the Safe and Drug-Free Schools and Communities Act.

It includes a $72 million cut in the title one program for disadvantaged children. It includes a $68 million cut in the Goals 2000 Program. This cut would deny seed money for implementing comprehensive reform plans to about 1,550 schools.

The Daschle amendment recognizes that these shortsighted cuts cost our Nation more in the long-run than they save today.

HOUSING

The largest cuts in the rescission bill occur in Federal housing programs. The rescission bill includes more than $4.5 billion in cuts in the Department of Housing and Urban Development's current budget. If enacted, these cuts will hurt low-income people struggling to find decent housing and reduce economic opportunity in our urban communities. Forty percent of public housing residents are single women with children.

Even without the recommended rescissions, current funding levels for HUD's public and assisted housing programs serve only about a third of the persons eligible for benefits. In Connecticut, there continues to be a shortage of affordable housing. There are 15,000 homeless people in my State, including more than 3,000 children.

The Daschle amendment would restore $500 million to the public housing modernization account. These funds are critical for families living in public housing. Without them, we will have more roofs with holes, rusting stairwells, and boarded-up windows. Unless we restore these funds, thousands of families will be forced to raise their children in substandard housing.

The Daschle amendment is essential to help us maintain decent living conditions at many public housing developments across the country.

NATIONAL SERVICE

The rescission bill cuts national service by $210 million. The AmeriCorps Program has provided thousands of Americans with the opportunity to serve in their communities and earn a post-service benefit for further education and training. Currently, 20,000 young Americans have answered this call to service and are working in communities across the country to meet vital needs. The AmeriCorps Program represents all that is best about America. the Daschle amendment recognizes this fact and restores funding for this program.

CONCLUSION

After consulting with high-paid political pollsters, some of my colleagues on the other side of the aisle have begun cloaking their political goals in the guise of helping kids.

They have learned to talk about deficit reduction in terms of its impact on our children's future prosperity. And they have learned to talk about tax cuts in terms of their impact on families with young children.

They've become better at framing issues to score quick political points and worse at thoughtfully examining the impact of their policies.

Clearly it is important that we reduce our deficit and our debt. But a child who is denied food on the table, adequate child care, or a decent education is not worried about what may happen to them 20 or 30 years down the road. They are worried about their health and safety in the present. And we should be too.

The cuts in this bill compromise the immediate nutrition, housing, and developmental needs of thousands of our children. The Daschle amendment lessens the severity of these cuts.

The Children Defense Fund's report should powerfully focus our resolve to strengthen our investment in children's needs, not to lessen them.

I urge my colleagues not to undermine our commitment to our kids. I urge my colleagues to support the Daschle amendment.

The PRESIDING OFFICER. The Senator yields back the time.

The Senator from New Hampshire.

Mr. SMITH. I yield back the remainder of the time on our side.

The PRESIDING OFFICER. The Senator yields back the remainder of the time.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

RINGLING BROS. AND BARNUM & BAILEY CIRCUS ANNIVERSARY COMMEMORATION

Mr. BREAUX. Mr. President, I ask unanimous consent that the Rules Committee be discharged from further consideration of House Concurrent Resolution 34 relative to the Ringling Bros. Circus and the Senate proceed to its immediate consideration under the following time agreement: 1 hour under the control of Senator SMITH to offer an amendment regarding elephants. I further ask that following the conclusion or yielding back of time, the Senate proceed to a vote on the Smith amendment, to be followed immediately by a vote on adoption of House Concurrent Resolution 34.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 34) authorizing the use of the Capitol grounds for the Ringling Bros. and Barnum & Bailey Circus Anniversary Commemoration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Mr. President, first of all, let me say that the resolution that we have before us is a resolution to allow the Ringling Bros. Circus to come on the Capitol Grounds at some point this next week. I believe it is Wednesday. I could be wrong on the date.

As a youngster, I enjoyed the circus many times, as most of us have. I have no objection to many of the acts that you see in the circus. My objection here to this resolution is the issue of using elephants in a way that they are used in the circuses throughout the United States, in this case Ringling Bros., because they are planning to bring, I cannot get the exact number, a certain number of adult elephants onto the Capitol Grounds.

AMENDMENT NO. 449

(Purpose: To prevent the use of elephants in the Ringling Bros. and Barnum & Bailey Circus celebration)

Mr. SMITH. Mr. President, I am going to offer an amendment, and that amendment should be at the desk. I will offer that amendment at this time, an amendment to the underlying resolution. It is a very simple amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH] proposes an amendment numbered 449.

The amendment is as follows:

On page 2, strike lines 9 through 13, and insert the following: ''performers, on the Capitol Grounds, on April 3, 1995, or on such other date as the Speaker of the House of Representatives and President pro tempore of the Senate may jointly designate.

SEC. 2. CONDITIONS.

No elephants shall be allowed on the Capitol Grounds for the purpose of this event.''.

Mr. SMITH. Mr. President, the amendment is a very simple amendment. It simply says the circus can proceed on the Capitol Grounds without the use of elephants.

Now, this is the type of amendment that tends to bring some ridicule of me by others who have in some way expressed their concern about this. I am going to go through this because I think it needs to be said. I am going to be very methodical about it.

It concerns two areas. One area is how the elephant in a circus is treated; not how you see the elephant out there doing its performance, but how it is treated in order to do that performance, and how it is kept, how it is transported. And, second, I am going to outline a number of incidents that have taken place in the past few years involving these huge, several-thousand-pound animals that are used in the circus.

I am not going to in any way try to misrepresent facts. I realize—and I want to say it up front—that in some areas the Ringling Bros. people do some very fine things with animals. I know for a fact that one of the trainers at Ringling Bros. who trains dogs saves some of those dogs from death at the pound and trains those animals to be used in the act. I do not object to any of that.

This involves elephants.

I hope that the cameras can pick this up, but this, in only a very small way, conveys the horror of what I am talking about, because I cannot explain it or show it with pictures. I have films. I have tried for about 2 weeks now to interest any of my colleagues, any one of my colleagues—any one—in this issue, to no avail.

So that all my colleagues will know, lest they be worried about it, I have decided not to call for a rollcall vote on this issue, because I know what the vote will be. It will be a voice vote.

But I want my colleagues to know that what they are doing by allowing these animals on the Capitol Grounds is a grave risk, a grave risk not only to the animals but also to the children who have been invited to be here.

This elephant in this picture here was shot over 100 times when it went berserk in Honolulu. It killed a trainer and injured some people.

These animals—you might say, what is it about them that would cause them to do this? Well, for those who care, I would think that they must not have reacted too well to some of the training and some of the things that they are required to do in these acts.

Now, does this mean that deliberately people try to inflict harm upon these animals? In some cases, that may be true. Are they fed well? Of course, they are fed well. But that is not the issue here. The issue is, should an animal this big go through the procedures that we put them through, and is it safe to have them around little children on the Capitol Grounds?

Now, I want to again repeat, I do not object to Ringling Bros. being here. I know they do a lot of things in the breeding of elephants and help to somehow enhance some species that may even be on the endangered species list.

That is not what I object to. I object to them being transported and used in the way they are used.

I have a film of this animal from beginning to end. I have asked some of my colleagues to look at it. Nobody has taken me up on it. Maybe if they took me up on it, somebody might come down on the floor and ask for a recorded vote. It would be nice to have a little company.

But let me start by relaying some incidents. Because, bear in mind, now, sometime this week, or whenever we do it—I would like to be wrong on the number and I stand corrected if I am—but somewhere around 15 elephants are going to be brought onto the Capitol Grounds. Maybe it is less. I do not know how many it will be. I have not been told. I cannot find out. So many elephants are going to be brought on the Capitol Grounds here.

How do you restrain an elephant?

So they are going to be brought on to the Capitol Grounds. As we hear about these elephants being brought on the Capitol Grounds here, remember this is my objection.

Let us talk about some of the things that happened to elephants in circuses in the last few years. Let us just take a few minutes and go through them.

I have talked to Mr. Ireland, who is a representative of the Ringling Bros. Circus. We had a very nice conversation. He is a good friend of mine; a former Congressman. He represents Ringling Bros. He came in and spoke to me. He made a very strong case, a good appeal to me.

I ask him if he would simply remove the elephants from the act on the Capitol Grounds. This circus is going to be performing downtown in the armory for 20 days. All I ask is that the elephants be removed from the acts on the Capitol Grounds, because I thought first, it was a danger; and second, I objected to some of the ways and methods that were used to train these animals, to no avail. There was no agreement. They would not agree to do that.

I cannot understand why it is so important to have these huge animals roaming around the Capitol Grounds. If people want to see them, they can go down the street at the armory, go to the circus and see them there. But they said that was out of the question. They would not agree. So here I am.

It is an issue of public safety, Mr. President. It really is an issue of public safety.

Now, it would be very easy for the skeptics, because, after it is all over, if nothing happened—and I pray to God nothing does; but if it does, then do not say I did not tell you so— and if it does not—and I hope it does not—they will all say, ''Well, there was SMITH out there wailing away on nothing. It is irrelevant. He took the Senate's time. Nobody cares about this.''

Well, at least 15 people have been killed by animals in the last 5 years in circuses—15 people. And I am going to go through these right now.

This one here, 2 weeks ago, a circus elephant trampled two men to death in Bangkok. OK, that was not in America. OK; fine. I am preparing myself for the comments that will be coming. So let us move on.

Ringling Bros.—that is who we are talking about here; that is who is coming to town, Ringling Bros.—Ringling Bros. Circus' most experienced trainer, Alex Gautier, was trampled to death in 1993.

Lest somebody would doubt me, I have the obituary on that somewhere. Let me see if I can find it. I have it right here.

This is an obituary from the New York Times. He was Ringling Bros.' elephant trainer. He was trampled to death 2 years ago by an elephant. He had been with Ringling for 35 years. So it was not exactly some inexperienced kid that came out and said, ''I'm going to train an elephant.'' He represents 35 years of training.

Even if Ringling's most experienced trainers are at risk, how about the kids on the Capitol Grounds? Does anybody care about them? Hundreds of schoolchildren are going to be here.

I heard Speaker GINGRICH say how wonderful it was going to be; we are going to have animals on the grounds; it was going to be a wonderful thing for the children.

A 51-year-old elephant trainer, leading trainer of elephants, performer all these years, died 2 years ago at a hospital at the University of Florida, Gainesville. One of the elephants he was working with at the Ringling Bros. elephant farm in Williston, FL, knocked him down and stepped on him. He was taken by helicopter to the hospital. He was a feature performer at one of the show's traveling circuses where he had been appearing in Asheville, NC. He was making a brief visit to the farm to check on the conservation and breeding program in the herd of 20 elephants.

So that is the first instance.

In 1994, Alan Campbell was crushed to death and a dozen spectators—a dozen spectators—were injured when an elephant with Circus International went on a rampage through downtown Honolulu. This is that picture. That elephant killed the trainer, came out of the little circle, the arena, came out of the tent, through a fence, out into the road. There was absolutely no protection for the people against this huge animal.

They had to shoot this animal with anything they could find—revolvers, whatever they could gear up; there was absolutely no protection—100 times before the animal fell down against a car, and even then they could not kill it

with a gun. Somebody got there with some type of drug and was able to immobilize the elephant for when they finally killed it. So 100 times. It was the second incident at the circus in 1 week.

Was that Ringling? No. I am not maintaining that it is. It was a circus and that happened. Elephants are elephants. I do not think elephants know the difference between a Ringling Bros. Circus and any other circus. If they are asked to stand up on one leg on a barrel, I do not think they understand if it is Ringling asking them to do it or anybody else.

If anybody can tell me how they know that, I would be happy to hear it.

Backstage at ''Live with Regis and Kathie Lee,'' Yelena Aleynikova had her skull fractured, ribs broken and a lung punctured by a Moscow Circus elephant in 1994. She is suing the circus, the show, and ABC as a result of that incident.

I hope our insurance is paid up on the Capitol Grounds, by the way.

Schoolchildren looked on as an elephant crushed a man to death at the San Salvador National Zoo in 1993. He was the second person that this very elephant had killed.

Char-Lee Torre was kicked to death by an elephant at the Lowry Park Zoo in Florida in 1993.

Christopher Ponte was crushed to death in 1993 by an elephant at the Clyde Beatty-Cole Bros. Circus in New York.

And in 1992, Jubal Cox was grabbed and slammed to death by an elephant in Texas while visiting the San Antonio Zoo.

There is more.

Eight children and their parents were pinned under a fence by an elephant at the Circus International in 1994—children.

Twelve spectators were injured and a police officer was thrown to the ground when an elephant went on a rampage in Florida at the Great American Circus in 1992. The elephant was shot and killed by police.

Again, members of the audience were trampled after an elephant at Circus Benneweis attacked her trainer and went running through the town's busy harbor area in 1994. The elephant later returned and was killed.

In 1994 in Utah, Jordan Circus animal trainer Rex Williams suffered broken ribs, a broken arm and organ damage after being thrown and trampled by an elephant on whom children—children—were riding.

Here is a Ringling animal trainer, George Lewis:

> An elephant, when brought into captivity, must make a tremendous adjustment to live with man . . . They come to hate their human masters, who are responsible for keeping them confined . . .

That is a Ringling trainer.

I do not have them all up here on the chart, but let me give you a couple more.

On August 15, 1994, 10 people were injured when an elephant pinned them under a fence separating the ring from the audience in Honolulu, HI.

Lion Country Safari: On February 1, 1992, 12 people were injured, including one police officer, when an Indian elephant broke loose during a performance at Brevard Community College in Palm Bay, FL.

On June 8, 1990, a man was injured when an elephant attacked her trainer and ran into a crowd in Reading, PA. The trainer had repeatedly stuck the elephant in the mouth with a hook to gain her attention just prior to the attack. The trainer got her attention, I might add.

In July 1987, two children were injured in Milwaukee, WI, by an elephant when she escaped from trainers with children on her back. The circus recovered the animal and she resumed giving children rides 2 days later. I wonder if the parents of the children who were brought to ride the elephant after the incident were told the animal had done that days before.

Hanneford Family Circus: On June 21, 1990, David Dickerson, an elephant trainer, was killed when the elephant he was training crushed him after being startled by a passing car in Fort Lauderdale, FL.

Commeford & Sons: On August 31, 1991, Brian Corring was severely injured by an elephant carrying children on her back during the Champlain Valley Fair in Essex Junction, VT. While the children on the elephant were unharmed, the parents felt the officials ignored the severity of the situation. This was the second time that the elephant had injured someone.

Just a couple more.

The Gatini Circus: Elephant trainer Eloise Berchtold was killed by an elephant during a performance at Rock Forest, Quebec. The elephant stepped on Berchtold and would not let anyone near her to provide medical assistance.

Tarzan Zerbini International Circus: July 15, 1992, nine people were injured when elephants toppled a barricade during a performance at a shopping center in Lafayette, IN.

I have been trying for the past several days to get somebody around this place to care about this, and I cannot do it. I cannot find anybody that cares. There is not exactly a crowd on the Senate floor right now.

I asked the Sergeant at Arms how much does it cost for the extra security, extra police—just the extra police, not what it costs us every day. The extra police, just for a couple of hours while the circus is here for overtime—overtime for officers—$52,000.

I then said to the Sergeant at Arms, ''I want to know what protection do we have for the children and the spectators on the Capitol Grounds if this elephant, or any elephant of the elephants you have on the grounds, goes berserk, what do we do?''

He said to my staff person, ''I will not tell you that. I will not tell you what the protection is.'' The implication is that it would be a security matter, and I respect that. But I am a U.S. Senator. The last time I looked, the Sergeant at Arms worked for us. Maybe somebody else has a different perspective on that. I thought the Sergeant at Arms worked for the Senate.

I am a Senator, and I asked him, ''What do we have available to us if an elephant goes berserk on the Capitol Grounds?'' He refused to tell me. He refused to tell me. He did not say, ''I'll put it off,'' ''I'll tell you tomorrow,'' ''I'll look it up,'' or ''It is the following.'' He said, ''I won't tell you,'' period. ''I don't have to tell you, and I won't.'' And he did not, and I do not know why. I assume 99 of my other colleagues do not care. They are just going to have the elephants here.

I was told by the office of the Senate Sergeant at Arms that the security requirements for this circus for 2 hours would be the equivalent of the State of the Union Address. So, apparently, they must think it is pretty serious.

We were also told that the cost was mainly associated with the expected demonstrations against the involvement of the elephants in the circus. Of course, the elephants themselves pose a serious security threat and, thus, an enormous cost to the taxpayers in excess security personnel, but I cannot find out what the security is.

It is my understanding that all shifts of the Capitol Police—all—will be on duty during this event when they bring the circus to town. The Senate Sergeant at Arms told me it would require paying overtime for a number of officers—again, $52,000.

Let us go into it a little bit more because sometimes when you talk about money around here, it is the only time you get anybody's attention.

If a person does not care about the elephants, and they do not care about the kids out there, maybe we can get your attention with money. Of course, that is not including the regular Capitol Police officers who will be on hand, that is $200,000, in addition to the $52,000. If there are any arrests, any at all, anybody gets arrested out there—protesting, demonstrating, making love, whatever they are doing out there on the grounds—each arrest will cost additional overtime hours on top of the $52,000. This does not include the additional security costs for the Washington, DC Police Department. It also does not include the setup costs of the circus. The Architect of the Capitol estimates that could be about $7,000. Remember now, the circus is right downtown for 20 days.

Mr. President, for the past several days we have been debating decisions of previously appropriated funds. It is not an easy task, because many of the projects are worthy. These programs will be paid for. These programs we have been debating on the floor of the Senate will be paid for by our children and their children.

Ringling Bros. said the elephants must be in the circus, cannot have a circus without elephants. I asked if

they would bring the circus here so I could come and enjoy it as well, without the elephants. Clowns, acrobats, dancing dogs. No, no, no, they want to see that, but the kids want to see the elephants.

Well, I hope the kids enjoy it because they are paying for it. Right now the national debt says each child in America today is $18,500 in debt, so we will add to your debt. So I hope you enjoy the elephants. We will pay for it years from now. They will pay when they join the work force. By then, the national debt will be—I do not know what it will be by that time. It will be $6 trillion by the next 3 or 4 years.

So, I suppose I could say if I was cynical, if we want to cut the cost of Government, we could vote for this amendment. If we pass the amendment, there will be no protesters, there will be no threat of elephants running amok on the Capitol Grounds. And we can pass it by unanimous consent. We save the taxpayers $52,000.

There are all sorts of events on the Mall here in Washington. Cirque du Soleil has done performances on the Mall. No elephants, no protests, no threat to security, no cost to taxpayers. The kids loved it. They do not need elephants to have a good time. Neither does Ringling.

Ringling Bros. circus is performing at the armory. If the kids really want elephants, they can go and see them at the armory or they can see them at the National Zoo. They can see them for free at the National Zoo. There are several there, as a matter of fact, for the benefit of anybody who might be listening who cares, including a baby elephant.

They are not asked to stand on their heads or climb up on a barrel about the size of 1 foot, parade around with a hook in their mouths. They are just there, well-taken care of at the zoo.

So, let me again comment on the Sergeant at Arms, because this is very critical. I think there is an arrogance here, No. 1. We have a right to know. A U.S. Senator asked the Sergeant of Arms about information about an event here on the Capitol Grounds. We have a right to know what it is. I will find out. With or without a vote on this amendment, I will find out what they are going to do and what the plan is.

I asked, and the only reason I have not found out, I was not here, and I had to have a staff person do it on my behalf. I will find out or there will be hell to pay as to why I do not find out.

Given all the instances I have mentioned that is not an unreasonable concern. What do they have on the grounds. How do we stop an elephant, Mr. President, if it goes berserk? What do we do? Do you use an AK–47? An M–16? An AR–15? They are illegal in Washington. A person cannot even carry them. All illegal. All banned. This is gun control in the city of Washington. Highest crime rate in the world, we have gun control. All illegal.

Frankly, would that stop an elephant? I doubt it. I really doubt it. Do they have a bazooka? What is their plan of action? What is the plan if something happens? It took 100 rounds in this poor animal here that went wild in Honolulu and that still didn't kill it. It needed to be killed by lethal injection.

People ought to see the film. My colleagues ought to look at the film of that. That is really something to watch. Look at the policemen, and then see if you can vote against this. I do not know where we will get 100 rounds. Last year's crime bill banned the manufacture, sale, or possession of all clips over 10 rounds, so I assume we will have 100 officers standing out there with pistols, with 10 rounds in a clip. I do not know. I cannot find out.

Now, do we want to be firing AK–47 rounds around little children if something happens? I do not know. These are the issues that ought to be of concern.

Overreacting, they will say. Yes, always overreacting until something happens. Is that not the way it is?

Even those who do not have strong feelings about the treatment of animals ought to be concerned about the issue of public safety, as well as the cost.

I want to stress a few points in closing here. Ringling Bros. maintains their training practices are not cruel and they are not abusive. I think they mean that. They may think that.

But let me say when the elephants go berserk the first person they go after is the trainer. That ought to say something. When I met with Mr. Ireland he said that while Ringling Bros. does, in fact, use whips, whips are used because of the cracking sound, which is an audible cue to the elephants.

I am not an elephant trainer. I do not know what the function of a whip is or how it works. I suppose if someone was whipping a cracking whip behind me I would probably do whatever they said, too.

I have concerns about a number of other practices that are regularly employed in the training of elephants. I am not going to get into whether Ringling employs these are not. I do not know. We may never know, because no outside organizations are allowed to monitor or film their trainers.

I was offered the opportunity to go down to a Ringling training area where they train elephants by Ringling. They said, ''You can come in and watch us train.'' I found that somewhat humorous. If they had any methods I would object to, I do not think they would use them while I was there. Maybe they would, but I doubt it.

So, let me mention a few articles that I have here.

Before I do, let me call my colleagues' attention to a section of the National Geographic. This piece from the National Geographic shows the methods that are used. Obviously, I cannot show it here. We do not have the facilities to do that. Might be a good thing to do some time.

These tapes, I have them. I will be more than happy to provide them for my colleagues to look at, anytime they want to look at them. The hooks that are used, the methods of training the animals down, the cramped quarters to house the animals, and the methods used in breaking wild elephants.

Let me just say for the record on wild elephants, Ringling has assured me they do not use wild elephants, that they breed their own and take young elephants, and I have no reason to deny that.

In the past, and, in fact, in some other circuses, baby elephants are captured in the wild, taken from their mother, and beaten for days at a time while they are screaming. It is on the tape. Members ought to watch it. Beaten, for days and days, in shifts, by these people in the jungles of Thailand and Laos. Wherever the elephants are captured, beaten consistently until their spirit is broken, and until they have nothing left to offer resistance to. Screaming and crying. Ought to watch the tape.

Does Ringling do that? No, I want to make it clear. But young elephants are captured and are used in circuses in that way.

Now, the issue, we could go on and on and on. Elephant incident after incident after incident, where elephants have been on the rampage and done some of these things.

The issue, really, is this. Should an animal this big, this wild, be used for entertainment? I do not think so. I do not see the need for it. There is no need for it. We do not see what happens when the circus is not around. When we are not watching the circus.

We are seeing the animal out there with his trunk around another elephant's tail and gets up and does a trick. That looks cute and I have seen it.

Frankly, before I knew more about this I thought it was great. How do they transport an elephant from Florida to California? You cannot put them on an airplane, so they put them in some kind of a truck. Ever look at the width of a highway? There is only so much size of a truck that can be used.

So they are in cramped quarters. Now, when you have them on location for a circus—let us say down here at the Armory—how do you restrain these animals? How do you restrain an animal that weighs several tons? Let me tell you how you restrain them. You chain them. You chain them up.

You can say we feed them hay, we feed them grain, we take good care of them—these are wild animals. So that is why things like this happen. That is why elephants go berserk, because they are not meant to do these kinds of things and it is cruel. It is cruel.

We have an opportunity here today in the Senate to make a very small statement. We are not going to stop this by doing this. We are not going to

stop it. But we could say, as U.S. Senators and U.S. Congressmen, that we do not want to risk having an incident like this happen on the Capitol Grounds, No. 1; and, No. 2, we think that, even though it is not intended to be cruel, the result is that it is cruel in the way that we treat these animals. They ought to be left alone in zoos, in parks, wherever we can; and not use—or abuse—them in the ways that is being done in these circuses.

The little kids ought to be able to go down and see these elephants chained and restricted, or watch the training, which we are not allowed to watch.

I think it is sad because all we have to do is just make a statement: No, we are not going to let the elephants come here on the Capitol Grounds because we do not think it is right. The elephants are still going to be performing down at the Armory. We are not going to be able to stop that. But we make a statement and maybe, by making that statement, we show the world and show the country that we care a little bit.

I know the types of criticism and the ridicule that I get. People say you are an animal rights nut. I am not. I am not. But they do not have anybody. There is nobody who can come out here on the floor. An elephant cannot come out here on the floor. No animal can come out here. It does not have any Congressmen or Senators to represent it. So if somebody does not speak up, who do they have?

So it is a very small thing to do, really. It is not a big deal. We just say Ringling, come on up; bring the clowns, bring the dog acts, bring the rings, bring the trapeze artists, and entertain the kids. But leave the elephants in the zoos and in the parks. Leave them alone.

Circuses started back in the days when we did not understand this, or when we did not care. Those days are past. Let us move on. Let us get into the 21st century here.

Elephants are a vanishing species, anyway. I doubt very much 100 years from now, when somebody stands here at Daniel Webster's desk where I stand now, I seriously doubt that person is going to know what a live elephant looks like. Unfortunately, I have to say that.

In some cases, some of these groups like Ringling do a good deed by breeding these animals. But you do not have to use them in circus acts, which are unnatural for these animals. That is why these incidents happen.

We have another quote here:

> Physical abuse and dominance control remain a major method of training elephants.

That is by John Lehnhardt, the assistant curator at the National Zoo right here in Washington. These guys know what they are talking about. Do not take my word for it. These are people who work with these animals every day. They know what they are talking about. It is unnatural to make huge beasts the size of an elephant do the things we ask them to do. They are telling us that. They are warning us.

Henry Ringling North, the Ringling Circus founder, said:

> When it came to teaching [the animals] the more involved tricks, [Ringling animal trainer Alfred Court] had to use a whip. If an animal got out of line, he flicked that animal in the most sensitive place you could hit either a male or a female. He hit, but only because the animal had made a mistake.

Really? That is what the kids are going to patronize when they come on the Capitol Grounds.

Let me just repeat, Mr. President, when I started this process I said if I get some support, if I get some people who will come forth and participate in this debate with me and share my concern, I would probably call for a rollcall vote. But it did not come. I know where the votes are and are not. There is no point in taking the Senate's time anymore on this. I will not call for a rollcall vote.

I will call for a vote, however, at whatever time the Senate wishes to have it, either now or tomorrow. Unless someone else asks for a recorded vote, I will call for a voice vote on this matter and, if the wishes of the Senate are that it be now, in just a moment, I will do that by yielding the floor.

Let me remind my colleagues, before I yield back the remainder of my time, of all the materials that back this up. This is not the only incident. There are many incidents like this. I will say again, in summary, I hope nothing happens. But I also say we are not prepared for it if it does. We are not prepared to handle a rampaging elephant with a bunch of little schoolchildren out on the Capitol Grounds. If we are prepared for it—and the Sergeant at Arms refuses to tell me whether we are or not—if we are, it would have to be with some humongous weapon, which would have to impose a danger on the children who would be here, because we do not know what direction this elephant would run, or any elephant would run, or elephants, if they were to do that, if they would be so inclined to do it.

I have made my case. I think I have told the world, the Senate, and hopefully many families and children out there who may want to be coming to the circus—I hope, frankly, you do not. I hope you send a statement that this is wrong and we ought not to do it and we ought to be somewhat considerate, in a very small way, by saying this is wrong.

Mr. President, at this time, regretfully, I yield the floor without requesting a recorded vote. At this time, I yield the remainder of—I yield the floor.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Louisiana.

Mr. BREAUX. Mr. President, I rise in opposition to the amendment offered by the Senator from New Hampshire. I do not doubt in any way the sincerity of the Senator from New Hampshire in his beliefs and strong feelings on this subject. I will only make two very brief points.

First, we already have on the books rules and regulations that govern the handling of wild animals and, indeed, all animals that appear in circuses: How they are treated, how they are transported, how they are fed, how they are cared for, how they are treated when they are sick. Those rules and regulations are already on the books. If indeed those rules are deficient, the appropriate committees in the Congress of the United States should review those rules and then make recommendations to the full body. None of that has been done in this case.

Second, I trust the Sergeant at Arms, whom I know the Senator from New Hampshire knows very well. I am certain he has reviewed the risks and lack of risks associated with the appearance of a portion of Ringling Bros. Circus on the Capitol Grounds. He, indeed, has the responsibility of determining whether events can take place on the Capitol Grounds that do not impair the safety of the Members of this body, as well as the employees who work here, as well as, in fact, the physical grounds that constitute the Capitol of the United States. I trust, I am certain he has made a decision that these events can take place without putting any person at risk, any Members at risk or, indeed, any of the physical structures of the Capitol at risk.

Therefore, Mr. President and colleagues, I think the amendment offered by the Senator from New Hampshire, in good faith and with all sincerity—I admire the work he has put into this—I suggest is inappropriate at this time and ask for its defeat.

The PRESIDING OFFICER. If all time is yielded, the question is on agreeing to the amendment of the Senator from New Hampshire.

The amendment (No. 449) was rejected.

The PRESIDING OFFICER. The question is on the adoption of the House Concurrent Resolution 34.

The resolution (H. Con. Res. 34) was agreed to.

The preamble was agreed to.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I ask unanimous consent to speak as if in morning business.

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

RESCINDING $230 MILLIONS IN MILITARY CONSTRUCTION PROGRAMS

Mr. THURMOND. Mr. President, last month the Senate debated the Defense supplemental appropriations bill. Although I supported this legislation, I expressed my dismay that the Appropriations Committee chose to fully offset the $1.9 billion supplemental from the fiscal year 1995 Defense budget. In a practical sense, that action cut the

Defense budget by almost $2.0 billion at a time when the readiness levels of our Armed Forces are teetering on the edge.

Since 1985, the Defense budget has decreased by 40 percent in buying power. The 1995 Defense budget, which is being used to fund the Administration's ill-conceived foreign ventures, has already been reduced by $40 billion below the 1990 budget even without the reduction in purchasing power from inflation. Today, with this supplemental, we add insult to injury by further cutting the 1995 Defense budget to fund domestic programs.

The committee's amendment to H.R. 1158 further reduces the already constrained Defense budget by over $200 million, including the $104 million in critical base closure funds, $27 million for projects to meet environmental responsibilities at our overseas base, and $69 million for NATO infrastructure funding.

I must point out the irony here, in the committee's attempt to reduce funding, it may actually be increasing the cost to the Department by rescinding the NATO funds. I am advised that these funds have all been obligated and this rescission may require breaking contracts and therefore incurring additional costs.

Possibly the most damaging effect this supplemental will have is on base closure. The recommendation to further cut the base closure account at a time when the Base Closure Commission is reviewing recommendations to add more bases to the closure list is, in my judgement, misguided.

It does not make sense to reduce funds critical for the closing and cleaning up of bases—funds that are used to pay civilian severance, environmental restoration, and the civilian and military relocation costs associated with closing a base. These cuts, proposed by the Appropriations Committee, will not only delay the closure process, they will negatively impact communities that are desperately looking for alternative uses for these bases to speed up their economic recovery. Just last year, Congress rescinded $507 million in this same account and caused havoc to the closure process and our communities which are still trying to recover from the cuts.

I have an amendment prepared to offer which will restore the funding for the base closure account. However, in order not to delay this process any longer, and after conferring with the chairman of the Subcommittee on Military Construction who assured me he would consider restoring the funds during the joint conference on the bill, I will not offer the amendment.

Mr. President, let me close by stating that reducing the Defense budget every time there is an unexpected defense or domestic need requiring a supplemental is not a sustainable policy over the long term, nor is such a policy in the interest of our national security. The men and women of our Armed Forces expect better from the Senate. These dedicated individuals, who risk their lives daily and endure long separations from their families, have earned our support. I am committed to providing that support and hope my colleagues in the Senate and on the Appropriations Committee will join me in stopping this erosion to the Defense budget.

Mr. President, I ask unanimous consent that a letter addressed to me dated March 10, 1995, from John Deutch, Deputy Secretary of Defense, be printed in the RECORD.

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

THE DEPUTY SECRETARY OF DEFENSE,
Washington, DC, March 30, 1995.

Senator STROM THURMOND,
U.S. Senate, Chairman, Committee on Armed Services.

DEAR MR. CHAIRMAN: I am writing to request your assistance in resisting the proposed rescission of $230 million in the fiscal year 1995 Military Construction appropriation.

The Senate proposed rescission of $104 million for the Base Closure and Realignment Account (BRAC) impacts the Department of Defense's ability to implement the base closures as mandated by law. The Department makes every effort to minimize the impact on communities. The ability to close as expeditiously as possible not only saves the federal government money that we have counted on, but also provides the communities with early opportunities for economic development and job creation. Our experience with the fiscal year 1994 rescission was that it severely impacted both Service and community closure efforts.

The proposed $69 million rescission of NATO funds is of significant concern. These funds are currently obligated and any rescission would incur additional costs for contract terminations of ongoing construction projects. It also sends a very negative signal concerning our support for the NATO Alliance.

The proposed overseas reductions of $27 million primarily affect our ability to meet our environmental responsibilities. The worldwide unspecified reduction of $30 million places a burden on the Services to find alternative sources of funds for needed projects. We already face a $137 million unallocated reduction in the fiscal year 1995 appropriation.

On behalf of the Department of Defense, I request that the Senate reconsider the proposed $230 million rescission.

JOHN DEUTCH.

RESTORING RESCISSION OF BASE CLOSURE FUNDING

Mr. MCCAIN. Mr. President, I support the efforts of my colleague from South Carolina, Senator THURMOND, to restore funding $104 million in funding for base closure accounts, which the Appropriations Committee recommended for rescission. It is vitally important that these funds remain available to pay for the necessary costs of closing, cleaning up, and transferring unnecessary military bases to the communities for reuse.

The Appropriations Committee indicates in the report accompanying the bill that these rescissions are being taken because large amounts of appropriated funds remain unobligated in these accounts. That may be true. But that in no way means that the funds are not necessary.

The accounts from which the committee recommended rescinding $104 million include the funding for environmental restoration at closing military bases. These costs are not insignificant, and they represent a Federal liability which must be met.

On Monday, March 27, the Washington Post reported on yet another study that concluded that ''the cost of cleaning up military bases is skyrocketing * * *.'' My colleague from Alaska has often raised this problem of the increasing cost of cleaning up closing military bases as a reason to delay the BRAC process. Yet, now the committee is recommending that we rescind funds already appropriated for environmental cleanup at closing military bases. I cannot understand the logic of doing so.

These accounts from which the committee recommends we rescind money also include funding to pay for military construction at bases where consolidations and realignments will occur because of BRAC actions. The cost of providing this new infrastructure was factored into the BRAC's decision-making process and is important to provide necessary support for activities moved to other locations. It is not reasonable to assume that adding functions to an existing base will not require some expenditure of funds for buildings and support.

All of these funds are necessary to complete the base closure and realignment process. There are specific projects and activities for which these funds were appropriated—jobs which need to be completed so that the communities surrounding the closing bases can implement their reuse plans as quickly as possible.

I wonder whether the committee would consider, as a possible reason for the large amount of unobligated balances in these accounts, that the process for closing bases is, without exaggeration, ponderous.

In my home State of Arizona, Williams Air Force Base, which was ordered closed in 1991, has been screened for Federal agency reuse at least three times. Homeless applications are still pending at the Department of Health and Human Services. The Air Force Base Conversion Agency and the local communities have not yet agreed on the final details of reuse of the base. Here we are, nearly 4 years after the BRAC ordered the base closed, and the Air Force is still paying the bill for maintaining the base. And more importantly, the community is still not able to recover fully from the economic impact of losing the base.

The base closure process ought not take 4 years to complete. I intend to introduce legislation to streamline the Federal screening process and to give greater flexibility to recognized community groups to coordinate, develop,

and implement reuse plans for closing bases.

Until the process is fixed, however, it is not surprising that large amounts of the base closure funding remain unspent. Again, though, that does not mean that the funds are not needed. Eliminating these funds would only exacerbate the difficulty of closing bases and conveying the property to the subsequent owners in a timely fashion.

This is a painful enough process for a community that relied on the military base in its midst for jobs and economic stability. Let's not aggravate the situation by imperiling the Services' ability to complete the process as quickly as possible.

Mr. President, I understand that Senator THURMOND has received assurances from the chairman of the Appropriations Committee Subcommittee on Military Construction that the conferees on this bill will consider restoring these funds in the conference. I applaud that commitment.

I must state, however, that I support restoring these funds with one condition. I believe that the restoration of these funds must not be done at the cost of increasing the Federal deficit. I believe the $104 million in restored funding must be fully offset by rescissions of low priority funds.

Mr. President, I had intended to offer a second degree amendment to rescind $104 million from the administrative and travel accounts of the Federal Government.

The amendment would have provided a full offset for the cost of restoring the BRAC-related funds in the amendment of Senator THURMOND. The Senate bill already provides $13 billion in total spending rescissions, but this is $4 billion less than the House bill. We should not further exacerbate the shortfall in deficit reduction funds, if we can find an offsetting reduction.

I believe the reduction of $104 million in Government administrative and travel expenses would have been an appropriate reduction. The Office of Management advised me that, in fiscal year 1995 alone, $107.2 billion will be spent for administration and travel. The amendment would have rescinded only $104 million from a $107 billion account—less than one-tenth of 1 percent of the total expenditures. Out of a budget of $107 billion, it seems quite likely that the small amount which would be rescinded by this amendment will not be devastating to the operation of any government office. One-tenth of 1 percent of the administrative and travel budget of any Federal organization should not hamper the operations of that organization.

Mr. President, the Department of Defense and the communities surrounding closing bases need the funding in the BRAC accounts to finish a job already underway. We should not rescind those funds. I believe we should rescind a minuscule portion—less than one-tenth of 1 percent—of the Federal Government's administrative and travel budget to pay for these necessary BRAC-related activities.

Unfortunately, we were unable to come to agreement on the offsets I intended to propose. Therefore, Senator THURMOND has chosen to rely on the assurances he has received from Senator BURNS concerning restoring these funds in the conference. I respectfully urge the conferees to identify offsetting rescissions in other areas to pay for the restoration of these funds.

Mr. President, it is imperative that we not decrease the amount of deficit reduction in this bill. We are undertaking the daunting task of prioritizing Federal spending and reducing the Federal debt, working toward a balanced Federal budget. By eliminating unnecessary and wasteful spending of prior year appropriated funds, we can begin our review of the fiscal year 1996 budget with money in the bank.

Therefore, the conferees on this bill should ensure that an offsetting reduction is made for the restoration of these BRAC-related funds. The conference agreement should preserve at least the level of deficit reduction contained in the Senate bill, and in my view, should move toward the greater deficit reduction in the House bill. As important as this funding is for BRAC cleanup and implementation, I do not believe it should be restored at the cost of increasing the deficit.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

1994 ANNUAL REPORT ON ALASKA'S NATURAL RESOURCES—MESSAGE FROM THE PRESIDENT—PM 40

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works:

To the Congress of the United States:

I transmit herewith the 1994 Annual Report on Alaska's Mineral Resources, as required by section 1011 of the Alaska National Interest Lands Conservation Act (Public Law 96–487; 16 U.S.C. 3151). This report contains pertinent public information relating to minerals in Alaska gathered by the U.S. Geological Survey, the U.S. Bureau of Mines, and other Federal agencies.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *April 3, 1995.*

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–690. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the text of international agreements other than treaties, and background statements; to the Committee on Foreign Relations.

EC–691. A message from the Chairman of the Board of the African Development Foundation, transmitting, a draft of proposed legislation to authorize appropriations for the African Development Foundation; to the Committee on Foreign Relations.

EC–693. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to authorize appropriations for the United States contribution to the tenth replenishment of the resources of the International Development Association; to the Committee on Foreign Relations.

EC–694. A communication from the General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation to provide for a United States contribution to the Interest Subsidy Account of the Successor (EASF II) to the Enhanced Structural Adjustment Facility of the International Monetary Fund; to the Committee on Foreign Relations.

EC–695. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report relative to the Federal Highway Administration and Federal Transit Administration Buy America Waivers for fiscal years 1992 and 1993; to the Committee on Environment and Public Works.

EC–696. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-31 enacted by the Council on March 7, 1995; to the Committee on Governmental Affairs.

EC–697. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-32 enacted by the Council on March 7, 1995; to the Committee on Governmental Affairs.

EC–698. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11-34 enacted by the Council on March 7, 1995; to the Committee on Governmental Affairs.

EC–699. A communication from the Special Counsel of the United States, transmitting,

pursuant to law, a report relative to the fiscal year 1994 audit and investigative activities of the Office of Special Counsel; to the Committee on Governmental Affairs.

EC–700. A communication from the HUD Secretary's designee to the Federal Housing Finance Board, transmitting, pursuant to law, a report relative to the Board's internal control and financial management systems; to the Committee on Governmental Affairs.

EC–701. A communication from the Chairman of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, a report relative to the Board's audit and investigative coverage; to the Committee on Governmental Affairs.

EC–702. A communication from the Director of the Office of Personnel Mangement, transmitting, a draft of proposed legislation to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program; to the Committee on Governmental Affairs.

EC–703. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of GAO reports released in February 1995; to the Committee on Governmental Affairs.

EC–704. A communication from the Executive Director of the Interstate Commission on the Potomac River Basin, transmitting, pursuant to law, the statement of the Commission under the Federal Managers' Financial Integrity Act for fiscal year 1994; to the Committee on Governmental Affairs.

EC–705. A communication from the Director of the Federal Judicial Center, transmitting, pursuant to law, the Center's annual report for 1994; to the Committee on the Judiciary.

EC–706. A communication from the General Counsel of the Department of Commerce, transmitting, pursuant to law, a draft of proposed legislation to amend Chapter 30 of Title 35 to afford third parties an opportunity for greater participation in reexamination proceedings before the U.S. Patent and Trademark Office, and for other purposes; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 523. A bill to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner, and for other purposes (Rept. No. 104–24).

By Mrs. KASSEBAUM, from the Committee on Labor and Human Resources, without amendment:

S. 641. A bill to reauthorize the Ryan White CARE Act of 1990, and for other purposes (Rept. No. 104–25).

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. AKAKA (for himself and Mr. INOUYE):

S. 660. A bill to amend title 10, United States Code, to provide for transportation by the Department of Defense of certain children requiring specialized medical services in the United States; to the Committee on Armed Services.

By Mr. LOTT:

S. 661. A bill to require the continued availability of $1 Federal reserve notes for circulation; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STEVENS (for himself and Mr. MURKOWSKI):

S. 662. A bill to implement the interim agreement for the conservation of Yukon River salmon stocks agreed to by the Government of the United States of America and the Government of Canada on February 3, 1995, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. Res. 99. A resolution commending the 125th anniversary of Allen University, and for other purposes; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 660. A bill to amend title 10, United States Code, to provide for transportation by the Department of Defense of certain children requiring specialized medical services in the United States; to the Committee on Armed Services.

TRANSPORTATION FOR CHILDREN WITH DISABILITIES

• Mr. AKAKA. Mr. President, today I am introducing legislation that would allow the Department of Defense to provide transportation for children with disabilities seeking medical treatment in the United States. I am pleased that Senator INOUYE has joined me in cosponsoring this measure.

The Shriners Hospital for Crippled Children in Honolulu currently provides free medical treatment for disabled children. However, many of these children must wait several months before funds are available for them to travel from their homes in the Pacific to Hawaii. As of February 28, 1995, Shriners Hospital had 177 Pacific rim children with disabilities seeking medical treatment.

The legislation I am introducing authorizes the Department of Defense to offer transportation, on a space available basis, to a disabled child seeking free medical treatment. The children would come from United States territories, such as American Samoa and Guam, and from countries with historic ties to the United States, including the Federated States of Micronesia, the Marshall Islands, Saipan, Palau, Western Samoa, and the Philippines.

Providing transportation for disabled children from these Pacific rim countries and territories will enhance the United States relationship with these entities. The goodwill generated by this initiative will contribute to our efforts to be ''good neighbors'' in the Pacific. The cost of this measure would be nominal since transportation would be on a space-available basis.

Mr. President, I urge my colleagues to support this measure.•

By Mr. LOTT:

S. 661. A bill to require the continued availability of $1 Federal reserve notes for circulation; to the Committee on Banking, Housing, and Urban Affairs.

SAVE THE GREENBACK ACT

Mr. LOTT. Mr. President, I am pleased to introduce the following bill designed to preserve the status of the American $1 bill. The dollar bill—also known as the American greenback—has been a staple of our currency since 1862, and since 1869 has carried the likeness of the founder of our Nation: George Washington.

During that entire period, we have never heard the American people express their disagreement, or their displeasure, with the $1 bill. In fact, as many of you are well aware, the mere mention of any redesign of our currency inevitably triggers an onslaught of calls from constituents.

In past Congresses there have been misguided efforts by special interests to replace the $1 bill with a coin. The proponents of this coin make three bold claims: that it will be easier to handle, that it will be popular with the American people, and that it will save money.

Let me address each of these claims in turn: Imagine if you will, replacing ten $1 bills in your wallet with ten $1 coins in your pocket. After several days, one might suspect a conspiracy by clothing manufacturers in drafting the dollar coin proposal. I do not know anyone who prefers a pocketful of coins to a wallet containing dollar bills.

As to the coin's so-called popularity with the American people; there have been three national polls on this issue during the past year. In every poll, the American people overwhelmingly rejected any attempt to do away with the dollar bill and have expressed their displeasure for replacing it with a coin.

The most recent poll was conducted in January, under the auspices of the House Budget Committee. Only 18 percent of those questioned preferred a dollar coin. Earlier polls have indicated a very real concern by American people that if the coin bill becomes law, the price of items purchased from vending machines such as food, laundry, and soft drinks will rise. They also expect to see increases in the costs of other everyday items such as parking meters and pay telephone calls.

Mr. President, legislation designed to eliminate the dollar bill will be an excuse by special interests to raise prices on everyday items. Eliminating the dollar bill and replacing it with a dollar coin will likely result in two things: Higher prices to consumers, and more weight in our pocket.

None of us really want to see a repeat of the Susan B. Anthony drama in

which the dollar coin was overwhelmingly rejected by the public. It did not save us a nickel when it was minted, although officials said at the time that savings would be realized. At this moment, there are over $300 million in Susan B. Anthony coins sitting idle in the U.S. Mint. Will we have to make room in a few years time for another dollar coin, because we didn't heed the lessons of the past?

It is not enough to blame the failure of the Susan B. Anthony dollar on its design alone. The people overwhelmingly rejected it as part of the currency system. The people had a choice and they voted against it. The bill I am introducing today seeks to protect the consumer from the hidden cost increases which would result from a mandated replacement of the dollar bill with a dollar coin.

As I travel around Mississippi, I hear people telling me that we need to reform welfare, slam the door on convicted criminals, and eliminate waste. I do not hear a lot of complaints that we need a dollar coin to replace the face of George Washington in our wallets.

I encourage my colleagues to join me in cosponsoring this legislation.

By Mr. STEVENS (for himself and Mr. MURKOWSKI):

S. 662. A bill to implement the interim agreement for the conservation of Yukon River salmon stocks agreed to by the Government of the United States of America and the Government of Canada on February 3, 1995, and for other purposes; to the committee on Commerce, Science, and Transportation.

YUKON RIVER SALMON ACT

• Mr. STEVENS. Mr. President, I am pleased to introduce legislation today that would implement the new interim agreement for the conservation of Yukon River salmon stocks reached between the United States and Canada on February 3, 1995—the Yukon Agreement.

The title of my bill is the ''Yukon River Salmon Act of 1995.''

A total of 1,875 miles long, the Yukon River is the fourth largest river in North America, and runs from head waters deep in Canada, through the heart of Alaska, and into the Bering Sea.

Commercial and subsistence fishermen from Canada to the Alaskan shores of the Bering Sea rely on the salmon resources of this massive river.

The Yukon Agreement will assure both Alaskans and Canadians living along the Yukon River that these vital salmon resources will be carefully managed, restored, and enhanced in the years ahead.

I would like to commend the State Department, State of Alaska, and the many Alaskans who were instrumental in bringing about this agreement.

It is great to see the positive results that can occur when we work together with our Canadian neighbors.

The bill I am introducing today would provide for U.S. representation on a new Yukon River Panel created under the Yukon Agreement.

The Yukon River Panel will include representatives from both the United States and Canada, and will make management, restoration and enhancement suggestions to the entities responsible for conserving and managing Yukon River salmon on both sides of the United States-Canada border.

Under the bill, the United States would have six Yukon River Panel members: one appointed by the Secretary of State; one representing the State of Alaska; and four representatives knowledgeable and experienced with Yukon River salmon fisheries who would be appointed by the Governor of Alaska.

At least one of the four panel members appointed by the Governor must represent the Upper Yukon; at least one must represent the Lower Yukon; and at least one must be an Alaska Native.

Panel members will serve 4-year terms, and will be eligible for reappointment.

The Secretary of State and Governor of Alaska would be authorized to designate an alternate panel member, meeting the same qualifications, for each of the panel members they have authority to appoint under the bill.

The Yukon River Panel would be exempt from the Federal Advisory Committee Act, similar to the treatment of the Pacific Salmon Commission and Pacific Salmon Treaty panels under the Pacific Salmon Treaty enabling legislation—Public Law 99–5.

Panel members would be paid at the GS–16 rate while on duty, which is consistent with the pay received by panels under the Pacific Salmon Treaty enabling legislation.

Decisions by the U.S. section of the Yukon River Panel would occur by the consensus of five of the panel members: the State of Alaska's representative, and the four at-large panel members. The Federal member would not vote. This is similar to the voting structure of the Pacific Salmon Commission.

As with the Pacific Salmon Commission, the Federal representative would serve as a neutral and objective party if disagreements arise among members of the U.S. section of the panel.

The bill also authorizes an advisory committee, with members to be appointed by the Governor of Alaska.

This advisory committee would include between 8 and 12 members knowledgeable and experienced with regard to salmon fisheries on the Yukon River.

Advisory committee members would receive no compensation for their service, but could be reimbursed for travel expenses.

Advisory committee members would serve 2-year terms and would be eligible for reappointment.

The Yukon Agreement requires each country to designate a responsible management entity for the harvest of salmon originating in the Yukon, which will receive recommendations of the Yukon River Panel.

My legislation would designate the State of Alaska's Department of Fish and Game as the responsible management entity for the United States.

The Alaska Department of Fish and Game does most of the salmon research and assessment on the Yukon, and is the primary manager of commercial harvests on the Yukon.

The designation of the Alaska Department of Fish and Game is for the purposes of the Yukon Agreement, and is not meant to expand, diminish or change Federal or State authority with respect to salmon management.

The Yukon River Panel would be authorized under the bill to make recommendations to the Department of Interior, Department of Commerce, Department of State, the North Pacific Fishery Management Council, and to other Federal or State entities as it feels appropriate.

Recommendations by the Yukon River Panel under both the agreement and the legislation I am introducing today are advisory in nature.

The Yukon Agreement states that if the Pacific Salmon Treaty should terminate before the termination of the Yukon Agreement, the Yukon Panel would become the Yukon River Salmon Commission and continue under existing provisions of the treaty that apply to the Yukon.

The bill I am introducing allows for the shift from the Yukon River Panel to the Yukon River Salmon Commission should the Pacific Salmon Treaty terminate.

If the Pacific Salmon Treaty fails, the provisions in the bill which apply to the Yukon River Panel would thereafter apply to the Yukon River Salmon Commission, and all provisions of the bill, such as the voting structure, would remain in effect.

The legislation would authorize $400,000 in each of fiscal years 1996, 1997, 1998, and 1999 to the Secretary of Commerce to make the payment necessary under the Yukon Agreement to the Yukon River Restoration and Enhancement Fund.

This money will be used primarily for restoration and enhancement in Canada, which helps all fishermen along the Yukon. In accordance with the Yukon Agreement, the Yukon River Panel will decide how this money is spent.

The bill would also authorize appropriations to pay panel members, and to reimburse panel members, alternate panel members, advisory committee members, and U.S. members of a joint technical committee for their travel expenses.

The Subcommittee on Oceans and Fisheries has received testimony on the Yukon Agreement and relating to this implementing legislation during our recent hearings on the Magnuson Act reauthorization.

It is my hope to include the Yukon River Salmon Act—which I believe to be noncontroversial—on S. 267, the Fisheries Act of 1995, when S. 267 goes to the Senate floor.

I am joined by Senator MURKOWSKI in introducing the Yukon River Salmon Act of 1995.

I request that the bill be printed in full in the RECORD.

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

S. 662

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 ''Yukon River Salmon Act of 1995.''

SEC. 2. PURPOSES.

It is the purpose of this Act—

(1) to implement the interim agreement for the conservation of salmon stocks originating from the Yukon River in Canada agreed to through an exchange of notes between the Government of the United States and the Government of Canada on February 3, 1995;

(2) to provide for representation by the United States on the Yukon River Panel established under such agreement; and

(3) to authorize to be appropriated sums necessary to carry out the responsibilities of the United States under such agreement.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) The term ''Agreement'' means the interim agreement for the conservation of salmon stocks originating from the Yukon River in Canada agreed to through an exchange of notes between the Government of the United States and the Government of Canada on February 3, 1995.

(2) The term ''Panel'' means the Yukon River Panel established by the Agreement.

(3) The term ''Yukon River Joint Technical Committee'' means the technical committee established by paragraph C.2 of the Memorandum of Understanding concerning the Pacific Salmon Treaty between the Government of the United States and the Government of Canada recorded January 28, 1985.

SEC. 4. PANEL.

(a) REPRESENTATION.—The United States shall be represented on the Panel by six individuals, of whom—

(1) one (1) shall be an official of the United States Government with expertise in salmon conservation and management;

(2) one (1) shall be an official of the State of Alaska with expertise in salmon conservation and management; and

(3) four (4) shall be knowledgeable and experienced with regard to the salmon fisheries on the Yukon River.

(b) APPOINTMENTS.—Panel members shall be appointed as follows:

(1) The Panel member described in subsection (a)(1) shall be appointed by the Secretary of State.

(2) The Panel member described in subsection (a)(2) shall be appointed by the Governor of Alaska.

(3) The Panel members described in subsection (a)(3) shall be appointed by the Governor of Alaska, who shall consider nominations provided by organizations with expertise in Yukon River salmon fisheries. The Governor of Alaska shall appoint at least one member under subsection (a)(3) who is qualified to represent the interests of Lower Yukon River fishing districts, and at least one member who is qualified to represent the interests of Upper Yukon River fishing districts. At least one of the Panel members under subsection (a)(3) shall be an Alaska Native.

(c) ALTERNATES.—The Secretary of State and Governor of Alaska may designate an alternate Panel member for each Panel member they appoint under subsection (b), who meets the same qualifications, to serve in the absence of the Panel member.

(d) TERM LENGTH.—Panel members and alternate Panel members shall serve four-year terms. Any individual appointed to fill a vacancy occurring before the expiration of any term shall be appointed for the remainder of that term.

(e) REAPPOINTMENT.—Panel members and alternate Panel members shall be eligible for reappointment.

(f) DECISIONS.—Decisions by the United States section of the Panel shall be made by the consensus of the Panel members appointed under paragraphs (2) and (3) of subsection (a).

(g) CONSULTATION.—In carrying out their functions under the Agreement, Panel members may consult with such other interested parties as they consider appropriate.

SEC. 5. ADVISORY COMMITTEE.

(a) APPOINTMENTS.—The Governor of Alaska may appoint an Advisory Committee of not less than eight (8), but not more than twelve (12), individuals who are knowledgeable and experienced with regard to the salmon fisheries on the Yukon River. Members of the Advisory Committee may attend all meetings of the United States section of the Panel, and shall be given the opportunity to examine and be heard on any matter under consideration by the United States section of the Panel.

(b) COMPENSATION.—The members of such advisory committee shall receive no compensation for their services.

(c) TERM LENGTH.—Any individual appointed to fill a vacancy occurring before the expiration of any term shall be appointed for the remainder of that term.

(b) REAPPOINTMENT.—Advisory Committee members shall be eligible for reappointment.

SEC. 6. EXEMPTION.

The Federal Advisory Committee Act (5 U.S.C. App. 1 et seq.) shall not apply to the Panel, the Yukon River Joint Technical Committee, or the Advisory Committee created under section 5 of this Act.

SEC. 7. AUTHORITY AND RESPONSIBILITY.

(a) RESPONSIBLE MANAGEMENT ENTITY.—The State of Alaska Department of Fish and Game shall be the responsible management entity for the United States for the purposes of the Agreement.

(b) EFFECT OF DESIGNATION.—The designation under subsection (a) shall not be considered to expand, diminish or change the management authority of the State of Alaska or the Federal government with respect to fishery resources.

(c) RECOMMENDATIONS OF PANEL.—In addition to recommendations made by the Panel to the responsible management entities in accordance with the Agreement, the Panel may make recommendations concerning the conservation and management of salmon originating in the Yukon River to the Department of Interior, Department of Commerce, Department of State, North Pacific Fishery Management Council, and other Federal or State entities as appropriate. Recommendations by the Panel shall be advisory in nature.

SEC. 8. CONTINUATION OF AGREEMENT.

In the event that the Treaty between Canada and the United States of America concerning Pacific Salmon, signed at Ottawa, January 28, 1985, terminates prior to the termination of the Agreement, and the functions of the Panel are assumed by the ''Yukon River Salmon Commission'' referenced in the Agreement, the provisions of this Act which apply to the Panel shall thereafter apply to the Yukon River Salmon Commission, and the other provisions of this Act shall remain in effect.

SEC. 9. ADMINISTRATIVE MATTERS.

(a) Panel members and alternate Panel members who are not State or Federal employees shall receive compensation at the daily rate of GS–16 of the General Schedule when engaged in the actual performance of duties.

(b) Travel and other necessary expenses shall be paid for all Panel members, alternate Panel members, United States members of the Joint Technical Committee, and members of the Advisory Committee when engaged in the actual performance of duties.

(c) Except for officials of the United States Government, individuals described in subsection (b) shall not be considered to be Federal employees while engaged in the actual performance of duties, except for the purposes of injury compensation or tort claims liability as provided in chapter 81 of title 5, United States Code, and chapter 71 of title 28, United States Code.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated from time to time such sums as may be necessary for carrying out the purposes and provisions of the Agreement and this Act including—

(a) necessary travel expenses of Panel members, alternate Panel members, United States members of the Joint Technical Committee, and members of the Advisory Committee in accordance with Federal Travel Regulations and sections 4701, 5702, 5704 through 5708, and 5731 of title 5, United States Code;

(b) the United States share of the joint expenses of the Panel and the Joint Technical Committee, provided that Panel members and alternate Panel members shall not, with respect to commitments concerning the United States share of the joint expenses, be subject to section 262(b) of title 22, United States Code, insofar as it limits the authority of United States representatives to international organizations with respect to such commitments; and

(c) by the Secretary of Commerce, $400,000 in each of fiscal years 1996, 1997, 1998 and 1999 to be contributed to the Yukon River Restoration and Enhancement Fund and used in accordance with the Agreement.●

ADDITIONAL COSPONSORS

S. 198

At the request of Mr. CHAFEE, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 198, a bill to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes.

S. 243

At the request of Mr. ROTH, his name was withdrawn as a cosponsor of S. 243, a bill to provide greater access to civil justice by reducing costs and delay, and for other purposes.

S. 256

At the request of Mr. DOLE, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 258

At the request of Mr. PRYOR, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 258, a bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights.

S. 303

At the request of Mr. LIEBERMAN, the name of the Senator from Tennessee [Mr. FRIST] was added as a cosponsor of S. 303, a bill to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers, and for other purposes.

S. 324

At the request of Mr. ROTH, his name was added as a cosponsor of S. 324, a bill to amend the Fair Labor Standards Act of 1938 to exclude from the definition of employee firefighters and rescue squad workers who perform volunteer services and to prevent employers from requiring employees who are firefighters or rescue squad workers to perform volunteer services, and to allow an employer not to pay overtime compensation to a firefighter or rescue squad worker who performs volunteer services for the employer, and for other purposes.

S. 391

At the request of Mr. CRAIG, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 391, a bill to authorize and direct the Secretaries of the Interior and Agriculture to undertake activities to halt and reverse the decline in forest health on Federal lands, and for other purposes.

S. 434

At the request of Mr. KOHL, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service.

S. 495

At the request of Mrs. KASSEBAUM, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 495, a bill to amend the Higher Education Act of 1965 to stabilize the student loan programs, improve congressional oversight, and for other purposes.

S. 524

At the request of Mr. WELLSTONE, the names of the Senator from California [Mrs. BOXER] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 524, a bill to prohibit insurers from denying health insurance coverage, benefits, or varying premiums based on the status of an individual as a victim of domestic violence and for other purposes.

S. 565

At the request of Mr. PRESSLER, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 565, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 581

At the request of Mr. FAIRCLOTH, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from Wyoming [Mr. THOMAS] were added as cosponsors of S. 581, a bill to amend the National Labor Relations Act and the Railway Labor Act to repeal those provisions of Federal law that require employees to pay union dues or fees as a condition of employment, and for other purposes.

S. 603

At the request of Mr. FAIRCLOTH, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from Wyoming [Mr. THOMAS] were added as cosponsors of S. 603, a bill to nullify an executive order that prohibits Federal contracts with companies that hire permanent replacements for striking employees, and for other purposes.

S. 641

At the request of Mrs. KASSEBAUM, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Kentucky [Mr. FORD], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Wisconsin [Mr. KOHL], the Senator from Louisiana [Mr. BREAUX], the Senator from Michigan [Mr. LEVIN], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 641, a bill to reauthorize the Ryan White CARE Act of 1990, and for other purposes.

SENATE JOINT RESOLUTION 31

At the request of Mr. HATCH, the names of the Senator from Colorado [Mr. BROWN], the Senator from Tennessee [Mr. FRIST], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 31, a joint resolution proposing an amendment to the Constitution of the United States to grant Congress and the States the power to prohibit the physical desecration of the flag of the United States.

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. MURKOWSKI, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution expressing the sense of the Congress regarding a private visit by President Lee Tenghui of the Republic of China on Taiwan to the United States.

SENATE RESOLUTION 99—COMMENDING THE 125TH ANNIVERSARY OF ALLEN UNIVERSITY

Mr. THURMOND (for himself and Mr. HOLLINGS) submitted the following resolution; which was considered and agreed to:

S. RES. 99

Whereas Allen University in Columbia, South Carolina, is in the midst of a year-long celebration of the 125th anniversary of the University;

Whereas Allen University has produced local and national leaders who have served communities and the United States in an exemplary way;

Whereas the late Bishop John Mifflin Brown and the people of the Columbia Conference of the African Methodist Episcopal Church had the vision to establish a school for the education of newly freed slaves in 1870 in Cokesbury, South Carolina, naming the school for the predecessor to Bishop Brown, Bishop Daniel Alexander Payne, and appointing Professor J.W. Morris as president;

Whereas Bishop William F. Dickerson led a successful effort to relocate the school to Columbia, South Carolina, and rename the school in 1880 for Bishop Richard Allen, the founder of the African Methodist Episcopal Church, while the Reverend James C. Waters assumed the presidency;

Whereas the University has a long tradition of producing clergy and lay leadership for the African Methodist Episcopal Church;

Whereas the University has produced numerous scholars, attorneys, physicians, teachers, and business and governmental leaders, and other professionals who have risen to positions of notoriety in the African-American community as a whole;

Whereas Doctor Margaret Dixon is an exemplary Allen University Alumnae who has recently been elected president of the American Association of Retired People;

Whereas the University has endured all the difficulties familiar to historically black colleges and universities;

Whereas the University, with an historic campus, is an accredited member institution of the Southern Association of Colleges and Schools;

Whereas the University, under the present leadership of Bishop John Hurst Adams and President David T. Shannon, is equipped to serve non-traditional students and others who would otherwise not have the opportunity for a college education, as well as remaining faithful to the traditional goals of the University of clergy and leadership education; and

Whereas the University still strives to live up to the motto of the University, which is ''Heads to Think, Hands to Work, and Hearts to Love'': Now, therefore, be it

Resolved, That Congress—

(1) commends Allen University for 125 years of progress, commitment, and dedication in the shaping of productive lives; and

(2) extends best wishes to Allen University and hopes the University will have a productive future that continues the accomplishments of the past.

AMENDMENTS SUBMITTED

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT

WELLSTONE AMENDMENT NO. 447

(Ordered to lie on table.)

Mr. WELLSTONE submitted an amendment intended to be proposed by him to amendment No. 420 proposed by Mr. HATFIELD to the bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescission for the fiscal year ending September 30, 1995, and for other purposes; as follows:

On page 29, line 16, strike ''$2,185,935,000'' and insert ''$2,191,435,000''.

On page 55, line 4, strike ''$4,800,000,000'' and insert ''$4,794,500,000''.

KENNEDY AMENDMENT NO. 448

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to amendment No. 420 proposed by Mr. HATFIELD to the bill, H.R. 1158, supra, as follows:

At the appropriate place in the amdt, insert the following;

SEC. . SENSE OF THE SENATE REGARDING TAX AVOIDANCE.

(a) IN GENERAL.—It is the sense of the Senate that Congress should act as quickly as possible to amend the Internal Revenue Code of 1986, to eliminate the ability of persons to avoid taxes by relinquishing their United States citizenship.

(b) EFFECTIVE DATE.—It is the sense of the Senate that the amendment referred to in subsection (a) should take effect as if enacted on February 6, 1995.

BARNUM & BAILEY CIRCUS COMMEMORATION

SMITH AMENDMENT NO. 449

Mr. SMITH proposed an amendment to the concurrent resolution (H. Con. Res. 34) concurrent resolution authorizing the use of the Capitol Grounds for the Ringling Bros., and Barnum & Bailey Circus anniversary commemoration; as follows:

On page 2, strike lines 9 through 13, and insert the following: ''performers, on the Capitol Grounds, on April 3, 1995, or on such other date as the Speaker of the House of Representatives and President pro tempore of the Senate may jointly designate.

SEC. 2. CONDITIONS.

No elephants shall be allowed on the Capitol Grounds for the purpose of this event.''.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. McCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding an oversight hearing on Wednesday, April 5, 1995, beginning at 9:30 a.m., in room 485 of the Russell Senate Office Building on providing direct funding through block grants to tribes to administer welfare and other social service programs.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON CONSUMER AFFAIRS, FOREIGN COMMERCE AND TOURISM

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs, Foreign Commerce and Tourism of the Committee on Commerce, Science, and Transportation be authorized to meet Monday, April 3, 1995, at 9:30 a.m. on S. 565, the Product Liability Fairness Act of 1995.

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

SUBCOMMITTEE ON TAXATION AND IRS OVERSIGHT

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Subcommittee on Taxation and IRS Oversight of the Finance Committee be permitted to meet Monday, April 3, 1995, beginning at 9:30 a.m. in room SD–215, to conduct a hearing on the research and experimentation [R&E] tax credit.

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

ADDITIONAL STATEMENTS

ANNOUNCEMENT OF POSITION ON CERTAIN VOTES

• Mr. FAIRCLOTH. Mr. President, on March 30, 1995, I was necessarily absent from rollcall votes. If I were present on that day, I would have voted as follows: ''Yea'' on rollcall vote No. 121 to lay on the table the amendment of the Senator from Washington [Mrs. MURRAY]; ''nay'' on rollcall vote No. 122 to lay on the table amendment No. 435 of the Senator from Nebraska [Mr. KERREY]; ''yea'' on rollcall vote No. 123 to lay on the table amendment No. 436 of the Senator from California [Mrs. BOXER]; ''yea'' on rollcall vote No. 124 on amendment No. 437 of the Senator from Alabama [Mr. SHELBY]; and ''yea'' on rollcall vote No. 125 to lay on the table amendment No. 438 of the Senator from Nevada [Mr. REID].•

HONG KONG

• Mr. THOMAS. Mr. President, the week before last I had the pleasure of cohosting a breakfast with Congressman GILMAN for Lu Ping. Mr. Lu is the head of the People's Republic of China's Office of Hong Kong and Macau Affairs, as well as a body known as the Preliminary Working Committee. In other words, he is the Chinese official in charge of overseeing the transition of Hong Kong from a dependent territory of the United Kingdom to a special administrative region under the jurisdiction of the People's Republic of China in the summer of 1997.

Mr. Lu and his group were, in effect, on a public relations tour of the United States to convince policymakers here—as well as an audience back home—that Hong Kong will continue to thrive as a bastion of capitalism after 1997. Mr. Lu did his job well. He spoke eloquently and reassuringly, painting a rosy picture for the colony's future without sounding phony or unrealistic. While I greatly appreciated the opportunity to meet with Mr. Lu and hear his views, I have a concern with his pronouncements which I would like to share with my colleagues.

Despite his polished presentation it seemed to me that his views diverged little, if at all, from the official party line. Certainly, this was not entirely unexpected. Members of the PRC bureaucracy are not often given to flights of independence of thought or opinion. While he certainly seemed genuine and straight-forward, I could not shake the feeling that his statements were simply a glossy version of what we have been hearing from Beijing on this topic for some time. He spoke at length about how Hong Kong's present status would be protected, but said nothing substantive about the mechanics of that protection. As a writer for the Nanhua Zaobao, South China Morning Post, so accurately put it:

> [D]espite having an excellent ambassador in the eloquent English-speaking Mr. Lu, and in spite of the articulate back-up of sharp minds like those of Rita Fan and Simon Lee, the fact remained that they had—to American earns at least—very little to say. The style was good, but the U.S. needs a lot more meat in its sandwiches.

Moreover, while painting a picture of a bright fairy-tale scene full of sunshine and singing birds, Mr. Lu neglected to peer at the troll under the bridge: The increasing threats made to the rule of law in Hong Kong. In 1984, the People's Republic of China and Great Britain finalized a document known as the Joint Declaration. The declaration set forth PRC guarantees for Hong Kong's continued autonomy after 1997, an elected local legislature, and the continuation of its common-law legal system. Unfortunately, since that time Beijing has acted in such a way so as to call its commitment to these basic principles into question. In 1990, the National People's Congress enacted what is known as the Basic Law, the statutes that will govern Hong Kong after 1997. In contravention of the Joint Declaration, it—inter alia—subordinates the colony's legislative council to an executive appointed by Beijing, and assigns a power of judicial interpretation not to the local courts but to the Standing Committee of the People's Congress. In 1993, a senior official of the PRC's judicial branch intimated that the People's Republic of China will replace Hong Kong's common-law system with one more closely resembling China's where the civil law is merely an extension of the party.

Finally, and most ominously in my opinion, the People's Republic of China has called into doubt its commitment to establish a Court of Final Appeal in Hong Kong. Presently, final judicial decisions are appealable to the Privy Council in London. Of course, that cannot continue to be the case after reversion, and one of the principle concerns of the residents of the colony is that, after 1997, local legal decisions continue to be appealable to a court with interests not inimicable to the common law and judicial independence from extralegal influences. Without a local final appeals court, they worry—rightly in my opinion—that the final arbiter of the law in Hong Kong will be a party cadre in Beijing. So, the Joint Declaration provided for the establishment of a Court of Final Appeal [CFR]. Since that time, however, there has

been increased wrangling between Beijing and London, and Hong Kong, over the form of the court; and, for a variety of reasons I will not expound upon here, the future of the CFR is much in question. While it is probably not fair to lay 100 percent of the blame for the imbroglio over the CFA on China, that country, I believe, bears a lion's share.

Mr. President, the continuation of the rule of law in Hong Kong after 1997 is synonymous with its ability to remain a thriving center of finance and democracy at the doorstep of the Communist behemoth to the north. The rule of law ensures that business can be conducted in a fair and secure way, that contracts are binding, and that there is a predictable and impartial means of settling disputes and appeals. Just what kind of problems the absence of the rule of law creates in China is easily illustrated. McDonald's had a contract with the Peoples Republic of China for a restaurant on Tiananmen Square. It operated there for several years, until the Chinese Government decided that it wanted to give the choice location to someone else. Consequently, despite contractual provisions to the contrary, the Chinese kicked McDonald's out of their location. Another company, Revpower, Ltd., entered into a contract with the Government-owned Shanghai Far-East Aero-Technology Import and Export Corp. After a dispute between the two was settled by arbitration, an arbitral award in the amount of $6.6 million was made against the Shanghai firm. Despite its contractual promise, however, the Chinese firm refused to abide by the results of the arbitration. Revpower subsequently sought the assistance of the Shanghai Intermediate People's Court in enforcing the award, but the court has failed to act or even acknowledge the existence of the suit. One can see why the absence of the rule of law would make businesses skittish.

Mr. President, I come to the floor today as the chairman of the Senate Subcommittee on East Asian and Pacific Affairs to let the people of Hong Kong—as well as the government in Beijing—know that the United States take great interest in the future of Hong Kong. We will be keenly watching to be sure that the parties live up to the letter and spirit of the Joint Declaration, especially any developments regarding the CFR and the rule of law. The People Republic of China should know that we will use how it treats Hong Kong as a strong indicator on how it will be expected to act in other areas such as the WTO or similar body, for example. If the PRC fails in the former, then I will be hard-pressed to support its accession to the latter. The world is watching, Mr. President; let us hope that we will like what we see.●

TRIBUTE TO CAROL FITZGERALD

● Mr. REID. Mr. President, I rise today to pay tribute to an outstanding member of the Nevada judicial system who is retiring today after 30 years of service. I rise to honor Carol C. Fitzgerald. Ms. Fitzgerald's career culminated in 1994, her final year of service, with the receipt of the prestigious Angie Award from the Federal Court Clerks' Association. The Angie Award honors those individuals who consistently display unrelenting commitment to improving the administration of justice, fearless pursuit of causes and goals regardless of their popularity, and unblemished integrity. Ms. Fitzgerald demonstrated all of those characteristics throughout her 30 years of service.

She joined the clerk's office in the District of Nevada on March 15, 1965, and was appointed clerk of the court on April 1, 1976 by the Honorable Roger D. Foley. Under Ms. Fitzgerald's capable leadership, the clerk's office grew from less than 10 employees to well over 50. The number of case filings for the district of Nevada has reached the third highest in the Nation.

Carol has consistently been active in Nevada's judicial community. She served 4 years as a member of the district clerk's liaison committee to the ninth circuit judicial conference, was a member of the gender bias subcommittee, and was chair of the liaison committee. She was a member of the ninth circuit automation and technology committee, the ninth circuit task force on court reporting, and the chair of the subcommittee on court reporter/recorder management. Ms. Fitzgerald was also president of the Federal Court Clerks' Association.

As a practicing trial attorney, I first hand witnessed the tireless efforts of Carol Fitzgerald to serve the interests of the public, the bar, and the judiciary. Her efforts culminated in a relationship of efficiency and trust by all three. As a member of the House of Representatives and the United States Senate, I also witnessed Carol's advocacy of the Federal court in the federal bureaucracy. Her endeavors on the court's behalf bore fruit in the outstanding link now found between the Nevada Federal judiciary and the Nevada congressional delegation.

So, as this fine woman moves from the court to another sphere of community involvement, I congratulate and applaud her good works and friendship.●

ABOLISH THE SOURCE TAX

● Mr. GORTON. Mr. President, today I speak in support of an important piece of legislation designated to eliminate an unfair practice affecting thousands of senior citizens in my home State of Washington. It is S. 44, introduced by my distinguished colleagues from Nevada, Senators REID and BRYAN, to abolish the so-called source tax.

As it stands today, retirees living anywhere in the country may find that their retirement pensions are taxed by a State in which they no longer reside. A State may tax a nonresident's pension simply because the person spent all, or part of, his or her working years in that State. This unjust tax is, in many cases, automatically deducted from the retiree's pension benefit every month.

Retirees are outraged because their taxes are going to pay for services of which they cannot take advantage. They are not able to partake in the senior services, medical services, transportation facilities, or public parks in States where they no longer reside. They do not vote in those States and cannot influence how their tax dollars are being spent. They are, however, forced to pay taxes to support these services so that others may benefit from them. The seniors in my State characterize this practice as taxation without representation. I agree.

The source tax is not only taxation without representation, but also a further drain on the already limited and fixed incomes of our senior citizens. Seniors, dependent upon fixed incomes to pay their bills and buy their groceries, are shocked when they learn that they may not have enough to get by because of the taxation policies of other States.

Many senior citizens have written to me about this burdensome practice. Seniors throughout the State of Washington have expressed their outrage and frustration at being taxed by other States. And, as I travel around the State listening to the concerns of the citizens, this issue is continually brought to my attention.

We need to correct this practice now. That is why I cosponsored S. 44, the Source Tax Elimination Act. I encourage my colleagues to help me pass this bill and restore tax fairness to our retirees.●

ANNOUNCEMENT OF POSITION ON CERTAIN VOTES

● Mr. BAUCUS. Mr. President, I regret being absent for several votes on Thursday, March 30, 1995. However, I felt an obligation to be home in order to take part in the Base Realignment and Closure Commission hearing and site tour of Malmstrom Air Force Base. These events will help determine Malmstrom's future: and I firmly believe that Malmstrom plays a crucial role in our national defense and the community of Great Falls, MT.

Yet I want to briefly express my support for two amendments, one offered by Senator KERREY of Nebraska and the other offered by Senator SHELBY, that would have curbed wasteful spending on Federal courthouses. This is a problem I helped bring to light last year during an investigation I conducted as chairman of the Environment and Public Works Committee. I am pleased that the Senate is now on record as saying we must get wasteful courthouse spending under control.●

CONGRATULATING JIM NICHOLSON AND PVS CHEMICALS, INC., ON 50TH ANNIVERSARY

• Mr. ABRAHAM. Mr. President, I rise to congratulate PVS Chemicals, based in Detroit, MI, on the occasion of its 50th anniversary. Jim Nicholson, president and chief executive officer of PVS, and son of founder Floyd A. ''Nick'' Nicholson, has a great deal of which he should be proud. Since he came to head PVS in 1979 Jim has diversified its products and services and expanded into the international marketplace while maintaining the company's commitment to safety, quality,environmental responsibility, customer service, and employee and community support.

Founded in 1945 in Detroit as Pressure Vessel Service, Inc., PVS has grown and expanded dramatically. Today it manufactures inorganic chemicals for industry, and also for municipal water treatment. With reported sales of $121.7 million in 1994, PVS also expedites recycling of selected chemical wastes and operates a licensed waste treatment facility in Detroit.

In addition to its commitment to the Responsible Care Program of the Chemical Manufacturers Association and to the Responsible Distribution Program of the National Association of Chemical Distributors, PVS maintains an active concern with improving the quality of life in the communities in which its plants are located. Each PVS location chooses a direction for its own community outreach activities. Educational support has been a major focus, including scholarships, intern opportunities, mentoring, tutoring, career day participation, equipment and materials donations, and significant contributions at the college level. Site adjacent cleanup activities also are a common PVS contribution to the community. River cleanups, trash pickup, and even adoption of park areas and vacant blocks characterize these efforts to spruce up PVS neighborhoods. And PVS plans to extend and integrate all of these activities to better help their communities.

PVS' public spirit clearly stems from the vision of its president and CEO, Jim Nicholson. Jim took over PVS in 1979 after serving a stint overseas with the First National Bank of Chicago and serving in PVS as a vice president and later treasurer. He is an active member of his community, having served as vice chairman for economic development for Mayor Archer's transition committee, on various boards of directors and on the Advisory Board of United Way for Southeastern Michigan, the Detroit Institute of Arts Founders Society Corporate Relations Committee, and the dean's board of advisors for the Wayne State University School of Business Administration. He also is actively involved with the Michigan Chapter of the Nature Conservancy and the United Negro College Fund and has served on committees for the American Heart Association, the American Lung Association, and several other charitable causes.

Mr. President, this Nation needs more companies like PVS, which take seriously their obligations to the communities in which they work and live. I congratulate PVS on 50 years of responsible, successful work, and wish them many more.•

TRIBUTE TO GEORGE D. DALTON

• Mr. KOHL. Mr. President, I rise before you today to pay tribute to the distinguished winner of the Wisconsin Business Leader of the Year Award for 1994. George D. Dalton, chairman and chief executive officer of Fiserv, Inc., has been selected to receive this prestigious award which is presented annually by the Harvard Business School Club of Wisconsin and the Milwaukee Journal Sentinel newspaper.

George, a cofounder of Fiserv, Inc., has played an integral role in making this company one of the largest data processing firms for financial institutions in the United States. Fiserv, Inc., now serves more than 5,000 financial institutions and has operations in 62 cities world wide. In the last decade, Fiserv, Inc., has grown from fewer than 300 employees with revenues of $24 million to 6,700 employees with year-end 1994 revenues of $563 million.

I am proud of the contributions George has made to Wisconsin and the Nation and am pleased to have their opportunity to congratulate him on winning this award.•

EXPORTATION OF ALASKAN NORTH SLOPE CRUDE OIL

• Mr. PACKWOOD. Mr. President, I would like to express my deep concern about S. 395, and other similar legislation which would permit the exportation of Alaskan North Slope crude oil. Lifting the ban would cause severe economic strain in Oregon and Washington, and could raise the Nation's gas prices as well as jeopardize national security.

In 1973, Congress passed legislation authorizing construction of the Trans-Alaska Pipeline System. As part of the agreement, we required that none of the Alaska North Slope crude be exported unless the President and Congress found that it was in the national interest to do so. In imposing this restriction, we made sure that no individual oil company would decide that their interest in profit was more important than the national interest to preserve our economy and our national security.

Congress is being asked, by the sponsors of S. 395, to lift the restriction. Mr. President, I understand the potential for significant economic benefits for both Alaska, and the oil industry, if this ban were lifted. The economics are simple to follow. Alaska receives money from oil produced in the State based upon the wellhead price. The wellhead price is figured at a price less transportation. Thus, the lower the transportation cost, the more money Alaska will receive. If the oil can be transported to Korea, as it can without the restriction, cheaper than it can be transported to the United States, exports will generate more revenue for Alaska.

My primary concern is that, while lifting the export restriction will enhance Alaska's oil-rich economy, this comes at the expense of thousands of lost American jobs and a weakened domestic tanker fleet, all with particular impact in my home State.

Passage of the 1973 export restriction on Alaskan North Slope oil ensured that U.S. repaired vessels would be carrying U.S. crude oil. In 1976, realizing the increase in the demand for large repair facilities, citizens of Portland invested $84 million in a shipyard expansion program to handle the repair needs for the Alaskan north Slope very large crude carriers. Today, 60 percent of Portland's current ship repair work comes from these tankers. The 1973 restriction reassured Portland that there was a market out there for shipbuilding repair, and Portlanders took a big risk in providing this market. Today, between 500 to 800 family wage jobs in Portland have been directly supported by the repair needs of these large crude oil tankers, on top of another 1,000 jobs that are indirectly connected to the port's tanker repair activities.

S. 395 does have a provision which makes it mandatory that any tanker used to export Alaskan oil would be U.S. owned and operated. And according to U.S. maritime law, any U.S. flagged vessel seeking repairs overseas would be assessed an ad valorem penalty of 50 percent of the repair cost. While this sounds as though U.S. ships would have a disincentive to seek overseas repairs, this simply will not happen. Not only are loopholes available where virtually any tanker can seek an exemption from the 50 percent assessment penalty, but because the U.S. ship repair industry is faced with strict labor laws, environmental compliance laws, minimum wage standards, and labor union demands, it is still more cost effective, even with the penalty, to seek repairs overseas in markets where no strict compliances exist. In addition, according to the new shipbuilding agreement being prepared by the Organization of Economic Cooperation and Development, we may even lose the right to assess an ad valorem 50 percent penalty. Nevertheless, with or without penalty, S. 395 serves to increase the incentive to repair ships in foreign yards by making it possible for ships to take revenue-producing cargoes of Alaskan North Slope oil to the Far East prior to undergoing repair. This incentive to seek repairs overseas will not only cause serious environmental risks, but will virtually destroy the ship repair industry in Portland, as well as the rest of the entire west coast. As many as 10,000 maritime and

shipyard jobs could be lost. Let me be crystal clear, there is no true disincentive to seek repairs in foreign ports by U.S. tankers. As a result, we will witness the demise of the U.S. tanker repair industry in Oregon.

Furthermore, lifting the restriction could increase our vulnerability to outside influence on U.S. foreign policy. Our Nation may become more exposed to foreign pressures, particularly from the volatile Middle Eastern nations. This poses a great danger to our ability to successfully maintain our independence in global politics.

Mr. President, in conclusion, there is no doubt that lifting this export restriction will hurt the American merchant fleet. It is going to hurt the ship repair yards on the west coast, it is going to raise the cost of crude oil to the United States, it is going to threaten our national security, and it is going to cost thousands and thousands of American jobs, particularly in Oregon. I do not find this to be in the national interest, and I am confident that my colleagues will concur.●

TRIBUTE TO KRISTEN AND SKIP AVANSINO

● Mr. REID. Mr. President, on Tuesday, April 11, Kristen and Raymond ''Skip'' Avansino will be honored by the American Jewish Committee's Institute of Human Relations for their efforts to protect the religious, political, and economic rights of all Americans.

It is with pleasure that I take this occasion to recognize and commend them for their many years of service to the people of Nevada and throughout the country.

Skip Avansino has had a long and remarkable career, and is a role model for all young people who wish to succeed in public and private life. After graduating from the University of Nevada, Reno, Skip earned a degree in law from the University of San Francisco and a masters of law in taxation from New York University.

He returned to the University of Nevada as an assistant professor of business, real estate, and accounting law. Following a 4-year term on the Nevada Gaming Commission, Skip entered private practice specializing in corporate tax and gaming law. In the mid-1980's, Skip's talents were recognized by the Hilton Hotel Corp. and he was appointed to the corporations board of directors.

In February 1993, he was elected president and chief operating officer of Hilton Hotels where he is responsible for overseeing one of the largest resort/casino operations in the world.

Kristen Avansino is equally talented. An accomplished dancer and choreographer, Kristen has served as professor of dance at the University of Nevada, Reno, and as an instructor for the Nevada Museum of Art. She earned a bachelor's and master's degree from Mills College and a lifetime teaching credential from the University of California.

Currently, she is on the board of trustees of the San Francisco Ballet, the Cate School, the Nevada Museum of Art, and she is the executive director of the Wiegand Foundation, a private charitable trust. Indeed, she has lent her talent and energy to many causes in philanthropy, higher education, and the arts.

Kristen and Skip Avansino have been good friends for many years. They have given unselfishly to civic and community causes and have always been willing to give help when help was needed.

I am glad to share with the rest of the country what we in Nevada have known for a long time, and to congratulate the Avansino's for a lifetime of dedication and concern for their fellow citizens.●

TRIBUTE TO NASHVILLE'S YOUTH HOBBY SHOP

● Mr. FRIST. Mr. President, I commend the work of two Nashvillians whose efforts to help inner-city children have often gone unrecognized—Glenn and Tara McLain. As directors for the Lindsley location of Nashville's Youth Hobby Shop, Glenn and Tara McLain have worked to provide a positive role model and change the lives of inner-city youth, one by one.

In an area where violence and poverty prevent children from achieving their dreams, the McLains have tutored more than 100 children each week in the Youth Hobby Shop and have worked to keep the kids off of drugs. In addition, they serve as counselors and friends for many of the children and teenagers who participate in the many activities at the Lindsley hobby shop location. As a result, many of these people involved in Youth Hobby Shop stay in school, enter college, or join the work force. Mr. President, this program is changing the lives of our young Americans, and in turn, is helping to change the direction of this country toward a more independent, self-sufficient, and productive society.

When it was founded more than 36 years ago, the Youth Hobby Shop used hobbies and crafts to help children in Nashville who could not help themselves—those who had no one to come home to after school or needed alternatives to the dangerous streets. As the needs of inner-city children have changed, so has the program. Now Youth Hobby Shop provides tutoring in a variety of subjects, as well as drug prevention programs, parenting classes, field trips, summer camps, and a first-rate basketball league to keep the children off the street and guide them toward productive futures.

A recent survey of residents living within a mile radius of both Youth Hobby Shop locations found that 79 percent of the households knew of the hobby shop's programs and spoke highly of them. The survey also suggested areas in which the program could expand, including adding job training and a neighborhood child care service.

Volunteerism is a key to the great success of this program. Most of the hobby shop's funding comes from donations from individuals, corporations, and churches—and Glenn and Tara McLain have not only won the support of children in the Lindsley Avenue neighborhood, but they have attracted the support of more than 75 university students and adults who volunteer regularly to help the kids improve their reading skills. At the beginning and end of each school year, the children's reading skills are tested to measure their progress.

Glenn and Tara McLain have dedicated their lives to helping inner-city children, and for that, Mr. President, I want to thank them. The success of their hard work and dedication is immeasurable and their impact on the city of Nashville is invaluable.●

BURUNDI: ON THE BRINK OF DISASTER

● Mr. FEINGOLD. Mr. President, the Central African nation of Burundi is once again on the brink of disaster. Exactly 1 year after the world witnessed a genocide in Rwanda, and 1½ years after ethnic violence between Hutus and Tutsis killed more than 100,000 people in Burundi, we are watching a similar catastrophe unfold before our eyes again. We must do what we can to try to deter another bloodbath.

After months of a tense calm in Burundi, political violence began escalating in the last several weeks as extremist Tutsi militia, with the complicity of the Tutsi-dominated military establishment, stepped up attacks against Hutus, and Hutu extremists prepared for military activity. The violence directly threatens the power-sharing agreement negotiated in September 1993, and disrupts what we all had hoped would be a transition to coexistence in Burundi.

In the last couple of weeks, Amnesty International reports that hundreds of people have been killed or disappeared in Burundi, and thousands of Hutus have fled their villages to seek refuge in Zaire and elsewhere. Some are being held hostage in their own villages, surrounded by hostile armed youths and cut off from outside contract. Rwandan refugees who sought refuge in Burundi last year are now beginning to flee to Zaire and Tanzania out of fear that similar terror will prevail in the refugee camps.

The latest round of violence comes on the heels of the assassination in early March of the Minister for Mines and Energy, Ernest Kabushemeye, a Hutu leader, and the discovery of the dismembered body of a retired Tutsi army officer, Lt. Col. Lucien Sakubo. A week later, 17 more, including 3 Belgians and a 4-year-old child, were killed in a highway ambush by Hutu extremists outside of Bujumbura. Last weekend, at least 200 people were killed

in the capital, according to Amnesty, and more than 100 people were found dead, lying along a rural road south of Bujumbura.

The situation in Burundi has so deteriorated that families of American and European diplomats are being urged to leave. After initially resisting such guidance, the dependents of the United States Ambassador to Burundi, Robert Krueger, also left this week.

The Prime Minister of Burundi, Antoine Nduwayo, has issued a plan of action designed to strengthen law and order in Burundi, and the majority leader of the Burundian Parliament, Bubugive, is traveling throughout Africa to coordinate regional efforts to help Burundi. We should be prepared to offer any support we can for these diplomatic initiatives.

Mr. President, the U.N. Special Representative, Ahmedou Ould Abdallah, has told the Associated Press that ''this country * * * is headed toward collision with disaster.'' And, in reaction to the violent sweeps of Hutu neighborhoods by Tutsi gangs last weekend, Burundi's President, Sylvestre Ntibantunganya, predicted, ''I really see a genocide, because those things were well prepared and carried out fairly systematically.''

Genocide is a loaded word, and I use it very carefully and sparingly. Given the past events, Burundi's current crisis could explode into a second genocide in Africa within a year.

President Clinton has taken a personal interest in Burundi, broadcasting a plea over Voice of America to the people of Burundi to ''say no to violence and extremism.'' National Security Adviser Tony Lake and Secretary of State Christopher have called for diplomatic intervention. Our Ambassador to Burundi has done a stellar job at communicating the dangers and involving himself where appropriate. I admire and thank him for his commitment.

As events were worsening this week, U.N. Secretary General Boutros Boutros-Ghali proposed that a U.N. peacekeeping force be earmarked for intervention so that if there is a need, troops can be promptly deployed.

Last week, the U.N. Security Council also issued a warning that those responsible for ethnic violence in Burundi could eventually be tried in international courts for crimes against humanity. I was encouraged by this since I, along with the Senator from Kansas, Senator KASSEBAUM, chair of the Africa subcommittee, and 10 of our colleagues sent a letter to our Ambassador to the United Nations, Ambassador Madeleine Albright, urging her to support the request made by the Government of Burundi to the U.N. Security Council to establish a judicial commission of experts. This commission would be essential to investigating those who have committed past human rights violations, and could serve as a deterrent for others. If extremists who perpetuate ethnic violence in Burundi go unpunished, further violence would only be encouraged.

Wednesday marks the anniversary of the beginning of the genocide in Rwanda. The Subcommittees on African Affairs of both the House and the Senate will hold a joint hearing on Central Africa. I urge my colleagues to pay attention to this hearing because we will hear testimony on the aftermath of last year's violence, and examine options to avert another catastrophe this year. I also expect we will discuss how American initiatives, such as the African Conflict Resolution Act, introduced by the distinguished Senator from Illinois and past chair of the subcommittee, Senator SIMON, can help avoid future tragedies.

Our national attention is properly turned to rescissions, constitutional amendments, and other pressing domestic matters now. But we would be remiss to ignore disaster elsewhere because it will come back to haunt us. We may be called upon to contribute money and supplies for humanitarian relief; or support U.N. troops deployed to quell the rampant, sickening violence; or deal with destabilization in Africa because of a massive refugee spillover; or we may face other unforseen long-term consequences, such as threats to our health, environment, food supplies, and who knows what, if we completely ignore Central Africa.

I urge my colleagues to join us in confronting the complicated problems in Central Africa, and to consider the price we may pay—not to mention the humanitarian disaster that may result—if we pretend Africa does not exist.●

TRIBUTE TO PAUL SAUCEDO

● Mr. BRYAN. Mr. President, I rise today to recognize one of Nevada's outstanding citizens, who, through a courageous act has given another person a chance to live. It is my privilege today to honor a man from Carson City, Paul Saucedo.

In 1989, Paul was diagnosed with Hepatitis C he believes was contracted from a blood transfusion. His condition began to deteriorate and soon, the disease had scarred his liver so badly he began to suffer from increased pain and mental confusion. In 1994, Paul was hospitalized a half-a-dozen times. Paul soon had to retire as an engineer at the Nevada Department of Transportation, because he was too tired during his illness to do much of anything. Last summer, he was given a 30 percent chance of survival. A liver transplant was needed to save Paul's life.

In August of last year, California Pacific Medical Center in San Francisco contacted Paul and informed him a liver was available. When both Paul and his wife learned of a baby girl in the hospital that also needed a liver, Paul decided to give it to the little girl. Even though doctors gave him little chance of surviving another year, Paul never expressed regret about passing the first donated liver to the little girl.

Another liver was finally available in early February and Paul underwent a successful 15 hour transplant surgery. Paul, is now at his home in Carson City doing well. Through his story, Paul has sparked interest in the donor program and blood drives in northern Nevada.

Paul could have chosen to take the first donated liver to save his own life. Instead, he chose to put a little girl's life ahead of his own. Paul's altruism serves as an inspiration to all of us. I wish him will in the future and commend him for his heroic act.●

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to public law 83–29, as amended by public law 98–459 and 102–375, reappoints Robert L. Goldman, of Oklahoma, to the Federal Council on the Aging.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, as amended by Public Law 99–7, appoints the following Senators to the Commission on Security and Cooperation in Europe: the Senator from Colorado [Mr. CAMPBELL], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Pennsylvania [Mr. SANTORUM], and the Senator from Michigan [Mr. ABRAHAM].

COMMENDING THE 125TH ANNIVERSARY OF ALLEN UNIVERSITY, AND FOR OTHER PURPOSES

Mr. THURMOND. Mr. President, on behalf of the leader of the Senate, I ask unanimous consent that the Senate now turn to the consideration of Senate Resolution 99, relative to the Allen University in Columbia, SC; that it be agreed to; and that the motion to reconsider be laid upon the table.

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

Mr. THURMOND. Mr. President, I am pleased to submit today a resolution commending Allen University in Columbia, SC, which is in the midst of a year-long celebration of its 125th anniversary.

In 1870, Bishop John Mifflin Brown and the people of the Columbia Conference of the African Methodist Episcopal Church established a school for the education of newly-freed slaves in Cokesbury, SC, naming the school for the predecessor to Bishop Brown, Bishop Daniel Alexander Payne. The school was later relocated to Columbia, SC and in 1880, it was renamed for Bishop Richard Allen, the founder of the African Methodist Episcopal Church.

Allen University has a long tradition of producing clergy and lay leadership for the African Methodist Episcopal Church, as well as scholars, attorneys, physicians, teachers, business and governmental leaders, and other professionals who have risen to prominent positions in our society.

I hope my colleagues will join me in commending Allen University and extending our best wishes to the university under the leadership of Bishop John Hurst Adams and President David T. Shannon.

So the resolution (S. Res. 99) was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 99

Whereas Allen University in Columbia, South Carolina, is in the midst of a year-long celebration of the 125th anniversary of the University;

Whereas Allen University has produced local and national leaders who have served communities and the United States in an exemplary way;

Whereas the late Bishop John Mifflin Brown and the people of the Columbia Conference of the African Methodist Episcopal Church had the vision to establish a school for the education of newly freed slaves in 1870 in Cokesbury, South Carolina, naming the school for the predecessor to Bishop Brown, Bishop Daniel Alexander Payne, and appointing Professor J.W. Morris as president;

Whereas Bishop William F. Dickerson led a successful effort to relocate the school to Columbia, South Carolina, and rename the school in 1880 for Bishop Richard Allen, the founder of the African Methodist Episcopal Church, while the Reverend James C. Waters assumed the presidency;

Whereas the University has a long tradition of producing clergy and lay leadership for the African Methodist Episcopal Church;

Whereas the University has produced numerous scholars, attorneys, physicians, teachers, and business and governmental leaders, and other professionals who have risen to positions of notoriety in the African-American community as a whole;

Whereas Doctor Margaret Dixon is an exemplary Allen University Alumnae who has recently been elected as president of American Association of Retired People;

Whereas the University has endured all the difficulties familiar to historically black colleges and universities;

Whereas the University, with an historic campus, is an accredited member institution of the Southern Association of Colleges and Schools;

Whereas the University, under the present leadership of Bishop John Hurst Adams and President David T. Shannon, is equipped to serve non-traditional students and others who would otherwise not have the opportunity for a college education, as well as remaining faithful to the traditional goals of the University of clergy and leadership education; and

Whereas the University still strives to live up to the motto of the University, which is ''Heads to Think, Hands to Work, and Hearts to Love'': Now, therefore, be it

Resolved, That Congress—

(1) commends Allen University for 125 years of progress, commitment, and dedication in the shaping of productive lives; and

(2) extends best wishes to Allen University and hopes for the University will have a productive future that continues the accomplishments of the past.

EXECUTIVE CALENDAR

Mr. THURMOND. Mr. President, on behalf of the leader, in executive session, I ask unanimous consent that the Senate immediately proceed to the consideration of the following nominations on the Executive Calendar, en bloc: Calendar Nos. 52–62 and 64–66, and all nominations placed on the Secretary's desk.

Further, that the nominations be confirmed, en bloc; that the motions to reconsider be laid upon the table, en bloc; and that any statements relating to the nominations appear at the appropriate place in the RECORD; that the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

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

The nominations were considered and confirmed, en bloc, as follows:

AIR FORCE

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions to title 10, United States Code, section 1370:

To be general

Gen. Ronald W. Yates, 000–00–0000, U.S. Air Force.

The following-named officer for reappointment to the grade of general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be general

Gen. Henry Viccellio, Jr., 000–00–0000, U.S. Air Force.

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Billy J. Boles, 000–00–0000, U.S. Air Force.

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601.

To be lieutenant general

Lt. Gen. Eugene E. Habiger, 000–00–0000, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Lawrence P. Farrell, Jr., 000–00–0000, U.S. Air Force.

The following-officers for appointment in the Reserve of the Air Force, to the grade indicated, under the provisions of Sections 593, 8373, and 8374, and 12004, title 10, United States Code:

To be major general

Brig. Gen. Louis A. Crigler, 000–00–0000, Air Force Reserve.

Brig. Gen. Terrance L. Dake, 000–00–0000, Air Force Reserve.

Brig. Gen. Robert A. Nester, 000–00–0000, Air Force Reserve.

Brig. Gen. Reese R. Nielsen, 000–00–0000, Air Force Reserve.

Brig. Gen. Ralph H. Oates, 000–00–0000, Air Force Reserve.

To be brigadier general

Col. Louis C. Ferraro, Jr., 000–00–0000, Air Force Reserve.

Col. Clayton T. Gadd, 000–00–0000, Air Force Reserve.

Col. Walter T. Hatcher III, 000–00–0000, Air Force Reserve.

Col. Robert A. Krell, 000–00–0000, Air Force Reserve.

Col. Sharon K. Mailey, 000–00–0000, Air Force Reserve.

Col. James L. Martin, 000–00–0000, Air Force Reserve.

Col. Wayne L. Pritz, 000–00–0000, Air Force Reserve.

Col. Edward F. Rodriquez, Jr., 000–00–0000, Air Force Reserve.

Col. Dennis W. Schulstad, 000–00–0000, Air Force Reserve.

Col. Lawrence F. Sheehan, 000–00–0000, Air Force Reserve.

Col. Larry L. Twitchell, 000–00–0000, Air Force Reserve.

Col. Ernest R. Webster, 000–00–0000, Air Force Reserve.

Col. Geoffrey P. Wiedeman, Jr., 000–00–0000, Air Force Reserve.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. James A. Fain, Jr., 000–00–0000, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general of the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. John M. Nowak, 000–00–0000, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. George T. Babbitt, Jr., 000–00–0000, U.S. Air Force.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Glynn C. Mallory, Jr., 000–00–0000, U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Daniel R. Schroeder, 000–00–0000, U.S. Army.

NAVY

The following-named officer for appointment to the grade of Admiral while assigned to a position of importance and responsibility under title 10, United States Code, sections 601 and 5035:

VICE CHIEF OF NAVAL OPERATIONS

To be admiral

Vice Adm. Joseph W. Prueher, 000–00–0000, U.S. Navy.

The following-named officer for appointment to the grade of Vice Admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Donald L. Pilling, 000–00–0000, U.S. Navy.

MARINE CORPS

The following-named colonel of the U.S. Marine Corps Reserve for promotion to the grade of brigadier general, under the provisions of section 5912 of title 10, United States Code:

To be brigadier general

Col. Stephen M. Engelhardt, 000–00–0000.

The following-named colonels of the U.S. Marine Corps for promotion to the permanent grade of brigadier general, under the provisions of section 624 of title 10, United States Code:

To be brigadier general

Col. Charles F. Bolden, Jr., 000–00–0000.
Col. James M. Hayes, 000–00–0000.
Col. Randall L. West, 000–00–0000.
Col. Michael W. Hagee, 000–00–0000.
Col. Wallace C. Gregson, Jr., 000–00–0000.
Col. Garry L. Parks, 000–00–0000.
Col. Martin R. Berndt, 000–00–0000.
Col. Dennis T. Krupp, 000–00–0000.
Col. Michael A. Hough, 000–00–0000.
Col. Henry P. Osman, 000–00–0000.
Col. Paul M. Lee, Jr., 000–00–0000.
Col. Edward R. Langston, Jr., 000–00–0000.
Col. Jerry D. Humble, 000–00–0000.
Col. Jan C. Huly, 000–00–0000.

IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Harold L. Kennedy, and ending Douglas D. Taylor, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 3, 1995.

Air Force nominations beginning Thomas A. Work, and ending Quay C. Snyder, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Air Force nominations beginning Maj. Lawrence R. Dowling, 000–00–0000, and ending Maj. Ellen N. Thomas, 000–00–0000, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Air Force nominations beginning Maj. Michael M. Adkinson, 000–00–0000, and ending Maj. Sheldon R. Omi, 000–00–0000, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Air Force nominations beginning Norman W. Anderson, and ending Darin L. Williams, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Air Force nominations beginning James M. Corrigan, and ending John A. Stahl, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Air Force nominations beginning Saket K. Ambasht, and ending Randall C. Zernzach, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 16, 1995.

Air Force nominations beginning Carl M. Alley, and ending Roberta L. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1995.

Air Force nominations beginning Roberta L. Fierro, and ending Stephen D. Hess, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 8, 1995.

Army nominations beginning Orin R. Hilmo, Jr., and ending Stephen C. Wallace, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 3, 1995.

Army nominations beginning Richard G. Austin, and ending William D. Mcgowin, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Army nominations beginning Gary D. Bray, and ending William T. Sherer III which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Army nominations beginning Ben W. Adams, Jr., and ending Richard D. Ligon, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 16, 1995.

Army nomination of Milton D. Hughes, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of February 22, 1995.

Army nominations beginning Peter P. Baljet, and ending Stephen A. Greene, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 27, 1995.

Army nominations beginning Jack N. Anderson, and ending Karl K. Willoughby, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 27, 1995.

Army nominations beginning Duane B. Anderson, and ending James J. Welch, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 27, 1995.

Army nominations beginning Arthur D. Bacon, and ending Jon M. Wright, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 27, 1995.

Army nominations beginning Andre E. Adams, and ending William Zekas, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 27, 1995.

Army nomination of David C. Chuber, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of March 6, 1995.

Army nominations beginning Joseph L. Walden, and ending Richard A. Logan, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 14, 1995.

Army nominations beginning Douglas M. Anderson, and ending Steven Wonderlich, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 14, 1995.

Marine Corps nomination of Maj. Lawrence J. Kovalchik, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of February 3, 1995.

Marine Corps nominations beginning Brandon D. Brown, and ending Steven M. Wolf, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Marine Corps nominations beginning Capt. Donovan E.V. Bryan, and ending Capt. Christopher J. Wagner, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 16, 1995.

Marine Corps nominations beginning Jonathan M. Aadland, and ending Walter Yates, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 16, 1995.

Navy nomination of Sergey M. Scollan, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 6, 1995.

Navy nominations beginning Kerby E. Rich, and ending Lawrence W. Wiggins, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Navy nominations beginning Eric R. Victory, and ending Robert L. Stewart, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 8, 1995.

Navy nominations beginning Amy L. Digiovanni, and ending Mark S. Spitzer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 8, 1995.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR TUESDAY, APRIL 4, 1995

Mr. THURMOND. Mr. President, on behalf of the Senate leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Tuesday, April 4, 1995; that following the prayer, the Journal of proceedings be deemed approved to date, that the time for the two leaders be reserved for their use later in the day, and that there then be a period for the transaction of routine morning business not to extend beyond the hour of 10:30 with Senators permitted to speak therein for up to 5 minutes each, with the exception of the following: Senator THOMAS for up to 30 minutes; Senator DASCHLE or his designee for up to 30 minutes.

I further ask unanimous consent that at the hour of 10:30, the Senate resume consideration of H.R. 1158, the supplemental appropriations bill; and that the Senate stand in recess from the hours of 12:30 p.m. until 2:15 p.m. for the weekly party luncheons to meet.

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

PROGRAM

Mr. THURMOND. Mr. President, on behalf of the leader, under the previous order, the Senate will resume consideration of the supplemental appropriations tomorrow morning at 10:30. Therefore, rollcall votes are expected throughout the day on Tuesday.

Members are also reminded to be in the Chamber at 2:15 p.m. tomorrow for the official photograph of the 104th Congress.

ORDER OF PROCEDURE

Mr. THURMOND. Mr. President, I ask unanimous consent that following the remarks by the Senator from South Dakota, the Senate stand in recess.

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

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

TELECOMMUNICATIONS BILL

Mr. PRESSLER. Mr. President, I would like to report to the Senate on

the status of the telecommunications bill. On March 23, the Commerce Committee voted overwhelmingly in favor of the Telecommunications Competition and Deregulation Act of 1995.

It is my strongest hope now that we can get this bill up for action on the floor this week, before the recess. The danger in delay is that it could be picked apart by the various interest groups.

This bill would be a roadmap for investment for the next 15 years, until the wireless age. There will be an explosion of investment if we pass it. The benefits to consumers will be tremendous.

I wish to urge Members of the Senate and the various interests and consumer groups that are lobbying and working on this bill to remember that if we give one group a special consideration, then we have to give it to others.

It seems that everybody wants to have a bill. CEO's all say they want a bill; the administration wants a bill. But we will not have a bill unless we have some cooperation and everyone working together. That has been my message.

So I do hope we get the telecommunications bill up this week. If not, we will pass it later—but it is far better to act sooner than later. I would implore the various interests in this country which are following this bill to work together. This is the sort of bill that is not on every American citizen's mind every day, but I think it is the most important bill for our country's economy in the Congress today. It is up to those of us in the Senate and the House and the White House to work together cooperatively. I look forward to doing that.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. PRESSLER. Mr. President, I now move that the Senate stand in recess under the previous order.

The motion was agreed to, and the Senate, at 7:33 p.m., recessed until Tuesday, April 4, 1995, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 3, 1995:

MARINE MAMMAL COMMISSION

VERA ALEXANDER, OF ALASKA, TO BE A MEMBER OF THE MARINE MAMMAL COMMISSION FOR A TERM EXPIRING MAY 13, 1997, VICE JACK WARREN LENTFER, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE, PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 12203 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE.

LINE OF THE AIR FORCE

To be lieutenant colonel

BRADLEY C. ANDREESEN, 000–00–0000
JOHN M. CAVENDISH, 000–00–0000
ROBERT B. DEEBEL, 000–00–0000
PETER L. FARIS, 000–00–0000
CHRIS R. GLAESER, 000–00–0000
MARK H. HULSEY, 000–00–0000
THOMAS F. KEATING, 000–00–0000
JOHN T. MC DERMOTT, 000–00–0000
TIMOTHY C. MORRIS, 000–00–0000
JOE A. ROSE, JR., 000–00–0000
CHARLES R. SENCINDIVER, 000–00–0000
DONALD B. SIMS, 000–00–0000
JERRY D. STEVENS, 000–00–0000
JOHN R. TUTTLE, 000–00–0000
SMILEY J. VEAL, 000–00–0000
GEORGE A. WASKOSKY, 000–00–0000

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

DEAN A. ARNOLD, 000–00–0000

CHAPLAIN CORPS

To be lieutenant colonel

MICHAEL J. SHEA, 000–00–0000

MEDICAL SERVICE CORPS

To be lieutenant colonel

JAMES R. BURKHART, 000–00–0000

BIOMEDICAL SCIENCE CORPS

To be lieutenant colonel

OSVALDO COLLAZO, 000–00–0000

MEDICAL CORPS

To be lieutenant colonel

CHARLES E. LOWREY, 000–00–0000

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 12203 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE.

LINE OF THE AIR FORCE

To be lieutenant colonel

JOSE T. AGUINEGA, 000–00–0000
KENNETH E. BERGGREN, 000–00–0000
MICHAEL R. BOULANGER, 000–00–0000
JAMES A. CAPORINI, 000–00–0000
SCOTT L. DONALDSON, 000–00–0000
RUSSELL G. ERLER, 000–00–0000
GEHL L. HAMMOND, 000–00–0000
CRAIG E. HARRIMAN, 000–00–0000
WILLIAM L. LEVAY, 000–00–0000
FRANK SARCONE, 000–00–0000
CRAIG E. WALLACE, 000–00–0000

JUDGE ADVOCATE GENERALS DEPARTMENT

To be lieutenant colonel

KEVIN FINNIGAN, 000–00–0000
VICTORIA A. REARDON, 000–00–0000

CHAPLAIN CORPS

To be lieutenant colonel

THOMAS E. KINNEY, 000–00–0000
DAVID L. VAIL, 000–00–0000

MEDICAL SERVICES CORPS

To be lieutenant colonel

JAMES B. HINSON, 000–00–0000

BIOMEDICAL SERVICES CORPS

To be lieutenant colonel

BAXTER D. BURTON, 000–00–0000
ERNEST D. GREEN, 000–00–0000

MEDICAL CORPS

To be lieutenant colonel

ROBERT J. LYNCH, 000–00–0000
PAUL E. RECKARD, 000–00–0000
JOHN G. SOTOS, 000–00–0000

NURSE CORPS

To be lieutenant colonel

STEPHEN L. JERENTOWSKI, 000–00–0000

IN THE MARINE CORPS

THE FOLLOWING-NAMED LIEUTENANT COLONELS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE GRADE OF COLONEL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be colonel

ALAURIA, ANTHONY T., 000–00–0000
ALLEN, PAUL C., 000–00–0000
BAIN, WILLIAM F., 000–00–0000
BAMFORD II, RENO C., 000–00–0000
BARNHOUSE, THOMAS N., 000–00–0000
BARTH, WILLIAM M., 000–00–0000
BEAULIEU, RAYMOND, 000–00–0000
BERUBE, RONALD A., 000–00–0000
BLACKLEDGE, MATTHEW W., 000–00–0000
BROOKS, MICHAEL A., 000–00–0000
BUDKA, ANDREW J., 000–00–0000
CARR, EDGAR B., 000–00–0000
CATTO, WILLIAM D., 000–00–0000
CLAUER, JOHN A., 000–00–0000
CLIFTON, DAVID R., 000–00–0000
CONWAY, TIMOTHY C., 000–00–0000
CROOKSTON, JOSEPH A., 000–00–0000
CUSHING JR., JOHN P., 000–00–0000
DAVIS, JACK G., 000–00–0000
DOMARASKY III, ANDREW M., 000–00–0000
DULIN, PATRICK J., 000–00–0000
EINSIDLER, MICHAEL A., 000–00–0000
FARMER, LEE H., 000–00–0000
FARMER, ROGER T., 000–00–0000
FORTE, ROBERT T., 000–00–0000
GARRETT, WILLIAM B., 000–00–0000
GISOLO, GARY G., 000–00–0000
GRAHAM JR., JOHN W., 000–00–0000
HALTON, PATRICK K., 000–00–0000
HAMILTON, RICHARD D., 000–00–0000
HARLIN JR., DONALD V., 000–00–0000
HELLAND, SAMUEL T., 000–00–0000
HENDRICKSON, LEIF H., 000–00–0000
HOFFER, NICHOLAS J., 000–00–0000
HOGAN, JOHN J., 000–00–0000
JEPSEN, NORMAN W., 000–00–0000
JOHN, DAVID L., 000–00–0000
JONES, JOSEPH B., 000–00–0000
KARLE, JR., ALFRED J., 000–00–0000
KIFFER, DAVID L., 000–00–0000
KRAMLICH, RICHARD S., 000–00–0000
KRUMM, FRED A., 000–00–0000
LARSEN, LEIF R., 000–00–0000
LARSEN, TIMOTHY R., 000–00–0000
LARSON, LAWRENCE L., 000–00–0000
LEAVIS, JAMES M., 000–00–0000
LEMOINE, JOHN A., 000–00–0000
LENNOX, DYER T., 000–00–0000
LONG, DENNIS E., 000–00–0000
MAISEL, GREGORY N., 000–00–0000
MARTIN JR., JOSEPH, 000–00–0000
MCDANIEL, DANNY J., 000–00–0000
MULLIN, PATRICK J., 000–00–0000
NANGLE, ORVAL E., 000–00–0000
PATTON, TOMMY L., 000–00–0000
PELLICONE, JOHN J., 000–00–0000
PERRY, MICHAEL T., 000–00–0000
QUINLAN, MICHAEL J., 000–00–0000
RICHARDSON, DONALD A., 000–00–0000
ROAN, RICHARD W., 000–00–0000
ROWLAND, ROBERT O., 000–00–0000
SCHLAICH, NORMAN G., 000–00–0000
SCHLEINING JR., JAMES E., 000–00–0000
SCOVEL III, CALVIN L., 000–00–0000
STEWART, FRANK M., 000–00–0000
STEWART, JOE R., 000–00–0000
THOMAS, JOHNNY R., 000–00–0000
TIMOTHY, EUGENE R., 000–00–0000
TRACY, PHILIP D., 000–00–0000
TRIPLETT, MITCHEL T., 000–00–0000
WHITE III, THOMAS B., 000–00–0000
WILLIAMS, THOMAS J., 000–00–0000
WOODSON, THOMAS S., 000–00–0000

CONFIRMATIONS

Executive nominations confirmed by the Senate April 3, 1995:

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. RONALD W. YATES, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

GEN. HENRY VICCELLIO, JR., 000–00–0000.

THE FOLLOWING-NAMED OFFICERS FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. BILLY J. BOLES, 000–00–0000.
LT. GEN. EUGENE E. HABIGER, 000–00–0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. LAWRENCE P. FARRELL, JR., 000–00–0000.

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTIONS 593, 8373, 8374, AND 12004, TITLE 10, UNITED STATES CODE:

AIR FORCE RESERVE

To be major general

BRIG. GEN. LOUIS A. CRIGLER, 000–00–0000.
BRIG. GEN. TERRENCE L. DAKE, 000–00–0000.
BRIG. GEN. ROBERT A. NESTER, 000–00–0000.
BRIG. GEN. REESE R. NIELSEN, 000–00–0000.

BRIG. GEN. RALPH H. OATES, 000–00–0000.

AIR FORCE RESERVE

To be brigadier general

COL. LOUIS C. FERRARO, JR., 000–00–0000.
COL. CLAYTON T. GADD, 000–00–0000.
COL. WALTER T. HATCHER III, 000–00–0000.
COL. ROBERT A. KRELL, 000–00–0000.
COL. SHARON K. MAILEY, 000–00–0000.
COL. JAMES L. MARTIN, 000–00–0000.
COL. WAYNE L. PRITZ, 000–00–0000.
COL. EDWARD F. RODRIQUEZ, JR., 000–00–0000.
COL. DENNIS W. SCHULSTAD, 000–00–0000.
COL. LAWRENCE F. SHEEHAN, 000–00–0000.
COL. LARRY L. TWITCHELL, 000–00–0000.
COL. ERNEST R. WEBSTER, 000–00–0000.
COL. GEOFFREY P. WIEDEMAN, JR., 000–00–0000.

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JAMES A. FAIN, JR., 000–00–0000.
LT. GEN. JOHN M. NOWAK, 000–00–0000.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. GEORGE T. BABBITT, JR., 000–00–0000.

AIR FORCE NOMINATIONS BEGINNING HAROLD L. KENNEDY, AND ENDING DOUGLAS D. TAYLOR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 3, 1995.

AIR FORCE NOMINATIONS BEGINNING THOMAS A. WORK, AND ENDING QUAY C. SNYDER, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

AIR FORCE NOMINATIONS BEGINNING MAJ. LAWRENCE R. DOWLING, 000–00–0000 AND ENDING MAJ. ELLEN N. THOMAS, 000–00–0000, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

AIR FORCE NOMINATIONS BEGINNING MAJ. MICHAEL M. ADKINSON, 000–00–0000, AND ENDING MAJ. SHELDON R. OMI, 000–00–0000, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

AIR FORCE NOMINATIONS BEGINNING NORMAN W. ANDERSON, AND ENDING DARIN L. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

AIR FORCE NOMINATIONS BEGINNING JAMES M. CORRIGAN, AND ENDING JOHN A. STAHL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

AIR FORCE NOMINATIONS BEGINNING SAKET K. AMBASHT, AND ENDING RANDALL C. ZERNZACH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 16, 1995.

AIR FORCE NOMINATIONS BEGINNING CARL M. ALLEY, AND ENDING ROBERTA L. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 6, 1995.

AIR FORCE NOMINATIONS BEGINNING ROBERTA L. FIERRO, AND ENDING STEPHEN D. HESS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 8, 1995.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. GLYNN C. MALLORY, JR., 000–00–0000
LT. GEN. DANIEL R. SCHROEDER, 000–00–0000

ARMY NOMINATIONS BEGINNING ORIN R. HILMO, JR., AND ENDING STEPHEN C. WALLACE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 3, 1995.

ARMY NOMINATIONS BEGINNING RICHARD G. AUSTIN, AND ENDING WILLIAM D. MCGOWIN, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

ARMY NOMINATIONS BEGINNING GARY D. BRAY, AND ENDING WILLIAM T. SHERER III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

ARMY NOMINATIONS BEGINNING BEN W. ADAMS, JR., AND ENDING RICHARD D. LIGON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 16, 1995.

ARMY NOMINATION OF MILTON D. HUGHES, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 22, 1995.

ARMY NOMINATIONS BEGINNING PETER P. BALJET, AND ENDING STEPHEN A. GREENE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 27, 1995.

ARMY NOMINATIONS BEGINNING JACK N. ANDERSON, AND ENDING KARL K. WILLOUGHBY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 27, 1995.

ARMY NOMINATIONS BEGINNING DUANE B. ANDERSON, AND ENDING JAMES J. WELCH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 27, 1995.

ARMY NOMINATIONS BEGINNING ARTHUR D. BACON, AND ENDING JON M. WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 27, 1995.

ARMY NOMINATIONS BEGINNING ANDREW E. ADAMS, AND ENDING WILLIAM ZEKAS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 27, 1995.

ARMY NOMINATION OF DAVID C. CHUBER, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 6, 1995.

ARMY NOMINATIONS BEGINNING JOSEPH L. WALDEN, AND ENDING RICHARD A. LOGAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 14, 1995.

ARMY NOMINATIONS BEGINNING DOUGLAS M. ANDERSON, AND ENDING STEVEN WONDERLICH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 14, 1995.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. DONALD L. PHILLING, 000–00–0000

NAVY NOMINATION OF SERGEY M. SCOLLAN, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JANUARY 6, 1995.

NAVY NOMINATIONS BEGINNING KERBY E. RICH, AND ENDING LAWRENCE W. WIGGINS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

NAVY NOMINATIONS BEGINNING ERIC R. VICTORY, AND ENDING ROBERT L. STEWART, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 8, 1995.

NAVY NOMINATIONS BEGINNING AMY L. DIGIOVANNI, AND ENDING MARK S. SPITZER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 8, 1995.

IN THE MARINE CORPS

THE FOLLOWING-NAMED COLONEL OF THE U.S. MARINE CORPS RESERVE FOR PROMOTION TO THE GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 5912 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. STEPHEN M. ENGELHARDT, 000–00–0000

THE FOLLOWING-NAMED COLONELS OF THE U.S. MARINE CORPS FOR PROMOTION TO THE PERMANENT GRADE OF BRIGADIER GENERAL, UNDER THE PROVISIONS OF SECTION 624 OF TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. CHARLES F. BOLDEN, JR., 000–00–0000
COL. JAMES M. HAYES, 000–00–0000
COL. RANDALL L. WEST, 000–00–0000
COL. MICHAEL W. HAGEE, 000–00–0000
COL. WALLACE C. GREGSON, JR., 000–00–0000
COL. GARRY L. PARKS, 000–00–0000
COL. MARTIN R. BERNDT, 000–00–0000
COL. DENNIS T. KRUPP, 000–00–0000
COL. MICHAEL A. HOUGH, 000–00–0000
COL. HENRY P. OSMAN, 000–00–0000
COL. PAUL M. LEE, JR., 000–00–0000
COL. EDWARD R. LANGSTON, JR., 000–00–0000
COL. JERRY D. HUMBLE, 000–00–0000
COL. JAN C. HULY, 000–00–0000

MARINE CORPS NOMINATION OF MAJ. LAWRENCE J. KOVALCHIK, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 3, 1995.

MARINE CORPS NOMINATIONS BEGINNING BRANDON D. BROWN, AND ENDING STEVEN M. WOLF, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD FEBRUARY 8, 1995.

MARINE CORPS NOMINATIONS BEGINNING CAPT. DONOVAN E.V. BRYAN, AND ENDING CAPT. CHRISTOPHER J. WAGNER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD FEBRUARY 16, 1995.

MARINE CORPS NOMINATIONS BEGINNING JONATHAN M AADLAND, AND ENDING WALTER YATES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 16, 1995.

EXTENSIONS OF REMARKS

UPPER DARBY SCHOOL DISTRICT FEEDS EVERY CHILD WITHOUT FEDERAL DOLLARS

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. WELDON of Pennsylvania. Mr. Speaker, during the debate occurring on March 24, 1995, on the Personal Responsibility Act, one of my colleagues across the aisle made serious misstatements about a school district in my district. I want to set the record straight.

Reference was made by my colleague to this school district opting out of the Federal School Lunch Program. It was implied that this school district deals with its poorer children who need a lunch by feeding them scraps and leftovers.

Mr. Speaker, this is simply not true. The district my colleague referred to is the Upper Darby School District, which I represent. The Upper Darby district opted out of the Federal School Lunch Program 13 years ago. The district's decision was made then, as it is made now, on a careful review of the district's demographics and a review of what is best for the community.

Before opting out, Upper Darby was losing $60 to $80 thousand a year by participating in the Federal Lunch Program. Federal rules required extra people for food preparation and monitoring. Food sent to the schools as part of the program was not popular. Kids were paying 20 cents for a meal that cost a dollar to prepare, taking a couple of bits, and dumping most of the food. So the Upper Darby district opted out.

No child goes hungry and no child is fed scraps. The district's goal is to have a self-sufficient food service program that serves nutritious meals. And that is what Upper Darby has.

The district has contracted with a private food service management company to run its program. The district's menus meet the nutritional guidelines set by the Federal Government. The menus encourage healthy eating by offering a variety of foods, including salads, yogurt, poultry, and other healthful choices. The kids have a choice about what to eat and as a result much less food is wasted.

Upper Darby has never had a problem with kids not getting a meal at school. Current program participation in Upper Darby elementary schools ranges from 56 to 70 percent. The contractor works with individual schools to assist needy children.

No child goes hungry. No child eats scraps in the Upper Darby schools. The program serves nutritious meals that kids will actually eat, saves money, and meets the needs of the community.

Those are the facts, Mr. Speaker.

UNIVERSITY OF COLORADO RESEARCHERS TO BE COMMENDED FOR IMPORTANT STUDY ON MAMMOGRAMS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mrs. SCHROEDER. Mr. Speaker, less than a decade ago a Government task force and the Congressional Caucus for Women's Issues sounded the alarm about the lack of research on women's health. Since then, there have been many positive advances, among them more extensive research into breast cancer, the leading cause of death for women aged 40 to 44 and the leading cause of cancer death for women aged 15 to 54. Mammography is still one of the few tools we have for detection of breast cancer. For women over age 50, the value of mammography is uncontested. But there has been ongoing controversy about its effectiveness for women in their forties. We are closer to resolving that controversy because of the work of two University of Colorado researchers and their colleagues. Their study, the ''Benefits of Mammography Screening in Women Ages 40 to 49 Years,'' appears in the April 1 issue of the American Cancer Society's journal, Cancer. It shows that regular mammography for these women can significantly reduce deaths from breast cancer. It is with the help of good research such as this that we will be able to offer women more definitive guidance about a disease that is expected to kill 46,000 of them in this country this year and afflict another 182,000. I submit a March 21 Denver Post article telling about this important study.

[From the Denver Post, Mar. 21, 1995]

STUDY BACKS MAMMOGRAMS AT 40

(By Ann Schrader)

Regular mammography in women 40 to 49 years old can significantly reduce deaths from breast cancer, according to a study by two University of Colorado researchers and their colleagues.

The report in the April 1 issue of the American Cancer Society journal Cancer comes as debate continues over the benefits of routine screening.

''I would hope that the results are that women and their physicians would choose mammography screening starting at age 40 in most cases,'' said Ed Hendrick, chief of radiological services at the CU Health Sciences Center. ''I don't think we'll see an impact on the National Cancer Institute's guidelines until there is more data in,'' he added.

Several European and Scandinavian countries are conducting mammography studies.

In 1989, the American Cancer Society, National Cancer Institute and 11 other organizations agreed on mammography guidelines that called for regular screenings every one to two years for women who are 40 to 49 years old and have no symptoms.

But three years later, the guideline consensus crumbled with publication of a Canadian study that showed no benefit from regular mammography. The National Cancer Institute withdrew support of the guidelines while the American Cancer Society decided there was insufficient evidence to change the recommendations.

The study included eight controlled trials of regular mammography of women ages 40 to 49 years. The authors focused on data from 1963 to 1988.

Hendrick, CU colleague James Rutledge, Dr. Charles Smart, formerly of the National Cancer Institute, and Robert A Smith of the American Cancer Society followed up the women seven to 18 years later rather than just seven years in the Canadian study. Their conclusion was that routine screening can reduce breast cancer deaths when combined with adequate followup.

Hendrick noted that the quality of mammography today ''is much better than that used in most of the trials. That means we're even better at detecting small cancers and reducing the death rate.''

Smith of the American Cancer Society said a trend toward benefiting from mammography has appeared later in the 40- to 49-year-old group compared with women over 50 years.

''Women in this age group diagnosed with breast cancer are healthier than older women and in general their survival is better,'' Smith said.

FAREWELL TO BLM'S BOB MOORE

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. SKAGGS. Mr. Speaker, I want to note that this will be the last week on the job for one of the most creative and dedicated Federal employees with whom I have had the pleasure of working.

Mr. Bob Moore, who now serves as the Colorado Director for the Bureau of Land Management, will retire on Monday after nearly 40 years of extraordinary public service.

In Colorado, as in much of the West, competing opinions on Federal land policy tend to be strongly held, and sometimes the people involved seem to have little interest in compromise or cooperation. Even in that kind of contentious atmosphere, Bob has helped citizens reach consensus on outdoor recreation, landscape management, trails and scenic byways, grazing, cultural history, and wilderness protection—some of the most important issues we face in our part of the country.

I'm sorry to lose this outstanding, thoughtful, soft-spoken gentleman from public service. On behalf of all of us in Colorado, I offer him my best wishes in his life's next chapters. Bob exemplifies the dedication to an important national mission that characterizes many thousands of career civil servants whom we too often disparage as mere bureaucrats.

LEGISLATION TO PROVIDE FOR THE AWARD OF THE PURPLE HEART IN INCIDENTS OF FRIENDLY FIRE DURING PEACEKEEPING ACTIVITIES

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. DIXON. Mr. Chairman, today I am introducing legislation to award the Purple Heart posthumously to members of the Armed Forces killed on April 14, 1994, in a friendly fire incident in the northern Iraqi ''no fly'' zone. Fourteen American service members on peacekeeping duty were killed when two American F–15C fighter aircraft accidently shot down two United States UH–60 Black Hawk helicopters in northern Iraq. Mrs. Kaye Mounsey, the widow of Army WO Eric Mounsey—a pilot of one of the helicopters—resides in Culver City in my congressional district.

I believe that recognizing the sacrifice of these members of the Armed Forces is the appropriate thing to do. While the loss of a husband, brother, sister, or child can never be compensated, it is essential that we acknowledge the Nation's gratitude for the ultimate sacrifice that these Americans gave in service to their country.

Following the tragedy last April, the services had decided that the incident did not meet criteria for award of the Purple Heart—citing the accidental nature of the shoot down and the noncombat situation in the ''no fly'' zone.

However, language was included in last year's Department of Defense appropriations conference report which urged the Secretaries of the Army and the Air Force to review their decision and award the Purple Heart or other medal of distinction to service members killed over northern Iraq. The deadline for reporting back to Congress on this matter was March 31, 1995.

We have yet to hear from the military regarding this matter, and, as a result, I am introducing this bill to ensure award of the Purple Heart for members of the Armed Forces killed or wounded due to friendly fire while engaged in peacekeeping activities. I feel very strongly that if the services deem that the situation under which these Americans were killed did not merit the award, then the criteria for the medal should be modified.

As the role and complexity of U.S. Armed Forces missions have evolved, the criteria for award of the Purple Heart should reflect that evolution. In 1993 Congress included criteria in statute to ensure award of the Purple Heart in incidents of friendly fire in combat situations. This legislation would amend the law to include peacekeeping missions in that criteria, with an effective date of January 1, 1994—ensuring award of the Purple Heart to service members killed in the Iraqi friendly fire incident.

UNIONTOWN, PA AMERICAN LEGION POST TO HONOR LT. COL. MATT URBAN

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. MURTHA. Mr. Speaker, true American heroes hold an honored place in the hearts of all of us who love our Nation. The Congressional Medal of Honor is one of the ways we have chosen to honor their heroes, and it is an award that is only given to those individuals who have exhibited an exceptional amount of courage on behalf of the United States.

Lt. Col. Matt Urban is a true American hero and a Congressional Medal of Honor winner. His resume of awards does not stop here, however, as he is recognized as America's most decorated combat soldier. His bravery in numerous battles in World War II is an example of the courage so many American soldiers showed in this monumental struggle.

The Uniontown, PA American Legion Post 51 holds an annual Americanism Day each year, and this year's event will take place on May 1. The American Legion has chosen to honor Lt. Col. Matt Urban this year, and he will serve as Grand Marshal of the parade which marks the highlight of this special celebration. I know the American Legion Post 51 is extremely excited to have Lt. Col. Urban as their guest of honor, and as we celebrate the 50th Anniversary of the conclusion of World War II, I can't think of a more appropriate guest for this event.

I know I join all Americans in saluting Lt. Col. Matt Urban for his courage and devotion to the United States, and I wish the Uniontown American Legion Post 51 all the best in their 40th annual Americanism Day celebration.

A TRIBUTE TO CARMEN PINA

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today to honor a young woman who represents the finest qualities of human nature. Carmen Pina, a student from the city of Pawtucket, has shown her entire community what it means to have grace under pressure. Carmen recently lost her father to Lou Gehrig's disease, a crippling illness that was emotionally draining on Carmen's entire family. Rather than succumb to perpetual sadness Carmen focused her energies on improving the quality of her own life.

Recently Carmen has been honored with several awards that have become a testament to her hard work and dedication to life. Not only has she helped her family, natives of Portugal, get back on the path to emotional recover, but she has excelled in her own work, and has been named valedictorian of the senior class at Charles E. Shea High School in Pawtucket. Today, Carmen is 1 of 88 students from around the country to win this years Horatio Alger scholarship. This coveted award is reserved only for those who have overcome the obstacles of life and made a commitment to helping others in their times of need. I think I speak for all the citizens of Rhode Island when I say that we are all enamored by Carmen's courage and extremely proud of her.

Next year Carmen will attend college. As she embarks on this new and exciting journey I want to wish her only the best that life can offer. I know that these last years have been difficult, but in the days ahead I encourage her to continue to draw strength from these difficult times. The special relationship that she had with her father is a memory that can never be taken away, and a constant reminder that life must be cherished.

I hope that we can all learn a valuable lesson from Carmen's example. She has shown us that when times are hard it is a strong spirit that survives. Fulfillment is defined not only by what makes us happy, but by how we create a better life for ourselves by gaining strength from the people that we love most. My thoughts go out to Carmen and her family and I hope that her father's love remains eternal in all their hearts.

TRIBUTE TO BOB HUNTER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. PALLONE. Mr. Speaker, on Saturday, April 1, 1995, the First Annual Bob Hunter Memorial Flounder Tournament was held at the Clam Hut Restaurant in Highland, NJ. There was a spring flounder weigh-in and other activities, with proceeds benefiting the environmental organization Clean Ocean Action. While there have been and will continue to be many diverse tributes to the late Bob Hunter, I cannot think of one more fitting in epitomizing what Mr. Hunter's life meant to his many friends and well-wishers on the Jersey shore.

Bob Hunter has been nominated for New Jersey's prestigious Pinnacle Award for Excellence by a number of individuals and organizations who have all been helped and supported by him through the years. Throughout his life, he was a tireless booster of his native State—for example, his restaurant always offered a wide variety of New Jersey wines, while he always made sure Jersey seafood was served at the promotional festivals he helped organize. His death last October has left a void that has been deeply felt, most acutely by his widow, Lynn, and his two daughters, Maggie and Elizabeth, but also by many others who had the privilege of working with him or were just lucky enough to meet him at the Clam Hut.

Bob Hunter was born in Red Bank, NJ, and lived all his life in the nearby town of Rumson. Nineteen years ago, he was named general manager of the Clam Hut, one of the leading restaurants in a town noted for fine restaurants. In the intervening years, he, along with his wife of 17 years, Lynn Shugard, whose father founded the business, brought the waterfront restaurant from a beachfront stand to its present capacity of more than 300 diners in three inside rooms and an outdoor deck overlooking the Shrewsbury River. As general manager, Mr. Hunter also became involved in both the State and national restaurant associations, firmly believing that restaurants were central to New Jersey's tourism

and its overall economy. During his 16 years with the association, Bob rose through the ranks as a member of the board of directors and eventually as president.

Bob also maintained an active involvement with the promotional activities at Sandy Hook, the Gateway National Recreation Area facility adjacent to Highlands, known and loved by people from all over New Jersey. He could always be counted on to help any cause to promote New Jersey. He participated in Governor Whitman's Sampling in Atlantic City prior to her inauguration, frequently hosted Bayshore Development Office meetings for the Department of Commerce, and offered his restaurant for any event to advance tourism in New Jersey. He was a long-time member of the Highlands Chamber of Commerce, and brought a special passion to maintaining the lively waterfront business community. In his home town of Rumson, Bob coached Pop Warner football, served on the zoning board of adjustment, was treasurer of the Republican Club and was a Republican committeeman for many years. Notwithstanding his Republican affiliation, Bob maintained close ties with officials from both political parties—always willing to work with anyone who shared his devotion to improving the economy and quality of life on the Jersey Shore.

Mr. Speaker, it is a truly an honor for me to pay tribute to Bob Hunter, a good man and a great leader who made a difference for our community.

IN SUPPORT OF FEDERAL GUN CONTROL LEGISLATION

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Ms. PELOSI. Mr. Speaker, March 30 was the 14th anniversary of the assassination attempt on President Ronald Reagan and the wounding of his press secretary, Jim Brady. To commemorate that date, 82 national organizations, representing more than 88 million members, joined together in a campaign to protect sane gun laws.

Mr. Speaker, we commemorate this anniversary because the extreme Republican majority has vowed to overturn the Federal firearms laws that we have enacted, including the Brady law, the assault weapons ban, and other firearms provisions of last year's crime bill.

These laws have begun to make America safer. A poll conducted by the International Association of Chiefs of Police and Handgun Control, Inc. on the effectiveness of the Brady law found that background checks in 115 State and local jurisdictions stopped 19,000 felons and other prohibited persons from obtaining handguns.

The American people also continue to show strong support for gun control legislation. A 1993 Time/CNN poll showed that 92 percent of Americans supported the Brady law.

Mr. Speaker, this Republican attack on our gun laws is senseless. Letting more criminals buy guns will not reduce gun violence and putting more guns on the streets of America will not make our streets safer.

Let us not weaken the gun control legislation that has begun to make our country a safer one.

I urge my colleagues to work against Republican attempts to undo the laws that have already reduced gun violence and saved lives.

TRIBUTE TO ELIZABETH RAUCH

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. TALENT. Mr. Speaker, I rise today to pay tribute to Mrs. Elizabeth Rauch, a resident of St. Charles, MO, who on March 11, 1995, was honored by Youth in Need as their 1995 Celebration of Youth Honoree.

Elizabeth Rauch has faithfully served her community, and her outstanding leadership abilities have contributed to the continued growth and development of her community. She has dedicated her time as an active participant in countless community efforts to assist the young people of St. Charles. Mrs. Rauch serves as a member of the Lindenwood College Board of Directors and as chairwoman of the Academy of the Sacred Heart Board of Trustees Endowment Fund. She has also been appointed to a 4-year term on the Archdiocesan Development Appeal Council.

Elizabeth Rauch promotes many civic and charitable groups. She supports such noble causes as the Academy of the Sacred Heart Mother's Club, American Red Cross Junior Program, St. Joseph's Hospital, Alliance for Regional Community Health, United Way of St. Charles, Meals on Wheels, Salvation Army, and St. Charles Historical Society.

Elizabeth Rauch is a role model for community service, and in fact the St. Charles Chamber of Commerce recognized her dedication and leadership by awarding her its Humanitarian Award in 1984. She is indeed an inspiration to us all, and is rightfully honored for her continued service as Youth in Need's 1995 Celebration of Youth Honoree.

Mr. Speaker, I commend Elizabeth Rauch on this outstanding achievement and wish her the best of luck in her future endeavors.

TRIBUTE TO MICHELLE DOUGLAS, VOICE OF DEMOCRACY WINNER

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. UNDERWOOD. Mr. Speaker, I am pleased to rise today to congratulate Ms. Michelle Douglas of Agana, Guam, for winning this year's Pacific Area Voice of Democracy broadcast scriptwriting contest.

Ms. Douglas is a senior at John F. Kennedy High School and hopes to pursue a career as a music or drama teacher. She has been honored repeatedly for her scholastic and extracurricular achievements and is a leader in school offices. Her patriotic essay, titled ''My Vision of America'' represents a vision of America as a place dedicated to the principles of equality and opportunity. I am proud to announce that as a result of her hard work, Ms. Douglas has been awarded $1,000.

This monetary award comes from the Voice of Democracy Scholarship Program. The Voice of Democracy Scholarship Program was started 48 years ago with the endorsement of the U.S. Office of Education and National Association of Broadcasters, Electronic Industries Association and State Association of Broadcasters.

Starting in 1958, the program was conducted in cooperation with the Veterans of Foreign Wars [VFW], with the broadcasters still serving as sponsors. in 1961, the VFW assumed sole sponsorship responsibility. At that time, the national scholarship award consisted of a single $1,500 scholarship for the first place winner.

During the past 35 years, under VFW sponsorship, the annual national scholarship have been increased to 47 totaling $109,000 with the first place winner receiving a $20,000 scholarship to the college of their choice.

This past year, more than 126,000 students participated. Over 8,200 schools participated, over 4,400 VFW posts and over 4,200 auxiliaries sponsored the program. The total monetary value of scholarships, bonds, and awards provided by VFW posts, auxiliaries, districts, county councils, departments, and national amounted to over $2.5 million this past year. I commend the VFW and its Ladies Auxiliary for this program and their role in promoting scholastic achievement in our Nation.

I am proud that the VFW and its Ladies Auxiliary have honored Ms. Michelle Douglas with this year's award. I wish Ms. Douglas all the best in her chosen career path and in her college years. I encourage my colleagues to take the time to read her thoughtful and inspiring essay.

''MY VISION FOR AMERICA''

(BY MICHELLE DOUGLAS)

Nearly everyone has a view of how America ought to be; even I have a dream. Most of us would probably imagine a future where all injustices are righted, where peace reigns. It would be a country without problems: a paradise for everyone. But this idea alone is vague. In order for a vision to materialize, there must be something concrete.

I am not saying it is necessary to have the blueprint laid out in front of us, or even to have a clear idea of the final vision. I am only saying that each of us contributing in our own way, whether large or small, will make a unique vision of America become reality. Imagine each of us holding a piece of a puzzle, and none of us knowing what the final picture will be. Yet as each of us connects our piece—our individual vision—with the others, a picture emerges, becoming clearer as more pieces are added.

Perhaps the first part of America's vision was placed by Thomas Jefferson in the early summer of 1776 as he pondered over the wording to the Declaration of Independence. His ideas not only challenged the oppression that stifled the daily lives of the colonists, they also changed the course of history and continue to guide us into the future. If Jefferson were asked where his vision would take this great nation two hundred years later, he would have hardly imagined the results. He could not have known how the vision would grow, or how important his piece would be. Nor did he have to.

When Abraham Lincoln delivered the Emancipation Proclamation to a war weary nation, he probably did not realize he was setting the stage for future equal rights. In fact, ethics was not the issue. He had decided, right or wrong, that freeing the slaves would hold the nation together. This does

not mean that the future outcome was not welcome. But it does show that a single act, however intended, can create astounding results, even without great insight.

These men from our history were magnificent figures whose actions affected the future of America, making it a better place for posterity. But we do not have to be presidents of the country to make worthwhile contributions.

We do not have to see the final picture, or even plan something remarkable for our future in order to be ''visionary.'' We needn't even focus on the results of our efforts. We only need to work toward what we believe in, making a personal effort to correct problems. The results will come, whether today or tomorrow.

Let's consider Rosa Parks. She was only an everyday-type person, a poor black seamstress who never had time for politics; she only tried to make enough to survive. One day as she sat on a bus, work out and tired, she was ordered to give up her seat to a white man. Non-violently, she refused and was arrested.

Her simple action became a catalyst for many others, starting an avalanche which turned into the Black Movement. Martin Luther King championed her very thoughts and feelings by organizing bus boycotts. Thousands of others added to the vision; many were poor, and many may have thought they had little to offer. But when all was done, the course of history was changed, once again. And equality for all minorities, not just Blacks, was promoted. But that was not the issue. The point was this: although Rosa was not the greatest martyr in history, she stood up for her beliefs, and that is how visions turn into reality.

How can you contribute to America's vision? It only takes a combination of your attitude and pride in your country. Being generous with your resources, helping out wherever possible, and using your abilities for good characterize a true contributor.

My individual piece of the final vision for America may not become as great as those of Thomas Jefferson's, Abraham Lincoln's, Rosa Park's, or even yours. But it will be just as important. I cannot guarantee world peace; I may not find a cure for the world's illnesses or put an end to starvation. I can, however, dedicate my efforts along with yours to the continued building of this great nation. After all, aren't our combined efforts today the way to create the greatest vision for America tomorrow?

A VICTORY FOR COMMON SENSE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. STUDDS. Mr. Speaker, some 18 months ago this House enacted legislation to codify the so-called ''Don't Ask, Don't Tell'' policy barring gay and lesbian Americans from serving openly in the Armed Forces. The law thus placed on the statute books was an unprecedented exercise in overt, state-sanctioned discrimination. It was, from first to last, an irrational policy supported by nothing more than naked prejudice.

I stated at the time that I did not believe such a policy could survive constitutional scrutiny, and that the day would come when the courts would say so. On Thursday, March 30, 1995, Federal District Judge Eugene H. Nickerson fulfilled that prediction. In a 39-page opinion that is a triumph of decency and common sense, Judge Nickerson ruled in favor of six service members who challenged this cruel and unjust policy.

In striking down the law, the district court found it ''demeaning and unworthy of a great nation to base a policy on pretense rather than truth.'' It also accurately characterized the scholastic distinctions on which the law relies as ''Byzantine'' and ''Orwellian.''

Since the decision was handed down, the court's conclusions have been echoed on editorial pages across the country. Few could surpass the editorial published on March 31, 1995 in the Cape Cod Times, which I am proud to insert in the Record.

A RICHLY DESERVED DEFEAT

It took a federal judge to tell President Clinton what a great many people have known for years to be true—his ''Don't ask, don't tell'' policy on gays in the military was a compromise full of flaws right from the start. Basically, the policy allows gays and lesbians to serve as long as they don't admit their sexuality to anyone. If they do, they will be handed an honorable discharge and booted through the gate.

Yesterday, U.S. District Court Judge Eugene Nickerson ruled that the policy is discriminatory, a violation of free speech and it forces people to lie. In short, he said, the policy is ''inherently deceptive.'' The ruling involves, and applies to, only the six service personnel who filed the suit. The Defense Department will appeal.

This is the latest twist in a three-year debate that began when then-candidate Clinton made a rock-solid promise that if elected he would lift the ban entirely. That lit the fires, and the waffling started.

His first full year in office, 1993, was not a good one for The Pledge or the president. In January, the Pentagon and its supporters in Congress went on the offensive. The Joint Chiefs of Staff met with the Commander in Chief behind closed doors. When they emerged their only word was that it was a ''constructive'' meeting.

Two months later, in the semantic equivalent of jogging backwards, Clinton told his first televised press conference that he was now considering segregating homosexuals, which surprised even the military. Clinton fumbled that one, because it soon became clear he hadn't a clue as to how segregation could be done or whether it would even work (it wouldn't have—gays and lesbians aren't lepers).

As was inevitable, the gays struck back in a most telling manner. At the same time in May, 1993, that Sam Nunn, chairman of the Senate Armed Services Committee, was on the road collecting comments from military and naval bases about gays in the military, Sgt. Jose Zuniga, the Sixth Army's 1992 ''Soldier of the Year,'' was packing his bags at the Presidio in San Francisco. The richly honored Sergeant Zuniga had ''come out'' earlier in the month during a gay rights march in Washington, D.C. He did so to prove to anyone who happened to care that gays and lesbians can be as good servicemen and women as any of their straight peers—and in Zuniga's case, much better than most.

The argument that Senator Nunn and so many others believe—homosexuals are a danger to morale, are incapable of doing battle, are born molesters who can't resist putting the make on their God-fearing mates in uniform and all the other stuff—is dead wrong.

Sergeant Zuniga, who could have stayed in the closet until retirement and remained a role model for his troops, is proof of that. So are two Medal of Honor recipients and an Army nurse with the rank of colonel. She served with distinction in Vietnam and has a medal to prove it, but she was later cashiered by the National Guard stateside because of her sexual orientation.

So are many others, who fought in wars or served in peace, all the while keeping their secret because of the fear of discharge or worse, should the straights find out.

One particularly egregious example of the mindset against gays resulted from the April 1989 explosion inside a gun turret aboard the battleship USS *Iowa* that killed 47 sailors. Looking for somebody to blame, the Navy settled on a young seaman who was killed, and put forth the story that he had caused the blast because he had been jilted by one of the victims.

Better that, they reasoned, than the truth, which emerged anyway, several months later: One of the propellant bags contained unstable explosive that went off when it was shoved into the breech. The story about the sailor was a crock, pure and simple.

As far back as October 1991, in a speech at Harvard, then-Governor Clinton made his position clear—at least, he thought he did—on permitting homosexuals to serve as equals in the military: It will be done. Thirteen months later came slippage. The then-president-elect said he would form a group to study the problem, ''but I am not going to change my mind on it.'' So much for his pledge.

The frustration among gays and their sense of having been betrayed by the president is understandable. There is so much anger against them from society in general and the military in particular that it's truly a wonder that any of their orientation even dare enter the services.

But the fear of gays is largely based on an ignorance that breeds intolerance and is to be found not only in government institutions but among religious conservatives, who have become a political force now and will certainly have an effect in the 1996 elections.

Judge Nickerson's ruling is a victory for gays and common sense, though in context of the war over equality, this—alas—was but a skirmish.

Mr. Chairman, the six plaintiffs and their attorneys have won an important victory, not only for themselves but for all who have served and still serve with honor and distinction. It is a victory shared most of all by those who challenged earlier versions of the ban in years past only to have their pleas fall on deaf ears.

I fully expect that the Government will appeal this decision, and that the constitutionality of the ban will ultimately be revisited by higher courts. But whatever may happen in the months to come, today's ruling is the beginning of the end for a policy that is unworthy of our country and the brave service members who offer their lives in its service.

TESTIMONY BEFORE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS AND HUMAN RIGHTS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. WOLF. Mr. Speaker, I just returned from one of the most moving hearings I have ever attended. Six survivors of the Chinese labor camp system, the Laogai, told their stories of life inside the prison. These are stories every Member of Congress and every American

should read. I am submitting the first three accounts for the RECORD. The others will follow in coming days.

I hope all my colleagues will take these powerful stories to heart. Our China policy does not take these brave people, and the many like them who are still suffering in China today, into account.

TESTIMONY OF TANG BOIQIAO, LAOGAI SURVIVOR, BEFORE THE U.S. HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON INTERNATIONAL OPERATIONS AND HUMAN RIGHTS, APRIL 3, 1995

My name is Tang Boiqiao, and I am a former student of the Hunan Teachers' College. In July of 1989, I was arrested by the Communists because of my organizing and participating in the Hunan students' movement. I was held until July of 1990 before finally being sentenced to three years detention. My ''crime'' was called ''counter-revolutionary propagandizing and incitement''. In October of that year, I was transferred to the Hunan Province Longxi Prison for reform through labor. In January 1991, I was unexpectedly released from prison.

After my release, I was again arrested because of my continued involvement in the popular movements and human rights activities. Following the summer of 1991, I fled China. In April of 1992, I entered the United States and sought political asylum. My reason for coming here today is to share with you my experiences while in the Laogai.

I was first arrested in July of 1989 in Guangdong Province, after which I was held in three different detention centers where I was forced to labor with my fellow prisoners. While at the Guangdong Number 1 Detention Center, I made toys which had the words ''Made in China'' in English written on them. I was allowed to eat only twice a day.

Next, I was transferred to Changsha in Hunan and spent more than a year at the Changsha Number 1 Detention Center. During this time, I suffered through the darkest and most hopeless of existences; for more than four months straight, I was questioned about my case an average ten hours a day, in what the Communists call ''exhaustive tactics''. This Laogai forced its prisoners to produce matchboxes. There were no labor rewards, but every month the cellmates which had the highest production numbers were given one cheap cigarette a day. The police forced the prisoners to work day and night so that they could report increased production output and receive cash incentives. We would work for at the least twelve hours a day. The longest day was one when we worked for 23 and a half hours, with a half-hour food break.

Because I would refuse to work, the public security police would often arrange for the other prisoners to abuse and beat me. One day, I was beaten three different times by seven or eight young prisoners, two of whom were convicted murderers. The first time, because I was unwilling to be forced to labor, they beat me until I bled from the eyes, ears, nose and mouth; the second time, because I resisted when they tried to force me to kneel down, they used anything they could find in the cell to beat me, including a wooden stool, heavy wooden sticks, and metal cups and bowls; the last time they beat me while I couldn't move and lay on the floor hunched over. At this, the public security police still were not satisfied, so that evening they held a ''struggle meeting'' and ordered every prisoner in the Laogai to viciously beat me. That night, I developed a fever of 104 degrees, which persisted for more than a week. I was unable even to sit upright.

While there were many methods used in torturing people at this Laogai, the most often used tools were the electric police baton and shackles. There were more than ten types of shackles, including thumb shackles, ''earth'' shackles, all kinds of wrist shackles, chain shackles, chain link shackles, door-frame shackles, heavy shackles, and others. The most simple method was to conduct a political study class where the prisoners needed to attend for long periods of time while shackled. I personally experienced electric shocks and many kinds of shackles.

The Laogai prisons used different types of abuse and control than those of the detention centers. After I was transferred to the prison, when I was first assigned to a prison brigade, we were shown the three unforgettable phrases that were written on the wall at the prison entrance: ''Where are you? What are you? What are you to do here?'' Later, in the daily ''political study'' classes, we needed to follow these questions with the responses, ''This is a prison. I am a criminal. I am here to receive reform through labor.'' We also had to sing three songs at the beginning of every ''political study'' class. The songs were ''Socialism Is Good'', ''Without the Communist Party, There Would Be No New China'', and ''Emulate Lei Feng'' (Lei Feng was a 1950's Chinese Communist martyr).

I still remember the songs. The words of ''Socialism Is Good'' begin, ''Socialism is good/ Socialism is good/ Everyone in a socialist society is improved''. The lyrics of ''Without the Communist Party, There Would Be No New China'' are ''Without the Communist Party, there would be no new china/ the Communist Party is united for the people/ the Communist Party is united to save China/ Its leaders go forward towards the light/ It is the great leader of all the people.'' The meaning of the last song is that we should all be like the Communist hero Lei Feng; ''Loyal to the revolution/ Loyal to the Party/ Standing in the field, erect and unwaving/ Communist thinking emits knowledge''. I knew that this was how they would force us to reform our thinking, so I refused to sing the three songs. The police used many methods of trying to intimidate and coerce me into cooperating, and in the end I was sent to the ''prison of prisons''—solitary confinement. Its length and height are barely enough for a man's size, and it has solid walls with only a tiny slot on the door. It very easily makes men think like an animal in a cage. It can be said that being confined in a small cage for a long period of time will certainly make any man go insane.

These are only some of the stories of my time in the Laogai. Yet all of the mistreatment and abuse I suffered in the Laogai is just a drop of water in a great river. When you think of all of the abuses of the millions of Chinese citizens still condemned to the Laogai, my story is just the tip of the iceberg. Thank you for your time in listening to my personal story of the terrors of the Laogai.

TESTIMONY OF CATHERINE HO, LAOGAI SURVIVOR, BEFORE THE U.S. HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON INTERNATIONAL OPERATIONS AND HUMAN RIGHTS, APRIL 3, 1995

My name is Catherine Ho, one of the goals of the Laogai camps is to break the human spirit through torture of the body. But even worse than the bodily abuses is the unceasing assault on the prisoner's thoughts and individual will. This is especially true of the suffering endured by the millions of women condemned to the Laogai.

I was born into a well-educated family in Shanghai. My decent parents sent me to an excellent Catholic high school. I became a Christian while there. I studied very hard, and should have had a bright future. Instead, I was arrested and imprisoned by the Communist government before I was even 18 years old. I was arrested on September 5, 1955, as was our bishop in Shanghai, Cardinal Kung, who is now in the U.S. receiving medical care.

Between 1953 and 1955, the church-run schools and hospitals in Shanghai were taken over by the Communists. The church's other charitable institutions were simply closed. The foreign missionaries has already been expelled as ''imperialists''. The Chinese priests and bishops were all targets of the Communists and were either killed or arrested one after another. Most Christians were forced to go through brainwashing. They faced losing their jobs or educational opportunities, and they also faced being sent to the Laogai camps or prison to suffer because of their faith. Religious people were continuously persecuted by the Communists.

We did not oppose the government. We only wanted to practice our religion. But the Communists said it was a crime against China. The sole reason I was put in jail was because I was an active Christian. I was a member of the Legion of Mary, which is a devout missionary organization. I did missionary work. I refused to renounce our church and did not want to be a part of the Communist controlled church.

Because of my faith, they put me in jail. They isolated me from the outside world. They tried to confuse me with all of their propaganda. But I knew they told lies. I could not go against my conscience. I could not deny the truth. I could not give up my most precious gift, my faith. Many Christians were willing to die before giving up their faith.

At first, they sentenced me to seven years in the Laogai as a ''counter-revolutionary''. I was not allowed legal representation. I did not even have a trial. When they found out that I had still not changed my mind after my seven years, they wouldn't let me go. They kept me in the Laogai camp for 21 years.

The Chinese Communists cannot tolerate religion, especially the Christian religion. They have a hatred for anything which involves a belief in any God above or beyond human kind. To this day, they are still persecuting and imprisoning religious believers.

I would like to now give you some examples of the systematic abuse and persecution of the Laogai camps. These Laogai camps are in no way like the prisons we know of in this country. Words are not enough to convey the horrible, day to day realities of prisoners in the Laogai.

Physically, we were always hungry, tired, and filthy. The women were forced to do heavy labor, like plowing the desert, raising cattle, or running a tea farm. They physical tortures on our bodies were so extreme that menstruation ceased in many of the women. This puts great strain on both a woman's body and her mind. There were never any medical treatments of this or other sicknesses.

Despite these exhaustive and grueling conditions, we were forced to produce high level products. For example, I was in a Laogai camp tea farm for about ten years. The women prisoners were forced to plant trees, take care of the plants, and then process the tea leaves into red or green tea. I spent another four years weaving silk and cloth in a Laogai factory. On the surface, it was a textile factory in Hangzhou, but the workers were all women prisoners doing forced labor. In the factory, there were two constant pressures upon us: first was the physical fatigue, I was forced to work very hard for fourteen hours a day. I had to fight exhaustion just to keep from falling into the machines; second was the constant supervision, since we were

told that the products we made were for export to foreign countries, they watched our every move to be sure we made no mistakes. If there were mistakes or someone did not appear to be working hard, we were severely punished. They used ankle fetters, handcuffs, solitary confinement, and other means to punish us.

Today, I often wonder if the tea I drink or the silk I weave comes from a Laogai camp and is made by all those poor Laogai slaves still suffering in China.

Daily, we were assaulted mentally. We were continually brainwashed. We were not allowed to say our prayers or to read the Bible. I remember clearly my first day in the detention center. I knelt down on the muddy ground, bowed my head, and begged to the Lord to give me strength. A warden immediately scolded me, ''Who told you to kneel down? Even at the door of death, you keep up your superstitions. This is a counter-revolutionary activity.'' In the Laogai, we were not allowed to hear and read anything but Communist propaganda. We had to spend two hours every day reading Mao's book and reciting the prison regulations. I remember one sixty-year-old Sister who made a set of small rosary beads out of a thread so it would not be discovered and be confiscated by the guards. This continuous brainwashing helped destroy all human love and was a denial of all basic human rights.

Spiritually, it was a constant struggle. We faced constant despair, and always heard the discouraging and threatening comments of the authorities. A prisoner had to confess her crime everyday, which meant scolding oneself and accusing oneself of being guilty of the greatest crimes against the people and government. Every prisoner was degraded. They minimized their own value of being human. They were separated from their families and society. They were tortured in a dark hell that had no foreseeable end. They fought the despair and hopelessness of thinking that they were to spend the rest of their lives as slaves in the Laogai.

One woman refused to work on Sundays. She would say prayers instead of singing revolutionary songs in front of Mao's portrait. One day, she was dragged out to the field where we were working and beaten to death in front of all of us.

I said the Communists aim was to torture the body and break the human spirit in every possible way and at every possible opportunity. When the warden told me my lovely sister had died, he simply said, ''The People's Government acted humanely . . . it is all over now . . . you should not cry because that's against the rules and it would have a bad effect on the feelings of the others about thought reform''. They succeeded to the point where to many it looked like there was no future and no hope. The prisoners in the Laogai camp were always in a deep depression. I myself prayed to God to let me die. I wanted to die more than I wanted to live because the circumstances were too horrible. Even if you didn't want to continue living under those circumstances, they wouldn't let you die. There was a constant suicide watch.

God sustained us nonetheless. My faith preserved me. God's Grace helped me live through this nightmarish journey. Finally, my prayers were answered. After my parents had written many, many letters to the government from Hong Kong, my husband, my son, and I were allowed to leave the Laogai in December 1978.

Today, I sit before you to take this opportunity to tell you the truth. To tell you the facts as I have myself experienced. But I speak not for myself, but for the thousands of brothers and sisters who are still living this terrible existence. Thank you for listening to my story. I hope that you may better understand the realities of the Laogai through my account of it.

TESTIMONY OF FATHER CAI ZHONGXIAN, LAOGAI SURVIVOR, BEFORE THE U.S. HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON INTERNATIONAL OPERATIONS AND HUMAN RIGHTS, APRIL 3, 1995

My name is Cai Zhongxian. I am a Catholic priest.

I was ordained in 1940. I was arrested and charged as a counter-revolutionary in 1953 because of my refusal to cooperate with the Communist authorities and denounce the Roman Catholic Church. I was unexpectedly released without explanation in 1956. It turned out that the Communists hoped that the leniency showed to me would convince me to collaborate with the Party to persuade other Catholics to become members of the officially sanctioned ''Patriotic Catholic Church''. This ''Patriotic Catholic Church'' is nothing more than a Communist puppet organization. When I refused to cooperate, I was once again arrested. I was detained twice for a total of seven years at the Shanghai Detention Center, without charge or trial, until I was finally sentenced to a fifteen-year term in 1960.

I was then sent to a Laogai camp in Jiangxi Province which served as a brick factory. I avoided dying of starvation mostly because I supplemented the rationed food by eating frogs, snakes, and rats.

In 1962, five other priests and I were confined in a six-by-twelve foot windowless room that was filled with four inches of standing water. Despite this ill-treatment and other inhumane conditions, I continued my services as a Catholic clergy. I even successfully converted some of the guards who were charged to watch us to Catholicism.

At the completion of my sentence, I was 62 years old. I was not fully released at that time. The government forced me to accept ''forced-job-placement'' in the Laogai camp because I was originally charged with a ''counter-revolutionary crime''. I knew that a ''forced-job-placement'' assignment meant a life sentence laboring at the Laogai. I labored at the Nanchang Number 4 Prison for eleven years as a ''forced-job-placement'' worker.

In 1981, at the age of 74, I was again arrested for my continued activities as a Catholic priest. I was sentenced to serve another ten-year term as a Laogai slave. In 1988, I was released fully as a token of good will towards Filipino Bishop Sinhemai. I was 81 years old at the time of my release.

I served a total of thirty-three years in the Laogai. I can't begin to tell you how many people disappear completely for every one that survives. Thank you for inviting me here. I hope I have helped you gain an understanding of the Communist government's willingness to use the Laogai to destroy its citizens lives.

EXTENSION OF EXPIRING NATIONAL FOREST SERVICE GRAZING PERMITS PENDING FINAL AGENCY ACTION

HON. WES COOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. COOLEY. Mr. Speaker, today I am introducing legislation to prevent bureaucratic delays from hurting working ranchers that graze their livestock on National Forest System lands. My legislation would extend U.S. Forest Service [FS] grazing permits until the FS completes its obligations under the National Environmental Policy Act [NEPA].

Roughly half of the 9,000 term grazing permits issued on 90 million acres of National Forest System lands will expire by the end of 1996. Some of these permits have already expired, and ranchers—by no wrongdoing of their own—have been denied their right to graze their livestock due to bureaucratic red tape. The FS is required to conduct analyses to ensure that permits comply with NEPA, but the sheer volume of work has resulted in the FS's denying to reissue some permits because it is unable to complete NEPA documentation. My bill would extend these permits until the FS completes its obligations under NEPA.

My legislation would ensure fair treatment of law-abiding ranchers. These ranchers ought not be punished because the FS cannot complete its NEPA obligations on time. It is patently unfair that some permits have already been denied reissuance, and thousands of ranchers with permits on the brink of expiration face the same predicament. If the law is going to require the FS to jump through bureaucratic hoops, they ought to have time to do it before the permits of honest, hard-working ranchers are arbitrarily denied.

The ranchers I know hold up their end of the bargain; they are good stewards of the land, they fulfill their obligations, and they have every right to expect the Government to get its job done. They ought not be punished because our nation's environmental laws are unreasonable and inflexible. My bill would extend their grazing permits until the FS completes its NEPA documentation, so that no rancher is denied a permit because of bureaucratic delays.

The FS, to its credit, has expressed a willingness to work out this problem, but actions speak louder than words. The fact is that ranchers are being denied permits, through no fault of their own. That is simply unacceptable and my bill will fix it.

I ask unanimous consent that a copy of the legislation appear in the RECORD after my statement.

H.R. 1375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTOMATIC EXTENSION OF NATIONAL FOREST SYSTEM GRAZING PERMITS PENDING COMPLETION OF FINAL AGENCY ACTION.

(a) EXTENSION.—The term of each expiring term grazing permit issued for lands within the National Forest System is hereby extended to cover the period beginning on the expiration date of the permit and ending on the date on which the Secretary of Agriculture completes final agency action in connection with the renewal of the permit. The extension shall apply to the holder of the expiring term grazing permit, subject to the same terms and conditions as apply to the expiring term grazing permit.

(b) EXCEPTION.—Subsection (a) shall not apply if the holder of an expiring term grazing permit is not in compliance with the terms and conditions of the permit at the time the permit is originally due to expire.

(c) ADMINISTRATIVE APPEAL AND JUDICIAL REVIEW.—The extension of expiring term grazing permits under subsection (a) shall not be subject to administrative appeal or judicial review.

(d) DEFINITIONS.—For purposes of this section:

(1) EXPIRING TERM GRAZING PERMIT.—The term ''expiring term grazing permit'' means a term grazing permit—

(A) that expires in 1995 or 1996; or

(B) that expired in 1994 and has not been replaced with a new term grazing permit solely because the analysis required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other applicable laws has not been completed.

(2) FINAL AGENCY ACTION.—The term ''final agency action'' means agency action regarding an expiring term grazing permit in which—

(A) any analysis required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other applicable laws has been completed; and

(B) all available administrative remedies have been exhausted.

(3) HOLDER.—The term ''holder'' includes the purchaser of a term grazing permit holder's permitted livestock or base property if—

(A) between January 1, 1995, and December 1, 1996, the holder has waived the term grazing permit to the Secretary pursuant to section 222.3(c)(1)(iv) of title 36, Code of Federal Regulations; and

(B) the purchaser of the term grazing permit holder's permitted livestock or base property is eligible and qualified to hold a term grazing permit.

(4) TERM GRAZING PERMIT.—The term ''term grazing permit'' means a grazing permit or grazing agreement issued by the Secretary of Agriculture for a specified term under section 402 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1752), section 19 of the Act of April 24, 1950 (commonly known as the ''Granger-Thye Act'') (16 U.S.C. 580*l*), or other law.

TRIBUTE TO YOUNG AMBASSADORS PROGRAM

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Ms. ROYBAL-ALLARD. Mr. Speaker, I would like to commend the Young Ambassadors Program for facilitating and promoting cultural and racial understanding between the United States and Japan. In 1990, the first delegation of Los Angeles area students and community leaders initiated the program with a visit to Japan. The Sixth Young Ambassador delegation will travel to Japan between April 6 and 14, 1995.

The Young Ambassadors Program was founded by Sanrio Co., Ltd., a Japanese company specializing in small gift items. Mr. Shintaro Tsuji, president of Sanrio Co., Ltd. and his son, Kunihiko, Tsuji, president of Sanrio Communications, Inc. have been instrumental in supporting and nurturing the program.

The delegation is composed of eight high school students. Reflecting the rich diversity of the Los Angeles area, the students include immigrants from Eritrea, El Salvador, and Korea. American-born African-American, Mexican-American, white and multiracial students are also in the delegation. Over the past 5 years, more than 23 different ethnicities have been represented in the program.

Current delegates include: Shameka Allen, Granada Hills High School, Er-Gene Kahng, Los Angeles Center for Enriched Studies, Tony C. Marshall, Jr., Washington High School, Yvonne Olivarez, Dorsey High School, Oscar Sosa, Eagle Rock High School, Daniel Tekleab, Venice High School, Domikian Ware, Hamilton High School, and Sharon Williams, Monrovia High School.

The sharing of perceptions through candid discussion is a major feature of the program. These young leaders are provided an extraordinary opportunity to spend more than a week meeting with community leaders to learn more about challenges they face. This provides a great opportunity for modeling and building long-term relationships.

For many who leave their neighborhoods for the very first time, it is a remarkable opportunity to broaden their cultural horizons. I salute the Young Ambassadors Program for providing a life-changing, positive experience for young people. I also salute Mr. Shintaro Tsuji and Mr. Kunihiko Tsuji for their thoughtful concern and action on behalf of our mutual communities.

REGARDING THE REPEAL OF THE 1993 CLINTON SOCIAL SECURITY TAX

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. SMITH of New Jersey. Mr. Speaker, this week we will have the opportunity to right the wrong done to America's seniors only 2 years ago when President Clinton pushed through Congress—against the vote of every Republican—a tax package raising the tax on Social Security benefits.

The Clinton tax hike increased the financial burden on some 9 million middle-income seniors by an estimated $500 per year. And let us not forget that the Clinton tax package hit seniors in other ways as well, including the increased energy tax and increased Medicare premiums.

Furthermore, this was all laid on top of already inequitable circumstances such as the ''notch'' disparity and the Social Security earnings test. After years of service to their Nation as workers, soldiers, mothers and fathers, America's seniors hardly deserve this biased treatment in their retirement years.

It wasn't until the mid-1980's that the Federal Government began to tax seniors' Social Security benefits. At that time—and against my vote, I might add—Congress applied Federal income taxes to 50 percent of Social Security benefits for seniors earning $25,000 as individuals or $32,000 as couples. President Clinton increased to 85 percent the amount of income subject to taxation for seniors making only $34,000 a year.

The only message this conveys is that careful savings and planning for retirement do not pay off. Is this the message we want to send to American workers?

Furthermore, the Social Security tax is a clear violation of the pact with America's seniors which the Social Security Program represents. Seniors work hard all their life and have a substantial portion of their income taken from their pay check and placed in holding for their retirement as Social Security benefits. To tax this income when seniors collect it is no less than double taxation.

The Social Security tax should be eliminated. I encourage my colleagues to take this first step toward resolution and to support the repeal of the Clinton Social Security tax hike as included in H.R. 1215.

HONORING NATALIE ROBERTS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. ENGEL. Mr. Speaker, after a distinguished career of almost 40 years of service to the children of the Bronx, my good friend Natalie Roberts will be retiring from the New York City educational system.

Natalie Roberts started her career as a teacher in 1955 and later became an assistant principal, and finally a principal in the New York City schools.

Natalie has served as vice president of the New York City Elementary Principals' Association and the New York City Administration Women in Education. She has served as a mentor to others and has been honored by B'nai B'rith and the Association of Jewish Professionals. In addition, she was the recipient of the Distinguished Education Award from the Association for Curriculum Development.

I join with her family, friends, and colleagues in saying to Natalie: Job Well Done.

A TRIBUTE TO SELENA

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. BONILLA. Mr. Speaker, ever so often, someone comes along who rises above the crowd, yet is so well grounded that we all feel special. Selena was like that. Despite international recognition and having been awarded the highest honors in the music industry, she always remained ''de nosotros.''

She brought a great deal of pride to the Mexican-American community of Texas. Adults respected her for her promotion of family values. Young people took pride in her achievements. We all enjoyed her music and admired her great beauty and talent.

It is ironic that we lost Selena during the spring when the most beautiful and colorful of Texas flowers open up and bloom. We were looking forward to seeing her blossom. Yet, she will always remain near in our hearts.

We have her music and we have our precious memories. She loved her, husband, her family, and us—her fans—and we loved her, too. She will be missed.

HONORING STANLEY O. IKENBERRY UPON HIS RETIREMENT

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. EWING. Mr. Speaker, this week the Illinois congressional delegation and alumni of the University of Illinois in the Washington, DC

area will honor University of Illinois President Stanley O. Ikenberry. At the conclusion of this academic year, President Ikenberry will be retiring from his post after 16 years of outstanding service to the University of Illinois, the Champaign-Urbana community, the entire State of Illinois and indeed to the country. His daily presence in the president's office will be deeply missed, but his influence will be felt for many years to come.

Among the highlights of President Ikenberry's tenure are the establishment of the University of Illinois at Chicago campus, the Beckman Institute for Advanced Science and Technology, the President's Award and University Scholars Programs, and the National Center for Supercomputing Applications, in addition to construction of a host of new academic buildings and laboratory space. President Ikenberry's leadership and dedication to these and other projects have earned the University of Illinois its continued paramount reputation in the academic and scientific research community not only in Illinois but throughout the country. Indeed, President Ikenberry's visionary and bold leadership over the years has helped to establish the University of Illinois as one of the premier and most highly-respected research institutions throughout the world.

On a personal note, President Ikenberry has been a good friend and someone with whom it has been a fine pleasure to work closely with over many years both as a Member of Congress and during my service in the Illinois General Assembly. I am pleased that Stan and his wife Judith will continue to call Urbana home and I look forward to continuing our friendship in the years ahead.

Mr. Speaker, on behalf of the entire Illinois delegation I offer our congratulations to President Ikenberry for his life-long commitment to the highest quality education, the advancement of research, and distinguished service to students at the University of Illinois, as well as all of the people of Illinois and our country. We cannot thank him enough for his contributions toward the betterment of all our lives.

TRIBUTE IN HONOR OF THE 25TH ANNIVERSARY OF ARCHBISHOP PATRICK F. FLORES' SERVICE

HON. FRANK TEJEDA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1995

Mr. TEJEDA. Mr. Speaker, in the rush of our congressional lives, it is fitting that we take a moment to reflect on the work and accomplishment of the Most Reverend Patrick F. Flores, archbishop of San Antonio. His life represents devotion to community, respect for his fellow man, and tireless work to assist the less fortunate. In just a few weeks, we will gather in San Antonio, within the historic walls of Mission San Jose, to pay a most deserved tribute to Archbishop Flores on the 25th anniversary of his Episcopal ordination. It is my privilege to highlight this special event for my colleagues in the House of Representatives.

I should begin with some of the basics. He was born in Ganado, TX, a small town between Victoria and Houston on what is now Highway 59. He entered the priesthood on May 26, 1956, with his ordination at St. Mary's Cathedral in Houston. On March 18, 1970, Pope VI appointed him to serve as auxiliary to the archbishop in San Antonio. After a brief period as bishop of the diocese of El Paso, TX, Bishop Flores was elevated to archbishop of San Antonio on October 13, 1979. Pope John Paul II, on May 25, 1982, conferred the pallium on Archbishop Flores.

Archbishop Flores, upon his 1970 installation as bishop, was the first Mexican-American elevated to the hierarchy of the Catholic Church in the United States. I cannot emphasize the importance of this accomplishment to the hundreds of thousands of Catholic Americans of Mexican descent. It is fitting that we will mark this special occasion at Mission San Jose, one of the early outposts of Spanish Catholicism in the New World. And now one of the students of those early missionaries celebrates 25 years as a bishop.

But more important than the honor is what Archbishop Flores has accomplished. In the early 1970's, he broke new ground in his efforts to establish the Mexican-American Cultural Center in San Antonio, the National Foundation for Mexican-American Vocations, and the National Hispanic Scholarship Fund. He served as chairman of the Texas Advisory Committee to the U.S. Commission on Civil Rights, was recognized by the American Jewish Committee for his humanitarianism, and received the Medal of Freedom in conjunction with the Statue of Liberty's 100th anniversary. To serve his community, he established an annual December telethon to help the needy cope with temporary housing and medical emergencies. In this same vein, he sponsors an annual breakfast for a battered women's shelter, and raises money to fight diabetes and help handicapped children.

His dedication speaks for itself. His commitment to the less fortunate is evident. His work for the community is legion. The benefits of his work extend beyond the immediate recipients—we benefit from the repaired lives in our communities and the example he sets for us and our children. Now it is fitting that we express our gratitude.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, April 4, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 5

9:00 a.m.
Joint Economic
To resume hearings to examine the Administration's proposal to raise the minimum wage.
1100 Longworth Building

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Aeronautics and Space Administration.
SD–192

Armed Services
Personnel Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, focusing on the Department of Defense Quality of Life Programs.
SH–216

Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the U.S. Forest Service land management planning process.
SD–366

Environment and Public Works
Superfund, Waste Control, and Risk Assessment Subcommittee
To resume oversight hearings on the implementation of the Comprehensive Environmental Response, Compensation, and Liability Act (P.L. 102-426).
SD–406

Finance
To hold hearings to examine various flat tax proposals.
SD–215

Indian Affairs
To hold hearings on providing direct funding through block grants to tribes to administer welfare and other social service programs.
SR–485

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Agricultural Research Service, Cooperative State Research, Education, and Extension Service, Economic Research Service, and the National Agricultural Statistics Service, all of the Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Immigration and Naturalization Service, and the Bureau of Prisons, both of the Department of Justice.
S–146, Capitol

Governmental Affairs
To continue hearings on the earned income tax credit.
SD–342

Judiciary
Business meeting, to mark up S. 343, to reform the Federal regulatory process.
SD–226

Labor and Human Resources
To hold hearings to examine activities of the Department of Health and Human Services' Food and Drug Administration, focusing on the future of American biomedical and food industries.
SD–430

Select on Intelligence
To hold hearings to examine allegations of U.S. involvement in two murders in Guatemala.
SD–106

1:30 p.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Aviation Administration, Department of Transportation.
SD–138

2:00 p.m.
Foreign Relations
African Affairs Subcommittee
To hold joint hearings with the House Committee on International Relations' Subcommittee on African Affairs to examine the crisis in Rwanda and Burundi.
SR–325

Judiciary
Antitrust, Business Rights, and Competition Subcommittee
Business meeting, to consider pending calendar business.
SD–226

2:30 p.m.
Armed Services
Airland Forces Subcommittee
To hold hearings on the future of the North Atlantic Treaty Organization (NATO).
SR–222

APRIL 6

9:00 a.m.
Labor and Human Resources
Business meeting, to mark up S. 454, to reform the health care liability system and improve health care quality through the establishment of quality assurance programs; to be followed by hearings to continue to examine activities of the Department of Health and Human Services' Food and Drug Administration, focusing on the future of American biomedical and food industries.
SD–430

9:30 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Defense, focusing on Navy and Marine Corps programs.
SD–106

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Emergency Management Agency.
SD–138

Commerce, Science, and Transportation
Business meeting, to mark up S. 565, to regulate interstate commerce by providing for a uniform product liability law.
SR–253

Finance
To hold hearings to examine issues related to the Consumer Price Index.
SD–215

10:00 a.m.
Appropriations
Commerce, Justice, State, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Oceanic and Atmospheric Administration, and the National Institute of Standards and Technology, both of the Department of Commerce.
S–146, Capitol

Environment and Public Works
Transportation and Infrastructure Subcommittee
To resume hearings on S. 440, to provide for the designation of the National Highway System, focusing on issues related to the Woodrow Wilson Bridge and the innovative financing of transportation facilities.
SD–406

Judiciary
To hold hearings to examine the right to own property.
SD–226

Joint Economic
To hold hearings to examine the economic effects of a proposed $500-per-child expanded family tax credit.
SD–562

Commission on Security and Cooperation in Europe
To hold hearings to examine United Nation and NATO activities in the former Yugoslavia, focusing on the development of a new mandate for United Nation peacekeepers in Croatia and efforts to restore peace and stability in Bosnia- Herzegovina.
2261 Rayburn Building

2:00 p.m.
Armed Services
Acquisition and Technology Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, focusing on the implementation of acquisition management reform.
SR–232A

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings to examine securities litigation reform proposals.
SD–538

APRIL 7

9:30 a.m.
Joint Economic
To hold hearings to examine the employment-unemployment situation for March.
SD–562

10:00 a.m.
Commission on Security and Cooperation in Europe
To hold a closed briefing on the United Nations High Commissioner for Refugees (UNHCR) activities and concerns in the former Yugoslavia and several of the newly independent states of the former Soviet Union.
2255 Rayburn Building

APRIL 26

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for energy conservation.
SD–116

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Food and Consumer Service, Department of Agriculture.
SD–138

Appropriations
Commerce, Justice, State, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Legal Services Corporation.
S–146, Capitol

11:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for fossil energy, clean coal technology, Strategic Petroleum Reserve, and the Naval Petroleum Reserve.
SD–116

APRIL 27

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Federal Transit Administration, Department of Transportation.
SD–192

MAY 2

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Forest Service of the Department of Agriculture.
SD–138

Labor and Human Resources
To hold hearings on the nomination of Henry W. Foster Jr., of Tennessee, to be Medical Director in the Regular Corps of the Public Health Service, Department of Health and Human Services.
SH–216

MAY 3

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Environmental Protection Agency, the Council on Environmental Quality, and the Agency for Toxic Substances and Disease Registry.
SD–192

10:00 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Agriculture.
SD–138

MAY 4

10:00 a.m.
Appropriations
Transportation Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Coast Guard, Department of Transportation.
SD–192

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Institutes of Health, Department of Health and Human Services.
SD–192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of the Treasury and the Office of Management and Budget.
SD–138

MAY 5

9:30 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for Environmental Protection Agency science programs.
SD–138

MAY 11

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Bureau of Indian Affairs, Department of the Interior.
SD–116

1:00 p.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Indian Health Service, Department of Health and Human Services.
SD–116

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings to examine access to abortion clinics.
SD–192

MAY 17

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the National Park Service, Department of the Interior.
SD–192

MAY 24

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the United States Fish and Wildlife Service, Department of the Interior.
SD–192

JUNE 6

9:30 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of the Interior.
SD–138

POSTPONEMENTS

APRIL 6

10:00 a.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings to examine the Arab boycott of Israel.
SD–419

Monday, April 3, 1995

Daily Digest

HIGHLIGHTS

See Résumé of Congressional Activity.

Senate agreed to Conference Report on Self-Employed Health Insurance Tax Credit.

Senate

Chamber Action

Routine Proceedings, pages S5025–S5085

Measures Introduced: Three bills and one resolution were introduced, as follows: S. 660–662, and S. Res. 99. **Pages S5073, S5076**

Measures Reported: Reports were made as follows:

S. 523, to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner, with an amendment in the nature of a substitute. (S. Rept. No. 104–24)

S. 641, to reauthorize the Ryan White CARE Act of 1990. (S. Rept. No. 104–25) **Page S5073**

Measures Passed:

Authorizing Use of Capitol Grounds: Committee on Rules and Administration was discharged from further consideration of H. Con. Res. 34, authorizing the use of the Capitol Grounds for the Ringling Bros. and Barnum & Bailey Circus Anniversary Commemoration, and the resolution was then agreed to, after taking action on the following amendment proposed thereto: **Pages S5066–70**

Rejected:

Smith Amendment No. 449, to prevent the use of elephants on the Capitol Grounds for the purpose of this event. **Pages S5066–70**

Commending Allen University: Senate agreed to S. Res. 99, commending the 125th anniversary of Allen University. **Pages S5081–82**

FEMA Supplemental Appropriations/Rescissions: Senate continued consideration of H.R. 1158, making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, taking action on amendments proposed thereto, as follows: **Pages S5049–66**

Pending:

Hatfield Amendment No. 420, in the nature of a substitute.

D'Amato Amendment No. 427 (to Amendment No. 420), to require Congressional approval of aggregate annual assistance to any foreign entity using the exchange stabilization fund established under section 5302 of title 31, United States Code, in an amount that exceeds $5 billion.

Murkowski/D'Amato Amendment No. 441 (to Amendment No. 427), of a perfecting nature.

Daschle Amendment No. 445 (to Amendment No. 420), in the nature of a substitute.

Pages S5050–66

Dole (for Ashcroft) Amendment No. 446 (to Amendment No. 445), in the nature of a substitute.

Senate will resume consideration of the bill on Tuesday, April 4, 1995, at 10:30 a.m.

Self-Employed Health Insurance Tax Credit—Conference Report: Senate agreed to the conference report on H.R. 831, to amend the Internal Revenue Code of 1986 to permanently extend the deduction for the health insurance costs of self-employed individuals, and to repeal the provisions permitting nonrecognition of gain on sales and exchanges effectuating policies of the Federal Communications Commission, clearing the measure for the President.

Pages S5029–47

During consideration of this measure today, the Senate took the following action:

By a unanimous vote of 83 yeas (Vote No. 126), three-fifths of those Senators duly chosen and sworn having voted in the affirmative, Senate agreed to close further debate on the conference report.

Page S5029

Appointments

Federal Council on the Aging: The Chair, on behalf of the President pro tempore, pursuant to Public

Law 93–29, as amended by Public Laws 98–459 and 102–375, reappointed Robert L. Goldman, of Oklahoma, to the Federal Council on the Aging.

Page S5081

Commission on Security and Cooperation in Europe: The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, as amended by Public Law 99–7, appointed the following Senators to the Commission on Security and Cooperation in Europe: Senators Campbell, Kempthorne, Santorum, and Abraham. **Page S5081**

Messages From the President: Senate received the following messages from the President of the United States: Transmitting the 1994 Annual Report on Alaska's Mineral Resources; referred to the Committee on Energy and Natural Resources. (PM–40).

Page S5072

Nominations Confirmed: Senate confirmed the following nominations:

26 Air Force nominations in the rank of general.

2 Army nominations in the rank of general.

15 Marine Corps nominations in the rank of general.

1 Navy nomination in the rank of admiral.

Routine lists in the Air Force, Army, Marine Corps, Navy. **Pages S5082–83**

Nominations Received: Senate received the following nominations:

Vera Alexander, of Alaska, to be a Member of the Marine Mammal Commission for a term expiring May 13, 1997.

Routine lists in the Air Force and Marine Corps.

Pages S5084–85

Messages From the President: **Page S5072**

Communications: **Pages S5072–73**

Statements on Introduced Bills: **Pages S5073–75**

Additional Cosponsors: **Pages S5075–76**

Amendments Submitted: **Pages S5076–77**

Notices of Hearings: **Page S5077**

Authority for Committees: **Page S5077**

Additional Statements: **Pages S5077–81**

Record Votes: One record vote was taken today. (Total—126) **Page S5029**

Recess: Senate convened at 9:30 a.m., and recessed at 7:33 p.m., until 9:30 a.m., on Tuesday, April 4, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S5084.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—IRS/OPM

Committee on Appropriations: Subcommittee on Treasury, Postal Service, and General Government held hearings on proposed budget estimates for fiscal year 1996, receiving testimony in behalf of funds for their respective activities from Margaret Richardson, Commissioner, and Larry Westfall, Director, Office of Tax Systems Modernization, both of the Internal Revenue Service; and James King, Director, Office of Personnel Management.

Subcommittee will meet again on Thursday, May 4.

KIRTLAND AIR FORCE BASE

Committee on Appropriations: Subcommittee on Energy and Water Development held hearings on the nuclear weapons implications of the Administration's proposal to close Kirtland Air Force Base in New Mexico, receiving testimony from Vic Reis, Assistant Secretary for Defense Programs, and Al Narath and Bruce Twining, both of Sandia National Laboratories (Albuquerque, New Mexico), all of the Department of Energy; and Maj. Gen. Kenneth L. Hagemann, USAF, Director, Defense Nuclear Agency, Department of Defense.

Subcommittee recessed subject to call.

PRODUCT LIABILITY FAIRNESS ACT

Committee on Commerce, Science, and Transportation: Subcommittee on Consumer Affairs, Foreign Commerce, and Tourism held hearings on S. 565, to regulate interstate commerce by providing for a uniform product liability law, receiving testimony from Senators Lieberman and Boxer; Illinois State Senator Kirk Dillard, Springfield, on behalf of the American Legislative Exchange Council; Rhode Island State Representative Jeffrey Teitz, Providence, on behalf of the National Conference of State Legislators; Stanley G. Feldman, Chief justice, Arizona State Supreme Court, Phoenix, on behalf of the Conference of Chief Justices; and James L. Martin, National Governors Association, William Fry, HALT, Robert Hunter, Consumer Federation of America, Victor E. Scwartz, Crowell and Moring, on behalf of the Product Liability Coordinating Committee, and Larry Stewart, Association of the Trial Lawyers of America, all of Washington, D.C.

Hearings continue tomorrow.

RESEARCH AND EXPERIMENTATION TAX CREDIT

Committee on Finance: Subcommittee on Taxation and IRS Oversight held hearings to examine whether the research and experimentation tax credit (enacted in 1981) should be made a permanent part of the Tax Code, restructured, or allowed to expire after the current June 30, 1995, expiration date, receiving testimony from Natwar M. Gandhi, Associate Director, Tax Polity and Administration Issues, General Government Division, General Accounting Office; Linden C. Smith, KPMG Peat Marwick LLP, Martin A. Sullivan, American Enterprise Institute, and Donald C. Alexander, Akin, Gump, Strauss, Hauer and Feld, on behalf of the Pharmaceutical Research Manufacturers Association, all of Washington, D.C.; Paul Cherecwich, Jr., Thiokol Corporation, Ogden, Utah, on behalf of the Aerospace Industries Association; Marty Glick, Genentech, Inc., San Francisco, California, on behalf of the R&D/Section 861 Coalition; Robert S. Gregg, Sequent Computer Systems, Inc., Beaverton, Oregon, on behalf of the American Electronics Association; and Cliff Simpson, Novell, Inc., Salt Lake City, Utah, on behalf of the Working Group on Research and Development.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: Seven public bills, H.R. 1375–1381; one private bill, H.R. 1382; and two resolutions, H. Con. Res. 54 and H. Res. 127, were introduced. **Pages H4104–05**

Reports Filed: Reports were filed as follows:

H. Res. 125, providing for the consideration of H.R. 1271, to provide protection for family privacy (H. Rept. 104–97);

H. Res. 126, providing for the consideration of H.R. 660, to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons (H. Rept. 104–98); and

Conference report on S. 244, to further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public (H. Rept. 104–99).

Pages H4079, H4093–H4102, H4104

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Hastings of Washington to act as Speaker pro tempore for today. **Page H4033**

Recess: House recessed at 1:11 p.m. and reconvened at 2:00 p.m. **Page H4040**

Presidential Message—Alaska Minerals Resources: Read a message from the President wherein he transmits the 1994 Annual Report on Alaska's Mineral Resources—referred to the Committee on Resources. **Page H4044**

Suspensions: House voted to suspend the rules and pass the following measures:

Fisherman's protection: H.R. 716, to amend the Fishermen's Protective Act (passed by a yea-and-nay vote of 384 yeas, Roll No. 280);

Pages H4044–45, H4072–73

U.S. citizens imprisoned in Iraq: H. Res. 120, amended, expressing the sense of the House of Representatives regarding American citizens held in Iraq (agreed to by a yea-and-nay vote of 399 yeas, Roll No. 281); and **Pages H4046–48, H4073**

District of Columbia financial responsibility: H.R. 1345, amended, to eliminate budget deficits and management inefficiencies in the government of the District of Columbia Financial Responsibility and Management Assistance Authority.

Pages H4048–72

Late Report: Conferees received permission to have until midnight tonight to file a conference report on S. 244, the Paperwork Reduction Act of 1995.

Page H4072

Recess: House recessed at 3:59 p.m. and reconvened at 5:00 p.m. **Page H4072**

Referrals: Two Senate-passed measures were referred to the appropriate House committees. **Page H4103**

Senate Messages: Messages received from the Senate today appear on pages H4041 and H4072.

Quorum Calls—Votes: Two yea-and-nay votes developed during the proceedings of the House today and appear on pages H4072–73 and H4073. There were no quorum calls.

Adjournment: Met at 12:30 p.m. and adjourned at 8:39 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, FDA, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies continued appropriation hearings. Testimony was heard from Members of Congress and public witnesses.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior (and Related Agencies) held a hearing on Office of the Secretary, Office of the Solicitor, and on the Inspector General. Testimony was heard from the following officials of the Department of the Interior: Bonnie R. Cohen, Assistant Secretary, Policy, Management and Budget; and John D. Leshy, Inspector General.

MEDICARE SELECT POLICIES OFFERED IN STATES

Committee on Commerce: Ordered reported amended H.R. 483, to amend title XVIII of the Social Security Act to permit Medicare Select policies to be offered in all States.

CHINESE PRISON SYSTEM

Committee on International Relations: Subcommittee on International Operations and Human Rights held a hearing on the Chinese Prison System. Testimony was heard from public witnesses.

OVERSIGHT

Committee on the Judiciary: Subcommittee on the Constitution held an oversight hearing on group preferences and the law. Testimony was heard from Mary Frances Berry, Chair, Commission on Civil Rights; and public witnesses.

FAMILY PRIVACY PROTECTION

Committee on Rules: Granted an open rule providing for one hour of general debate on H.R. 1271, Family Privacy Protection Act of 1995. Testimony was heard from Chairman Clinger and Representatives Horn, Souder, Collins of Illinois, and Maloney.

HOUSING FOR OLDER PERSONS

Committee on Rules: Granted an open rule providing for one hour of general debate on H.R. 660, Housing for Older Persons Act of 1995. Testimony was heard from Representative Canady of Florida.

MEDICARE END-STAGE RENAL DISEASE PROGRAM

Committee on Ways and Means: Subcommittee on Health held a hearing on the Medicare End-Stage Renal Disease (Kidney Failure) Program. Testimony was heard from Helen L. Smits, M.D., Deputy Administrator, Health Care Financing Administration, Department of Health and Human Services; and public witnesses.

Joint Meetings

FORMER YUGOSLAVIA

Commission on Security and Cooperation on Europe: Commission met in closed session to receive a briefing on recent developments in Croatia, and Bosnia and Herzegovina.

Commission will meet again tomorrow.

COMMITTEE MEETINGS FOR TUESDAY, APRIL 4, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry, to resume hearings on proposed legislation to strengthen and improve United States agriculture programs, focusing on market effects on Federal farm policy, 9:30 a.m., SR–332.

Committee on Appropriations, Subcommittee on Defense, to hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Defense, focusing on Air Force programs, 9:30 a.m., SD–106.

Subcommittee on Labor, Health and Human Services, and Education, to hold hearings to examine education technology, 9:30 a.m., SD–192.

Committee on Armed Services, Subcommittee on SeaPower, to hold hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, focusing on surface shipbuilding programs and the Department of the Navy's plans for modernization and recapitalization, 9:30 a.m. SR–222.

Full Committee, to hold hearings on proposed legislation authorizing funds for fiscal year 1996 for the Department of Defense and the future years defense program, focusing on Department of Energy national security issues, 2:30 p.m., SR–222.

Committee on Commerce, Science, and Transportation, Subcommittee on Consumer Affairs, Foreign Commerce, and Tourism, to continue hearings on S. 565, to regulate interstate commerce by providing for a uniform product liability law, 9:30 a.m., SR–253.

Committee on Environment and Public Works, business meeting, to consider the nomination of Shirley Ann Jackson, of New Jersey, to be a Member of the Nuclear Regulatory Commission, 10 a.m., SD–406.

Committee on Finance, to hold hearings to review the 1995 Trade Policy Agenda and 1994 Annual Report of the President of the United States on the Trade Agreements Program, 9:30 a.m. SD–215.

Committee on Foreign Relations, Subcommittee on Western Hemisphere and Peace Corps Affairs, to hold hearings

to examine drug control strategies in the western hemisphere, 1:30 p.m., SD–419.

Committee on Governmental Affairs, to hold hearings on the earned income tax credit, 10 a.m., SD–342.

Committee on the Judiciary, to hold hearings on punitive damages tort reform, 10 a.m., SD–226.

Committee on Small Business, to hold hearings to examine the Small Business Administration's 8(a) Minority Business Development Program, 10 a.m., SH–216.

NOTICE

For a listing of Senate Committee Meetings scheduled ahead, see pages E763–64 in today's RECORD.

House

Committee on Agriculture, to mark up H.R. 618, to extend the authorization for appropriations for the Commodity Futures Trading Commission through fiscal year 2000, 2 p.m., 1300 Longworth.

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, on Congressional and Public Witnesses, 1 p.m., 2362A Rayburn.

Subcommittee on Commerce, Justice, State, and Judiciary (and Related Agencies) on NOAA, 10 a.m., and on SEC and Commission on Civil Rights, 2 p.m., H–309 Capitol.

Subcommittee on Foreign Operations, Export Financing and Related Programs, on Security Assistance/States and DOD, 10 a.m., H–144 Capitol.

Subcommittee on Interior (and Related Agencies), on Public Witnesses (Natural Resources), 10 a.m. and 1 p.m., B–308 Rayburn.

Subcommittee on Labor, Health and Human Services, and Education (and Related Agencies), on Corporation for National and Community Service and Federal Mediation and Conciliation Service, 10 a.m., and on Federal Mine Safety and Health Review Commission, National Commission on Libraries and on the National Council on Disability, 2 p.m., 2358 Rayburn.

Subcommittee on Military Construction, executive, on Arabian Gulf Construction Program, 9:30 a.m., B–300 Rayburn.

Subcommittee on National Security, on Fiscal Year 1996/97 Navy/Marine Corps Budget Overview, 10 a.m., and on Navy-Marine Corps Acquisition Programs, 1:30 p.m., H–140 Capitol.

Subcommittee on Veterans' Affairs, Housing and Urban Development and Independent Agencies, on Congressional and Public Witnesses, 9:30 a.m. and 2 p.m., H–143 Capitol.

Committee on Banking and Financial Services, to continue hearings on the following: H.R. 1062, Financial Services Competitiveness Act of 1995; Glass-Steagall Reform; and related issues, 10 a.m., 2128 Rayburn.

Committee on the Budget, to consider Committee views and estimates, 10 a.m., and to hold a hearing on Medicaid: A Program in Need of Reform, 10:05 a.m., 210 Cannon.

Committee on Economic and Educational Opportunities, Subcommittee on Oversight and Investigations, hearing on Identifying Conflicts and Inconsistencies in Workplace Regulations, 9:30 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on Human Resources and Intergovernmental Relations, oversight hearing on the Department of Labor: Opportunities for Cost Savings, 10 a.m., 2247 Rayburn.

Committee on House Oversight, hearing and markup of FCC Authorization, 10 a.m., 1310 Longworth.

Committee on International Relations, hearing on State Department Reorganization, 10 a.m., and a hearing on the Administration's International Affairs Budget Request for Fiscal Year 1996, 3 p.m., 2172 Rayburn.

Committee on National Security, Subcommittee on Military Installations and Facilities, to continue hearings on the fiscal year 1996 national defense authorization request, 10 a.m., 2212 Rayburn.

Subcommittee on Military Personnel, to continue hearings on the fiscal year 1996 national defense authorization request, 2 p.m., 2212 Rayburn.

Subcommittee on Military Research and Development, to continue hearings on the fiscal year 1996 national defense authorization request, 2 p.m., 2118 Rayburn.

Committee on Rules, to continue consideration of H.R. 1215, Contract With America Tax Relief Act of 1995, time to be announced, H–313 Capitol.

Committee on Small Business, Subcommittee on Procurement, Exports, and Business Opportunities, hearing on Surety Bonds, 10 a.m., 2359 Rayburn.

Committee on Standards of Official Conduct, executive, to consider pending business, 4 p.m., HT–2M Capitol.

Committee on Transportation and Infrastructure, to mark up legislation to reauthorize and amend the Federal Water Pollution Control Act, 10 a.m., 2167 Rayburn.

Permanent Select Committee on Intelligence, executive, hearing on Covert Actions, 10 a.m., and executive, to consider pending business; and executive, followed by a hearing on Intelligence Personnel, 2 p.m., H–405 Capitol.

Joint Meetings

Commission on Security and Cooperation in Europe, to hold hearings to examine the extent to which ethnic cleansing, destruction of cultural sites and associated war crimes in Bosnia and Herzegovina and other parts of the former Yugoslavia constitute genocide, 2 p.m., 2322 Rayburn Building.

Résumé of Congressional Activity

FIRST SESSION OF THE ONE HUNDRED FOURTH CONGRESS

The first table gives a comprehensive résumé of all legislative business transacted by the Senate and House. The second table accounts for all nominations submitted to the Senate by the President for Senate confirmation.

DATA ON LEGISLATIVE ACTIVITY

January 4 through March 31, 1995

	Senate	*House*	*Total*
Days in session	59	53	..
Time in session	488 hrs., 28′	486 hrs., 40′	..
Congressional Record:			
Pages of proceedings	5023	4032	..
Extensions of Remarks	..	753	..
Public bills enacted into law	5	..	..
Private bills enacted into law	..	..	..
Bills in conference	4	2	..
Measures passed, total	77	111	..
Senate bills	11	6	..
House bills	3	39	..
Senate joint resolutions	0	..	..
House joint resolutions	0	2	..
Senate concurrent resolutions	0	..	..
House concurrent resolutions	4	8	..
Simple resolutions	59	56	..
Measures reported, total	*40	*94	..
Senate bills	13	..	..
House bills	2	58	..
Senate joint resolutions	2	..	..
House joint resolutions	1	3	..
Senate concurrent resolutions	2	..	..
House concurrent resolutions	0	..	..
Simple resolutions	20	33	..
Special reports	5	..	..
Conference reports	..	2	..
Measures pending on calendar	30	16	..
Measures introduced, total	795	1,636	..
Bills	659	1,374	..
Joint resolutions	31	85	..
Concurrent resolutions	9	53	..
Simple resolutions	96	124	..
Quorum calls	2	8	..
Yea-and-nay votes	128	62	..
Recorded votes	..	209	..
Bills vetoed	..	..	..
Vetoes overridden	..	..	..

*These figures include all measures reported, even if there was no accompanying report. A total of 23 reports have been filed in the Senate, a total of 96 reports have been filed in the House.

DISPOSITION OF EXECUTIVE NOMINATIONS

January 4 through March 31, 1995

Civilian nominations, totaling 162, disposed of as follows:	
Confirmed	39
Unconfirmed	122
Withdrawn	1
Civilian nominations (FS, PHS, CG, NOAA), totaling 702, disposed of as follows:	
Confirmed	696
Unconfirmed	6
Air Force nominations, totaling 9,890, disposed of as follows:	
Confirmed	9,490
Unconfirmed	400
Army nominations, totaling 3,361, disposed of as follows:	
Confirmed	2,627
Unconfirmed	734
Navy nominations, totaling 3,715, disposed of as follows:	
Confirmed	884
Unconfirmed	2,831
Marine Corps nominations, totaling 886, disposed of as follows:	
Confirmed	94
Unconfirmed	792

Summary

Total nominations received this session	18,716
Total confirmed	13,830
Total unconfirmed	4,885
Total withdrawn	1

Next Meeting of the SENATE

9:30 a.m., Tuesday, April 4

Senate Chamber

Program for Tuesday: After the recognition of two Senators for speeches and the transaction of any morning business (not to extend beyond 10:30 a.m.), Senate will resume consideration of H.R. 1158, FEMA Supplemental Appropriations.

(Senate will recess from 12:30 p.m. until 2:15 p.m. for respective party conferences.)

(At 2:15 p.m., the National Geographic will take the official photograph for the 104th Congress.)

Next Meeting of the HOUSE OF REPRESENTATIVES

9:30 a.m., Tuesday, April 4

House Chamber

Program for Tuesday: Consideration of the following Suspension: H.R. 1240, Sexual Crimes Against Children Prevention Act of 1995; and

Consideration of H.R. 1271, Family Privacy Protection Act of 1995 (open rule, one hour of general debate).

Extensions of Remarks, as inserted in this issue

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