

When trends like these threaten the American Dream, and these trends are being felt, Mr. President, I was troubled by a Gallup-CBS polls taken recently that showed that 8 out of every 10 Americans believe it will be harder for the next generation to achieve the American Dream—8 out of every 10. When these trends threaten the American Dream of home ownership, we must be clear in our policies here in Washington, that we will continue to work to promote an environment of security and opportunity.

Mr. D'AMATO. Mr. President, I am pleased to join my distinguished colleague from Delaware, Senator ROTH, in submitting a resolution to prevent further restriction of the Federal income tax deduction for home mortgage interest. To further limit or eliminate the deductibility of mortgage interest for homeowners—the majority of which are middle-income Americans—would be to restrict their ability to buy into the American dream.

It is no secret that homeownership is a fundamental American ideal. Cutting or wiping out this deduction, which has been available to Americans since 1913, will simply put the possibility of homeownership out of reach for many Americans. The mortgage interest deduction is one of a number of tax benefits that serves a good social purpose. It is not an unintended loophole but, rather, a provision created to foster investment by the private sector. The home mortgage interest deduction has served as one of the cornerstones of our national housing policy, making us one of the best housed countries in the world and creating safe and secure neighborhoods.

Further restrictions could also have a disastrous effect on the American housing industry, especially if interest rates continue to rise. People simply will not be able to buy homes, which would have a devastating impact on the economy, particularly the banking, lending and construction industries. Higher unemployment rates would result and local governments would suffer, as shrinking homeownership would, in turn, mean a dwindling tax base.

Mr. President, the National Association of Home Builders estimates that eliminating the home mortgage interest deduction would reduce the value of an average American home by about 20 percent. For all intents and purposes this would have the effect of a heavy tax increase. For the sake of the economy and middle-income Americans we cannot erode the American dream: homeownership.

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SENATE RESOLUTION 118—CONCERNING UNITED STATES-JAPAN TRADE RELATIONS

Mr. BYRD (for himself, Mr. DOLE, Mr. DASCHLE, Mr. BAUCUS, Mr. REID, Mr. ASHCROFT, Mr. WARNER, Mr. LEVIN, Mr. HOLLINGS, Mr. PRESSLER, Mr. DORGAN, Mr. SARBANES, Mr. SPECTER, Mr.

BROWN, and Mr. D'AMATO) submitted the following resolution; which was considered and agreed to:

S. RES. 118

Whereas, the United States and Japan have a long and important relationship which serves as an anchor of peace and stability in the Pacific region;

Whereas, tension exists in an otherwise normal and friendly relationship between the United States and Japan because of persistent and large trade deficits which are the result of practices and regulations which have substantially blocked legitimate access of American automotive products to the Japanese market;

Whereas, the current account trade deficit with Japan in 1994 reached a historic high level of \$66 billion, of which \$37 billion, or 56 percent, is attributed to imbalances in automotive sector, and of which \$12.8 billion is attributable to auto parts flows;

Whereas, in July, 1993, the Administration reached a broad accord with the Government of Japan, which established automotive trade as one of 5 priority areas for negotiations, to seek market-opening arrangements based on objective criteria and which would result in objective progress;

Whereas, a healthy American automobile industry is of central importance to the American economy, and to the capability of the United States to fulfill its commitments to remain as an engaged, deployed, Pacific power;

Whereas, after 18 months of negotiations with the Japanese, beginning in September 1993, the U.S. Trade Representative concluded that no progress had been achieved, leaving the auto parts market in Japan "virtually closed";

Whereas, in October, 1994, the United States initiated an investigation under Section 301 of the Trade Act of 1974 into the Japanese auto parts market, which could result in the imposition of trade sanctions on a variety of Japanese imports into the United States unless measurable progress is made in penetrating the Japanese auto parts market;

Whereas, the latest round of U.S.-Japan negotiations on automotive trade, in Whistler, Canada, collapsed in failure on May 5, 1995, and the U.S. Trade Representative, Ambassador Kantor, stated the "government of Japan has refused to address our most fundamental concerns in all areas" of automotive trade, and that "discrimination against foreign manufacturers of autos and auto parts continues."

Whereas, President Clinton stated, on May 5, 1995, that the U.S. is "committed to taking strong action" regarding Japanese imports into the U.S. if no agreement is reached.

Now, therefore, be it

*Resolved*, That it is the Sense of the Senate that—

(1) The Senate regrets that negotiations between the United States and Japan for sharp reductions in the trade imbalances in automotive sales and parts, through elimination of restrictive Japanese market-closing practices and regulations, have collapsed;

(2) If negotiations under Section 301 of the Trade Act of 1974 fail to open the Japanese auto parts market, the United States Senate strongly supports the decision by the President to impose sanctions on Japanese products in accordance with Section 301.

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SENATE RESOLUTION 119—AUTHORIZING REPRESENTATION BY LEGAL COUNSEL

Mr. GORTON (for Mr. DOLE, for himself and Mr. DASCHLE) submitted the

following resolution; which was considered and agreed to:

S. RES. 119

Whereas, in the case of *United States v. George C. Matthews*, Case No. 95-CR-11, pending in the United States District Court for the Eastern District of Wisconsin, a subpoena for testimony has been issued to Darin Schroeder, an employee of the Senate on the staff of Senator Feingold;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2) (1994), the Senate may direct its counsel to represent committees, Members, officers and employees of the Senate with respect to subpoenas or orders issued to them in their official capacity: Now, therefore, be it

*Resolved*, That Darin Schroeder and any other employees in Senator Feingold's office from whom testimony may be necessary are authorized to testify and to produce records in the case of *United States v. George C. Matthews*, except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is directed to represent Darin Schroeder and any other employee in connection with the testimony authorized under section 1.

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AMENDMENTS SUBMITTED

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COMMONSENSE PRODUCT LIABILITY REFORM ACT

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BYRD (AND OTHERS) AMENDMENT NO. 730

(Ordered to lie on the table.)

Mr. BYRD (for himself, Mr. DOLE, Mr. BAUCUS, Mr. REID, Mr. LEVIN, and Mr. ASHCROFT) submitted an amendment intended to be proposed by them to amendment No. 690, proposed by Mr. COVERDELL to amendment No. 596, proposed by Mr. GORTON to the bill (H.R. 956) to establish legal standards and procedures for product liability litigation, and for other purposes; as follows:

At the appropriate place, insert

Inasmuch as, the United States and Japan have a long and important relationship which serves as an anchor of peace and stability in the Pacific region;

Inasmuch as, tension exists in an otherwise normal and friendly relationship between the United States and Japan because of persistent and large trade deficits which are the result of practices and regulations which have substantially blocked legitimate access of American products to the Japanese market;

Inasmuch as, the current account trade deficit with Japan in 1994 reached a historic high level of \$66 billion, of which \$37 billion, or 56 percent, is attributed to imbalances in automotive sector, and of which \$12.8 billion is attributable to auto parts flows;