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The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. LAZIO of New York].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 12, 1996.

I hereby designate the Honorable RICK LAZIO to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

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

May words of gratitude ring from our hearts, O God, and may the spirit of thanksgiving ever lift our souls. When we look for remedies for the ills of the world and when we wonder why we have often forgotten our spiritual roots, may we meditate on the wonders of Your creation and the glories of the favor You have given to us. When we contemplate Your grace, O God, and the wonderful gifts that fill our days, our very beings are filled to overflowing with thanksgiving, with gratitude and with praise. For these good gifts and for the opportunities of this new day, we offer these words of prayer. 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.

Mr. RIGGS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ''noes'' appeared to have it.

Mr. RIGGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas, Mr. PETE GEREN, come forward and lead the House in the Pledge of Allegiance.

Mr. PETE GEREN of Texas led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a resolution of the House of the following title:

H. Con. Res. 172. Concurrent resolution authorizing the 1996 Summer Olympic Torch Relay to be run through the Capitol Grounds, and for other purposes.

The message further announced that pursuant to Public Law 104–127, the Chair, on behalf of the majority leader, appoints Sheri L. Chapman, of Idaho, and Richard K. Golb, of California, to the Water Rights Task Force.

The message also announced that pursuant to Public Law 104–127, the Chair, on behalf of the Democratic leader, appoints Elizabeth Ann Ricke, of Colorado, to the Water Rights Task Force.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain fifteen 1-minutes on each side.

FBI FILES

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

Mr. BOEHNER. Mr. Speaker, in 1992, candidate Bill Clinton refused to sign a waiver that would allow the FBI to release requested information from his FBI file. The candidate's, in 1992, press secretary said and I quote, ''It is a personal file and he is not going to do it.''

It just so happens that I have a staffer who works in my office whose name happens to be on that list of FBI files that happens to be at the White House. Nobody knows how. Nobody knows why. I wonder how she feels about her name and her file being displayed at the White House. Who saw it? What did they do with the information?

Mr. Speaker, as the chaplain said, today is a new day. In 1992, Bill Clinton promised the most ethical administration in the history of this country, the most ethical. Today is a new day. I think it is time for the President and the White House to work fully with the FBI and to work openly and fully with this Congress to determine who knew what, when they knew it and what they are going to do to correct the problem.

FLAG DAY PRAYER CONCERT

(Mr. PETE GEREN of Texas asked and was given permission to address the House for 1 minute.)

Printed on recycled paper.

Mr. PETE GEREN of Texas. Mr. Speaker, from 12:30 to 2 in the Canon Caucus Room, Members of the Congress will gather with the VA-National Medical Musical Group for the first Congressional Flag Day Prayer Concert.

VA–NMMG will be joined by singers Judy Collins, Wintley Phipps, Detra Battle, and Naoko Okada, and by various Members of Congress who will narrate the program with patriotic and inspirational readings. NBC's Tim Russert and Adrian Cronauer, the military broadcaster who inspired ''Good Morning, Vietnam,'' will act as masters of ceremony.

The program, which will focus on prayer for our troops in Bosnia and for peace in the Balkans, was developed by the VA–NMMG, a highly-acclaimed chorale and symphony group made up of doctors, nurses, scientists, veterans, and students. These individuals come from veterans' and other medical centers and medical schools across the United States. VA–NMMG, which formed in 1983, has performed at the Reagan, Bush, and Clinton White Houses and for such dignitaries as Pope John Paul II and members of the United Nations.

Mr. Speaker, I urge my colleagues to join us today, join us in this occasion of prayer, join us in this celebration of Flag Day.

FBI FILES IN WHITE HOUSE

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

Mr. HEFLEY. Mr. Speaker, this morning's New York Times features an editorial that is highly critical of the Clinton administration in it's involvement in raiding the FBI files of former Republican White House employees.

Let me just quote some of the questions raised by the New York Times, ''There are deeper questions here. What, for example, were the Attorney General and the F.B.I. Director doing while their control of their agency was being usurped? If Bernard Nussbaum * * * was out of the loop, why was his letterhead weighty enough to unlock hundreds of confidential files at an agency not under his supervision? * * * The FBI and the Secret Service have always been at the center of the review and documentation process. Why suddenly was a temporary employee from the Department of Defense given the task of security vetting of White House staff and visitors?''

The Times concludes by saying, ''These are executive questions of a historically important nature. We would think the current Chief Executive would be first in line demanding answers.''

MARGE SCHOTT AND THE CINCINNATI REDS

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

Mr. TRAFICANT. Mr. Speaker, most Americans agree that the statements of Marge Schott, owner of the Cincinnati Reds, were crude, rude, repugnant, ignorant, and disgusting, to say the least.

Mr. Speaker, was Marge Schott wrong? Yes. Do baseball owners have the right to be upset? Yes. Do baseball owners have the right to sanction Marge Schott? Yes.

Do baseball owners have the right to strip Marge Schott of the ownership of the Cincinnati Reds? I say absolutely not. The baseball owners can fine her; they can sanction her; but, by God, they cannot take her ownership of the Reds away.

We may disagree with what she says, but she has the right to say it. The fact is, I believe that Marge Schott is more of a threat to sobriety than she is a threat to our society. Think about that one.

I yield back the balance of any ownership. There is still a Constitution around here.

PATENT PROTECTION

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

Mr. ROHRABACHER. Mr. Speaker, next week this House will have a chance to vote on H.R. 3460, the Moorhead–Schroeder Patent Act, which I believe should be entitled the ''Steal American Technologies Act.''

Members of the Committee on the Judiciary yesterday were given inaccurate answers to questions, and this bill passed right through that committee and will be heading toward this floor next week.

The bill mandates, mandates that every patent application that is made to the United States Patent Office be published after 18 months, whether or not the patent has been issued. Do my colleagues understand what that means? That means every new idea our people come up with, whether or not they have been issued the patents, it will be published for the entire world to see. It is an invitation to steal every new American technological idea. It is an insane mandate, and it is in this bill.

The bill also obliterates the Patent Office and resurrects it as a quasi-independent corporation, like the post office. Only with that, congressional oversight is limited and patent examiners are stripped of their right of civil service protection.

It is an invitation to steal American technology. H.R. 3460 must be defeated.

FAILURE ON BUDGET RESOLUTION

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

Mr. DOGGETT. Mr. Speaker, yesterday this failed Congress failed to act on the national budget resolution. Apparently the budget resolution advanced by the Gingrich leadership was so bad that even some of our Republican colleagues could not stomach it.

In fact, I quote from a leaflet that one of them sent out, Do we want the deficit to go back up, the budget resolution conference report shows the budget deficit going back up again, reversing the gains made in the past 3 years.

He could have added, under President Clinton. And he is exactly right. Their resolution increases the budget deficit, and he urges the House to reject the conference report.

These are the same Republicans who in the name of deficit reduction said they were willing to cut Medicare, the same Republicans who in the name of deficit reduction shut down the Government with their antics of last year. Yet now that we have an election coming along, they are willing to let the budget deficit soar.

Those of us who backed the conservative coalition budget have a better way. Balance the budget now without unbalancing the budgets of American working families and without wrecking Medicare.

ROBERT J. DOLE

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

Mr. TIAHRT. Mr. Speaker, yesterday Senate majority leader Robert J. Dole became a private citizen. He left us in Congress a legacy of integrity, honesty and character. Character is something that you develop when no one is around, as Senator Dole did in his service to his country during World War II and the 39 months that followed as he struggled to regain his ability to walk. Honesty is something that he has provided to the American public even when it was unpopular. Integrity is something Senator Dole has undergone with three decades of public scrutiny and three presidential campaigns. He has worked hard throughout that time to do the right thing.

Mr. Speaker, we will miss Senator Dole on the Hill, but we will welcome him with open arms as he moves into 1600 Pennsylvania Avenue.

HEALTH CARE REFORM

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

Mr. GENE GREEN of Texas. Mr. Speaker, yesterday this House sent to conference committee a health care reform bill and hopefully we will see a bill come out. But the one that was in conference committee now allows for what is called MSA's, for most folks medical savings accounts.

It would be a Federal tax deduction for someone who can afford to buy a high deductible insurance policy, $4,000 or $5,000 deductible a year.

This Congress removed the deductibility for health insurance premiums, for the average working stiffs in the 1980's. The average working stiff who pays it by the month will not be able to deduct their premiums. Yet we are going to give it to the wealthiest who can afford $5,000 a year.

As my colleague from Ohio says, beam me up. We are going to let the wealthy, are helping the wealthy more by the $5,000 deductible buy MSA's, but we are not letting the average person who pays their health insurance by the month deduct it. We ought to do both in this Congress.

MORE ON FBI FILES

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

Mr. STOCKMAN. Mr. Speaker, I have a confidential file here that somehow ended up on my desk. I do not know where it came from or how it got here.

The President came to Houston a little over a year ago and he had the courage to admit he raised the taxes too much. Mr. Speaker, he is coming again to Texas and Houston, June 21. It is my hope that he will have the courage to apologize for taking these files on individuals and bringing them back to his office.

My fear, Mr. Speaker, is that there will be a lot less courage but maybe one day we will see some convictions.

POLITICS OF INSENSITIVITY

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

Mr. MILLER of California. Mr. Speaker, all Members of this House should be saddened today by the remarks yesterday of majority leader DICK ARMEY in his criticism and his remarks about the President's visit to South Carolina today to dedicate the new chapel at Mount Zion A.M.E. Church, a church that was firebombed and burned to the ground, 1 of 49 black churches burned to the ground in this country.

For the majority leader to turn this into politics is exactly the kind of politics that we do not need in this country: the politics of insensitivity, of extremism and of race.

The President is doing what any President of this country must do, and that is to bring us together to heal this Nation and to get us to face this national horror.

□ 1015

The President is doing what any President must do to bring the full force and effect of law enforcement against these crimes, against these bombings. The President is doing what any President of this nation must do, and that is to get this Nation to challenge, to challenge us against these horrible crimes. The gentleman from Texas [Mr. ARMEY] is doing what no majority leader should do, and that is to make politics out of a national terror.

ABUSE OF POWER AND INVASION OF PRIVACY UNCOVERED IN THE WHITE HOUSE

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

Mr. WATTS of Oklahoma. Mr. Speaker, potential abuse of power and invasion of privacy have been uncovered in the Clinton White House. The White House requested, and received, highly confidential FBI files and records of former Reagan and Bush appointees, suggesting the formation of an enemies list.

Mr. Speaker, there are a lot of unanswered questions in this latest Clinton administration blunder. The American public, especially those citizens whose privacy rights were violated by having their personal files searched, deserve an honest explanation, not more excuses and coverups.

It is time for the President to come clean on his administration's activities. Tell us the truth about the FBI file search.

TRUST FUND SCARE ONE OF BIGGEST SCAMS EVER PERPETRATED ON AMERICANS

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

Ms. VELÁZQUEZ. Mr. Speaker, we have heard a lot of rhetoric from Republicans this year. However, the current trust fund scare is one of the biggest scams ever perpetrated on the American people.

Republicans in Congress are using the Medicare trust fund report to justify their extreme proposal to slash Medicare. The trust fund report is simply a smokescreen for the real reason they want to cut Medicare: tax breaks.

If Republicans were truly interested in saving Medicare, they would reduce their huge tax breaks to the rich, not by slashing this vital program with cuts that will devastate seniors, close public hospitals, and burden working-class families.

Medicare is a program that should provide health care services for seniors, not a piggy bank for wealthy corporations and the privileged few.

300 FILES A BUREAUCRATIC MISTAKE?

(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, they say that nothing ever stays the same, and I suppose that applies even to Bill Clinton's beliefs about how personal FBI personnel records are.

When the American public was concerned in 1992 about Governor Clinton's military record, or lack thereof, the Washington Times filed a Freedom of Information request to check on discrepancies between Clinton campaign statements and his letters to ROTC officials.

At that time, the Clinton campaign said ''It's a personal file. He's not going to [release the records]. [Clinton] just doesn't have to disclose every shred of his personal life, and the American people don't expect him to.''

Apparently, Clinton did not expect that same sort of privacy for other citizens. He has raided the personal files of Reagan and Bush political appointees, yet it was only a bureaucratic mistake. A misplaced paper or misfiled form may be a bureaucratic mistake, but the personal files of over 300 people?

Clinton once thought those 300 files were personal. The American people, and the people whose privacy were violated by this administration deserve an explanation.

MEDICAID REFORM

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

Mr. STUPAK. Mr. Speaker, after U.S. Governors earlier this year announced a plan to reform Medicaid, I looked forward to working in a bipartisan fashion to create a quality piece of legislation.

However, there have never been any bipartisan negotiations on the current bill. The result is a new blueprint for block-granting that may be ideologically perfect, but is socially destructive.

The proposed legislation removes the guarantee of health care for the elderly and disabled. It allows each State to define the scope, amount, and duration of any Medicaid payment.

It will require impoverished seniors to pay high deductibles or copays that they cannot afford. It will force spouses and children around the country to contribute a disproportionate amount for nursing home care for their parents or grandparents.

This bill would be devastating to rural health care, because it does not require benefits provided by each State's program to be provided equally to all parts of a State.

Medicaid was created in the first place because States did not provide for those who needed care. Let us not turn back the clock and create 50 new federally funded experiments that use our grandparents and children as guinea pigs.

HYPOCRISY IN THE WHITE HOUSE

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

Mrs. CHENOWETH. Mr. Speaker, 2 weeks ago Bill Clinton and his liberal partners held a stand for children.

Now, this march was to demonstrate their commitment to instilling values in America's children and to focus the Nation's attention on the need to raise moral children in this country.

Mr. Speaker, how can Bill Clinton and his liberal buddies preach about morality to our children and then turn around and deliberately mislead the American people about the White House's search of the FBI files? This hypocrisy must stop, Mr. Speaker.

The White House had FBI files for possible political use stored in one of their security vaults. Mr. Speaker, I ask, does this sound like an innocent bureaucratic mistake as the White House says? Oh, of course out.

Mr. Speaker, if Bill Clinton wants to instill honesty in our children, should be not first look at the mirror and look at himself?

HOUSE REPUBLICANS DIVIDED ON THE BUDGET

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

Mr. WARD. Mr. Speaker, the secret is out. This may not be England, but there is dissension in the family, and the Queen is not happy. The House Republicans are divided, and the gentleman from Texas [Mr. ARMEY] cannot as easily as usual whip them into shape. Yesterday the vote on the final passage of the 1997 fiscal year budget was yanked, taken off the floor, because the Republican freshmen and the more conservative members of the majority party were not in line.

It seems that the budget deficit will increase over the next 2 years under Speaker GINGRICH's plan, not decrease. As my colleague, the gentleman from Texas [Mr. BARTON], so appropriately said, we are backing away from what they started out to do in this Congress, something that may not be too smart in an election year: To try and cut the deficit. However, the crown jewel of the tax cut for the wealthy may be threatened.

So let us see where the gentleman from Texas, Mr. ARMEY's, priorities are and those of his royal family.

REPUBLICANS BALANCE THE BUDGET FOR OUR CHILDREN'S FUTURE

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

Mr. RIGGS. Mr. Speaker, to listen to the rhetoric from some of my good Democratic friends and colleagues this morning, one would think that they were prepared to vote for less spending and lower deficits, when nothing could be further from the truth. We are going to get a budget agreement, and let me tell my colleagues why. The budget agreement that we have reached between House and Senate Republicans achieves a $5 billion Federal budget surplus in the year 2002. It calls for reforming Medicaid and welfare, saving Medicare from bankruptcy and providing middle-class families much needed tax relief. It reforms Medicaid and welfare by giving more power and more revenue to the States in line with the recommendations, the bipartisan recommendations, of the Nation's Governors. It preserves and protects Medicare for our Nation's elderly, a goal which is even more important because of the report last week from the Medicare trustees which says Medicare is going broke earlier than expected; in fact, their worst-case scenario is that Medicare could be broke in 1999, just 3 years from now. And it calls for permanent tax relief for American families through a $500-per-child tax credit that is $1,000 for a family of four.

Mr. Speaker, it is a good budget, and it balances the budget for the sake of our children's future.

REPUBLICAN BUDGET BAD FOR SENIORS AND FOR THE DEFICIT

(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, the House was scheduled to vote on the 1997 budget yesterday but the vote was delayed at the last minute. It seems that the Republican budget, by their own admission, actually increases the Federal deficit.

And freshman Republicans, many of whom campaigned back home for a balanced budget and many of whom voted for the balanced budget amendment, balked at voting for a budget that is not balanced.

But today the Republican leadership has twisted enough arms and many of these same freshmen will support a budget that does exactly what they promised they would not do when they came to Washington: increase the deficit. What hypocrisy.

And yet these same Republicans want the American people to trust them when they say their budget does not cut the Medicare program by $168 billion over a 6-year period to pay for tax breaks for the wealthy. Do not be fooled. This budget is bad for seniors and bad for the deficit.

REPUBLICANS SHOULD SUPPORT THE CONTRACT CALLED MEDICARE

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

Mr. HILLIARD. Mr. Speaker, the Republicans are not cooperating or attempting to work out a compromise to protect Medicare for seniors. I hope all voters remember these facts in November. The Republicans have repeatedly voted for deep cuts in the Medicare Program which will affect the quality of service which our seniors depend on to stay healthy and, in fact, to stay alive.

The Republicans in Congress seem to be big supporters of contracts. If this is true, then they should stand by the contract which America has made with our senior citizens. This contract is called Medicare. The Republicans should support Medicare, should defend Medicare, but the Republicans should not cut Medicare.

WE NEED TO PASS A RESPONSIBLE BUDGET

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

Mr. LINDER. Mr. Speaker, it is interesting that the people who are complaining about cuts to Medicare are offering no program to save it. The President's own trustees on the Medicare trust fund said it will go bankrupt a year ago by the year 2002, and I will say it will be bankrupt in 5 years, and no program from this side is trying to protect it.

This budget we are about to vote on is going to give us a $5 billion surplus in the year 2002 to begin the downpayment on our grandchildren's debt, an immoral debt, I might add, that we left them after 30 years voting ourselves wonderful government programs and just choosing not to pay for them. This budget is going to preserve and protect Medicare for our Nation's elderly for many years, but not enough yet until the baby-boomers come, and we are going to have to still deal with that. It is also going to give some tax relief for families with children up to $100,000 in income $500-per-child tax credit. These are for middle-class American families. All this baloney about the wealthy, but there are not capital gains cuts in this budget. These are for middle-class families, $500 per child tax relief.

It is time to pass a responsible budget that comes to balance.

BATTLE OVER BUDGET

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

Mr. SCHUMER. Mr. Speaker, why is the row of Republicans there so empty in giving speeches this morning? They are all busy fighting with each other over the budget. They do not have time to put together a coherent program. And the reason is simple: The Republican Party has drifted over to the extreme. Bob Dole is a voice of moderation, I guess, with TRENT LOTT taking over the Senate, and then the extremists will even be given a greater hand. So look at the budget they cannot even get the extremists to pass on: fewer toxic waste cleanups, welfare reform that cuts——

POINT OF ORDER

Mr. LINDER. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore (Mr. LAZIO of New York). The gentleman will state his point of order.

Mr. LINDER. Mr. Speaker, is it appropriate to deal specifically with Members of the other body by name in making or casting aspersions on the motives?

Mr. VOLKMER. He is not a Member of the other body.

Mr. LINDER. TRENT LOTT is.

The SPEAKER pro tempore. Members should not so refer to specific Members of the other body by name. The gentleman will proceed in order.

Mr. SCHUMER. Mr. Speaker, I will strike the name and say the junior senator from Mississippi. Everyone knows it is the same person.

□ 1030

Everyone knows it is the same person. What I would say is, very simply, if we look at this budget with regard to toxic waste cleanups, welfare reform, weak on work but tough on kids, bigger deficits, not smaller, raising the deficit, limiting direct student loans, tax increases on working families, limiting guarantees for health care for low-income women and children and seniors in nursing homes, hundreds of rural hospitals cut, doctors to overcharge seniors for Medicare, and the list goes on and on, it is an extreme budget. It is a wrong budget. We will defeat it.

ONLY WAY TO BALANCED BUDGET IS DECREASED FEDERAL SPENDING

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

Mr. CHAMBLISS. Mr. Speaker, it is the same old story, same old line. We have heard about cuts, cuts, cuts, for so long. Only in this town does an increase in spending come to a cut.

Never before in the history of Webster's Dictionary has the term ''cut'' been defined as an increase. The Republican plan, a budget to protect and preserve Medicare, provides for an increase in spending. I challenge any one of my colleagues to stand up and say that is not true. If they do, they are entitled to the $1 million that we promised a year ago. But they will not do that.

Mr. Speaker, our budget that we are going to be talking about in the next couple of days does get to balance in the year 2002. Our budget has lower deficits than the President's budget in every single year. That is extremely important, because what that does is get it to balance. That is the only way we are going to get there is to decrease Federal spending.

MEDICARE TOO IMPORTANT TO BE TREATED LIKE AN UGLY STEPCHILD

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

Ms. MCKINNEY. Mr. Speaker, tampering with Medicare not only impacts our seniors, it also affects our entire health care system. When we boast about having the greatest health care system in the world, it is due in no small measure to the research and financial infrastructure that Medicare provides.

For this reason, Mr. Speaker, any reductions in Medicare should be carefully considered and put back into the system, not used to pay for tax cuts and star wars.

Desperate, however, to provide tax breaks to their wealthy campaign contributors, Republican leaders have cooked up a plan to cut $168 billion from Medicare, although only $90 billion is needed to extend the Medicare trust fund. The GOP insists on cutting an extra $78 billion that will eventually end up in the pockets of junk-bond dealers, corporate CEO's and insurance companies.

Mr. Speaker, Medicare is too important to be treated like an ugly stepchild by Uncle NEWT.

REPUBLICANS SHOULD WORK WITH DEMOCRATS TO PROTECT MEDICARE FOR AMERICA'S SENIOR CITIZENS

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

Mr. VOLKMER. Mr. Speaker, it is budget time again. Once again, I hear my extreme radical Republican colleagues, under the gentleman from Georgia, NEWT GINGRICH, and Bob Dole telling the American public they are going to save Medicare. How are they going to do that? They are going to do that by cutting it by $168 billion, by forcing senior citizens to pay more for health care, by gutting rural health care, and by closing hospitals. This budget cuts funding for hospitals by 19 percent. How are my radical Republican colleagues going to save Medicare if they close hundreds of hospitals?

Mr. Speaker, according to the Missouri Hospital Association, this would not be a mere reduction in the rate of increase, but a dangerous and devastating cut in payment. Rather than receiving an increased level of payment for services that are more intensive and increasingly costly to deliver, hospitals will be paid less in each of the next 6 years than they are paid this year. Many of the rural hospitals in my district will be devastated by these cuts and forced to close their doors. How does this improve health care for American senior citizens?

REPUBLICAN CUTS IN MEDICARE AND MEDICAID AND TAX BREAKS INCREASE THE DEFICIT

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

Mr. PALLONE. Mr. Speaker, it is the same old thing that we went through last year: Here comes the budget again, and the Republicans are slashing Medicare and Medicaid to pay for tax breaks for the wealthy. The amazing thing about it is that they are doing it this year and actually increasing the deficit. The deficit goes up from a current projection of $130 billion for fiscal year 1996 to $153 billion for fiscal year 1997, so not only are they trying to destroy the Medicare and Medicaid Program, they are also going against their alleged promise that they are going to reduce the deficit in order to do it.

Do Members know where this money is going? All these cuts are going into a giant slush fund. One of my colleagues said before, they are not using the Medicare and Medicaid money in order to pay for tax breaks. In fact, they are, because the cuts go into a slush fund. That slush fund will be used later during the budget process in order to provide those tax breaks for the wealthy. It is the same old story again. The Republicans do not care about the average person. They are just trying to help their rich friends.

SUPPORT URGED FOR RESOLUTION AGAINST CHURCH BURNINGS

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

Mrs. CLAYTON. Mr. Speaker, it is time for this body to speak with the voice of reason. It is time for this body to speak with the voice of leadership. It is time for people of reason to speak out against the church bombings, and certainly this House should make it abundantly clear that it is unacceptable, in a Nation of civil liberties, that we would find a house of worship to be a target for arson. It is certainly unacceptable in this House that we would not speak out to say that civilized people do not find that places of worship, places of sacred faith, should be desecrated.

I urge my colleagues, all who are persons of reason, persons who respect faith, to sign my resolution condemning the violent acts and the burning of churches in the African-American communities, or churches of any races, churches of any faiths. Speak out against that. Be resolved in knowing what America is about.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. RIGGS. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: The Committee on Banking and Financial Services; the Committee on Commerce; the Committee on Economic

and Educational Opportunities; the Committee on Government Reform and Oversight; the Committee on International Relations; the Committee on the Judiciary; the Committee on National Security; the Committee on Resources; the Committee on Science; the Committee on Transportation and Infrastructure; the Committee on Veterans' Affairs; and the Permanent Select Committee on Intelligence.

It is my understanding that the minority has been consulted and that there is no objection to this request.

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

There was no objection.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. RIGGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 332, nays 76, answered ''present'' 1, not voting 25, as follows:

[Roll No. 229]

YEAS—332

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunning
Burr
Burton
Buyer
Callahan
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Coyne
Cramer
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fields (LA)
Fields (TX)
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Hall (OH)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefner
Herger
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Istook
Jackson (IL)
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Owens
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Traficant
Upton
Vento
Vucanovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
White
Whitfield
Williams
Wise
Wolf
Woolsey
Wynn
Young (FL)
Zeliff

NAYS—76

Abercrombie
Becerra
Bishop
Bonior
Borski
Brown (CA)
Brown (FL)
Bunn
Chrysler
Clay
Coleman
Collins (IL)
Collins (MI)
Costello
Crane
DeFazio
Durbin
Engel
English
Ensign
Fazio
Filner
Flanagan
Fox
Funderburk
Gephardt
Geren
Gibbons
Gutierrez
Gutknecht
Hastings (FL)
Hefley
Heineman
Hilleary
Hilliard
Hinchey
Hutchinson
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson, E.B.
LaFalce
Latham
Levin
Lewis (GA)
Lipinski
McCarthy
McDermott
McKinney
Meek
Menendez
Meyers
Oberstar
Olver
Pallone
Pickett
Pombo
Rush
Sabo
Schroeder
Scott
Smith (MI)
Stenholm
Stockman
Taylor (MS)
Thompson
Torkildsen
Towns
Visclosky
Volkmer
Waters
Watts (OK)
Weller
Wicker
Yates
Zimmer

ANSWERED ''PRESENT''—1

Harman

NOT VOTING—25

Bass
Bateman
Calvert
Chapman
Clyburn
Conyers
de la Garza
Dornan
Emerson
Everett
Frelinghuysen
Gillmor
Hall (TX)
Inglis
Lantos
Lincoln
Longley
Martini
McDade
Payne (NJ)
Royce
Schiff
Velazquez
Wilson
Young (AK)

□ 1057

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. HARMAN. Mr. Speaker, because my flight from California was delayed yesterday, I was unable to be present to vote on several rollcall votes.

Had I been present, I would have voted ''present'' on rollcall 225, approval of the journal.

I would have voted ''yes'' on rollcall vote 226, the motion to instruct House conferees to H.R. 3103, the bill to improve the portability and continuity of health insurance coverage.

I would have voted ''yes'' on rollcall vote 227, Mr. FRANK's amendment to prohibit IMET funds for Indonesia.

And I would have voted ''yes'' on rollcall vote 228, final passage of the foreign operations appropriations bill for fiscal 1997.

SENSE OF CONGRESS THAT SECRETARY OF AGRICULTURE DISPOSE OF REMAINING COMMODITIES IN DISASTER RESERVE

Mr. BARRETT of Nebraska. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 63) to express the sense of Congress that the Secretary of Agriculture should dispose of all remaining commodities in the disaster reserve maintained under the Agricultural Act of 1970 to relieve the distress of livestock producers whose ability to maintain livestock is adversely affected by disaster conditions existing in certain areas of the United States, such as prolonged drought or flooding, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore (Mr. LAZIO of New York). Is there objection to the request of the gentleman from Nebraska?

□ 1100

Mr. STENHOLM. Mr. Speaker, reserving the right to object, I will not object, and I yield to the gentleman from Nebraska [Mr. BARRETT] for an explanation of the Senate concurrent resolution.

Mr. BARRETT of Nebraska. Mr. Speaker, this is more or less a housekeeping chore, albeit a very important one. Senate Concurrent Resolution 63 is the Senate version of House Concurrent Resolution 181, which passed the

House by voice vote on June 4. The Senate unanimously passed Senate Concurrent Resolution 63 on June 5. The Senate resolution is identical to the House resolution, as amended.

With this action today, we will officially send to Agriculture Secretary Dan Glickman our desire for him to immediately release the 45 million bushels of feed grains held in reserve. The release of this grain will not solve the current crisis for cattlefeeders, but it will help and possibly be enough to get some through an extremely severe drought and save their operations.

Farmers who own livestock are being severely hard hit with the drought conditions, when coupled with a low point in the cattle cycle, and record high grain prices.

The grain in this disaster reserve, nearly 45 million bushels, is worth an estimated $200 million and would provide for all the cattle on feed in the affected States enough feed grain for over 2 weeks.

Passage of the resolution not only makes sense, it saves money. The Federal Government is currently spending $10 million a year to store this grain.

The Government should not be paying huge storage fees and holding grain from the marketplace when the United States is experiencing record low grain supplies.

This is an important concurrent resolution and I thank the leadership for providing for its swift consideration.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for his explanation.

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

Mr. STENHOLM. Mr. Speaker, I rise in support of Senate Concurrent Resolution 63, which is nearly identical to the legislation passed by this body last week, House Concurrent Resolution 181, introduced by my colleagues on the Agriculture Committee, Mr. BARRETT and Mr. EMERSON, and cosponsored by a number of other Members.

As was noted last week, the Clinton administration has been working on a similar effort to make Government-owned feed grain stocks available to hard-pressed livestock producers. Secretary Glickman transmitted to the President a request last week for the declaration of a state of emergency to allow the Department of Agriculture to dispose of the feed grain stocks under USDA's control.

There is no doubt that there is a need to alleviate the stress facing producers in many parts of this country due to the severe drought in the Southern Plains and flooding and excessive rainfall in the Northern Plains and eastern Corn Belt. These natural disasters come at a time when grain stocks are at their lowest levels in decades causing record market prices and cattle producers are receiving even less for their animals than during the Great Depression based on inflation-adjusted dollars.

The release of this grain would be in addition to the actions already taken by the Clinton administration to help alleviate the stress in the livestock sector. These actions include: Release of Conservation Reserve Program acres for haying and grazing, extension of noninsured crop disaster assistance program coverage, extension of the Livestock Feed Program, the release of additional funds for emergency loans, advance purchases of beef for the school lunch program, and export credit guarantees for meat.

In my own State of Texas we are facing losses in the livestock and crop sectors in the billions of dollars. Sixty-two percent of our rangeland is rated as being in poor to very poor condition and dairy producers in Texas are facing a possible doubling of their normal feed costs due to the increases in the cost of feed and hay they must utilize to produce milk each day.

I would encourage my colleagues to support this resolution. The livestock sector in our country contributes billions of dollars to our economy and if we do not take actions to help stem the liquidation of herds now, we will pay the price later for rebuilding that infrastructure.

Mr. STENHOLM. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. LAZIO of New York). Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 63

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. USE OF DISASTER RESERVE FOR ASSISTANCE TO LIVESTOCK PRODUCERS.

In light of the prolonged drought and other adverse weather conditions existing in certain areas of the United States, the Secretary of Agriculture should promptly dispose of all commodities in the disaster reserve maintained under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) to relieve the distress of livestock producers whose ability to maintain livestock is adversely affected by disaster conditions, such as prolonged drought of flooding.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BARRETT of Nebraska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on Senate Concurrent Resolution 63.

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

There was no objection.

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on further consideration of H.R. 3603, and that I may include tabular and extraneous material.

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

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 451 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3603.

□ 1105

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes, with Mr. LINDER, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose on Tuesday, June 11, 1996, the amendment offered by the gentleman from New Mexico [Mr. SKEEN] had been disposed of and page 58, line 1 though page 68 line 22 was open for amendment at any point.

Are there further amendments to this portion of the bill?

Mr. LUCAS of Oklahoma. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to enter into a brief colloquy with the gentlewoman from Ohio, if that would be possible.

Being a farmer-rancher by trade back in Oklahoma, I am particularly sensitive about the nature of the farm bill and appropriation bills or any other pieces of legislation that might have an impact on rural American production in agriculture. If I could, I would ask of the gentlewoman, it is my understanding that her provision in this appropriation bill does not impose any new requirements or provisions beyond those in the farm bill; is that correct?

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. LUCAS of Oklahoma. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I would simply state to the gentleman that that is correct. The amount that was included in our bill was passed unanimously by our subcommittee. It was also passed in full committee and its intention is that the transition subsidy payments would require that farmers be engaged in the production of commodities or conserving purposes in order to receive assistance.

So the answer to the gentleman's question is yes.

Mr. LUCAS of Oklahoma. Mr. Chairman, I thank the gentlewoman for her reassurance that her language or provision does not impose any new requirement on producers beyond those in the farm bill.

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

Mr. LUCAS of Oklahoma. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Chairman, I thank the gentleman from Oklahoma for yielding to me. As a farmer myself, I have some real concerns also with this provision in the appropriations bill and I would like to ask the gentlewoman, if a farmer maintains his land in agricultural use or conserving use, he will maintain his eligibility for production flexibility contract without any additional reporting or other requirement; is that correct?

Ms. KAPTUR. Mr. Chairman, if the gentleman will continue to yield, that is correct. The Secretary of Agriculture will administer the program under the requirements of the production flexibility contracts as contained in the act.

Mr. LATHAM. So there will not be any additional reporting or other requirements?

Ms. KAPTUR. No. The farmers have to go into the local farm service agencies anyway to sign these contracts, and that is the procedure that will be used in this.

I think maybe it is important also just to place on the record, so Members understand what is going on here, there was somewhat of an omission in the original bill when it passed the House originally in that the conference report stated that farmers were really not required to plant a crop to qualify for a farm payment. The intention of this is not to reward investors but to reward farmers and ranchers who are actually doing the work of agriculture in this country.

We also recognized the need for conservation and conserving uses, and we do make exceptions in the bill for weather. We cannot control drought or flooding or serious weather situations. So we are not after changing the requirements when they go into the farm service agency. We are just wanting to make sure these transition payments are going to farmers who are actually doing the work.

Mr. LATHAM. Mr. Chairman, I thank the gentlewoman, and I assume conserving use means if land were to lay fallow, as is often used for resting land and things like that.

Ms. KAPTUR. It has to have a crop cover. In other words, there is a lot of land out there that needs to replentify itself with additional moisture and so forth. We have severe problems in many parts of our country, we understand those needs, but we want the land ultimately to be used for livestock. We want it to be used for cash crops, vegetable crops, whatever. We just do not want to reward investors.

We have gotten some letters from the gentleman's part of the country, for example, from tenant farmers who have had their contracts cut off for this next fiscal year because the investors who own the land can actually make more money by getting the payments from USDA than if, in fact, they had raised a herd or grown a crop. We want to prevent any abuse like that and really reward the people who are doing the work. That is the purpose of the language.

I think both gentlemen, being respected ranchers and farmers in their own States, understand those who may try to cash in on a program like this, and I know that is not his intention in any way.

Mr. LATHAM. And I appreciate the gentlewoman's response. She is aware that like a corn farmer in Ohio would get about $30 an acre and they probably would not even cover the property taxes, and farmers are farmers because they want to produce. I really do not know if the economics bear out the gentlewoman's concern here because I do not think anyone is going to let their land sit without production, but I appreciate the gentlewoman's response.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman.

The CHAIRMAN pro tempore. Are there further amendments to this portion of the bill which are not limitation amendments?

If not, the Clerk will read the last paragraph.

The Clerk read as follows:

SEC. 733. Funds appropriated to the Department of Agriculture may be used for incidental expenses such as transportation, uniforms, lodging, and subsistence for volunteers serving under the authority of 7 U.S.C. 2272, when such volunteers are engaged in the work of the U.S. Department of Agriculture; and for promotional items of nominal value relating to the U.S. Department of Agriculture Volunteer Programs.

AMENDMENT OFFERED BY MR. DEFAZIO

Mr. DEFAZIO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DEFAZIO: At the end of the bill (page 69, after line 5), insert the following new section:

SEC. . (a) LIMITATION ON USE OF FUNDS.—None of the funds made available in this Act may be used for predator control efforts under the Animal Damage Control Program in the western region of the United States, except when it is made known to the Federal official having authority to obligate or expend such funds that the control efforts protect human health or safety or endangered or threatened species.

(b) CORRESPONDING REDUCTION IN FUNDS.—The amount otherwise provided by this Act for salaries and expenses with respect to the Animal Damage Control Program under the heading ''ANIMAL AND PLANT HEALTH INSPECTION SERVICE'' is hereby reduced by $13,400,000.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes and that the time be equally divided.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN pro tempore. Does the gentleman from New Mexico [Mr. SKEEN] seek time in opposition?

Mr. SKEEN. Yes, Mr. Chairman, I do.

The CHAIRMAN pro tempore. The gentleman from Oregon [Mr. DEFAZIO] and the gentleman from New Mexico [Mr. SKEEN] will each be recognized for 15 minutes.

The Chair recognizes the gentleman from Oregon [Mr. DEFAZIO].

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

This is a simple amendment before the House. It is to eliminate an anachronistic, expensive, ineffective subsidy to a selected few livestock producers in the western United States. It does not prevent, and I want people to listen up, because there is some misinformation out there, it does not prevent the animal damage control from acting in cases that would affect human health or safety. That would be rabid animals or animals that are encroaching upon human habitation, problem animals or rogue animals.

It does not eliminate controls that would deal with the safety of endangered or threatened species. It does not prevent any private individual, any private livestock producer or any other private individual, any county, or any State from expending their own funds under Federal law to control predators and other problem creatures. It does not prevent control of birds, insects for crop damage or safety at airports.

What it does is eliminate $13.4 million from the budget that is now spent on an indiscriminate and ineffective predator control program, a subsidy provided by Federal taxpayers to some, a few, private livestock producers in the western United States.

□ 1115

If the issue were the real problems affecting the livestock industry in this country, the money would be better spent. The statistics for 1995, national statistics gathered by the Agriculture Department, 3 percent of the livestock losses in the United States were due to predators, 11 percent due to weather, 17 percent due to calving problems, 27 percent due to respiratory problems, and 25 percent due to digestive problems.

Mr. Chairman, if we want to subsidize this industry, we would be better put to spend the Federal dollars solving the digestive problems of livestock or the respiratory problems, the calving problems, or solving the weather problem. But that would involve a government program, which of course we would not want to have.

So, what we are suggesting here is we need to eliminate the subsidy, cut back this ineffective and indiscriminate problem, and to restore some natural order to the ecosystem of the Western United States.

Mr. Chairman, in many cases when they go in and attempt to control coyotes, there are more now than when this program started in 1931. It actually increases the birth rate of the coyotes and spreads them over a larger area. So inadvertently, this program over time has wrought devastation in

terms of killing a whole lot of nontarget species, and even target species, but it has not been effective as a predator control program.

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

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

Mr. Chairman, I rise in opposition to the gentleman's amendment. This amendment would have a far more devastating effect than I believe the gentleman intends it to have.

The amendment would not only prohibit predator control efforts in the western region of the United States, but because of the 50-percent funding reduction to the program, it would also negatively impact work related to protecting the health and safety of the people of this country.

The total funding for the program is $26.8 million nationwide. Approximately 30 percent of this funding or about $8 million, is spent on predator control to protect livestock across the country. Less than $8 million is spent in the western region. Reducing the program by $13.4 million will mean significant reductions to work conducted at airports to prevent wildlife-aircraft strikes; disease control work such as rabies in south Texas; brown tree snake management; and blackbird control.

This reduction would also impact the cooperative agreements for ADC activities USDA has with all 50 States. States contribute over $22 million of State funds for ADC related work.

I do not think the gentleman from Oregon's intention is to impact the assistance provided to the Eugene Airport to reduce the threat of bird strikes to aircraft or the cooperative agreement ADC has with private timber companies to reduce black bear damage to timber resources in his own State, which is what this amendment would do if it passed.

I strongly urge all Members to vote no on this amendment. This amendment has a far more devastating impact on ADC activities across the country. It is not limited to the predator control activities in the western region alone.

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

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

Mr. Chairman, I was a county commissioner when we were in tough budget times, and despite the Federal share, we eliminated the Animal Damage Control Program in a county as large as the State of Connecticut with an extensive livestock industry, and we heard that there was going to be cataclysm, all of these deaths were going to occur of the livestock.

Mr. Chairman, know what happened? Nothing. Nothing. There were no additional deaths in the livestock, the sheep, or the cattle industry, in a county the size of Connecticut, when we did away with this program with its indiscriminate killing of predators. In fact, it reduced other pest species such as rodents and things which the coyotes primarily prey upon.

The gentleman talked about human health and safety. There is a line item in the ADC budget for human health and safety. If that line item at $3,197,040 is inadequate, then I would certainly join with the gentleman in a unanimous-consent request to shift some of the funds into that line item. But it has its own line item. This is only the livestock line item that is affected here.

Ms. FURSE. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentlewoman from Oregon.

Ms. FURSE. Mr. Chairman, I would like to ask the gentleman from Oregon [Mr. DEFAZIO] a couple of questions. I heard his opening statement. Am I to understand that only 3 percent of the animal damage is predator and so 97 percent is nonpredator-related, and that we are, in fact, doing a government subsidy for just this 3 percent?

It seems to me we might be able to put that money to better use in doing some other research. The gentleman pointed out that it is animal disease that is generally what kills the creatures.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, yes, the Department of Agriculture's own statistics for 1995 show that 97 percent of the mortality was due to causes other than predation, the largest being respiratory problems, 27 percent; second largest, digestive; third largest, calving problems.

Perhaps if we applied more money to research in these areas there would be greater gains. But we have had this animal predator control program since 1931, and we have today more coyotes in the United States than when they started the program but they are more dispersed, and there are other problems that have been a consequence, particularly inadvertent kills of nontarget species.

Mr. Chairman, I had a constituent whose dog was killed, and when she ran to rescue the dog who had gotten into one of those M44 explosive devices, she also had a cyanide poisoning.

Ms. FURSE. Mr. Chairman, if the gentleman would continue to yield, could I ask a couple of other questions? Would the gentleman's amendment affect bird damage for small fruits or berries or that sort of thing? Would it have an effect on that?

Mr. DEFAZIO. Mr. Chairman, no, I do not touch the $3,463,460 for crop control.

Ms. FURSE. Mr. Chairman, I thank the gentleman from Oregon [Mr. DEFAZIO]. It seems to be that at a time when we are cutting back very much on agricultural support and our farmers are in deep need, that this may be one of those places where we could perhaps save and put it into other areas where our farmers are certainly being strapped financially.

Mr. Chairman, I know there are huge cuts in this agricultural bill, and maybe this would be a place we could save some money for farmers across the country; not just a small subsidy for some western farmers.

Mr. DEFAZIO. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. LINDER). The Committee will rise informally.

The SPEAKER pro tempore (Mr. BONILLA) assumed the chair.

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, who also informed the House that on the following dates the President approved and signed bills of the House and Senate of the following titles:

HOUSE

March 7, 1996:

H.R. 2196. An act to amend the Stevenson-Wydler Technology Innovation Act of 1980 with respect to inventions made under cooperative research and development agreements, and for other purposes.

March 12, 1996:

H.R. 927. An act to seek international sanctions against the Castro government in Cuba, to plan for support of a transition government leading to a democratically elected government in Cuba, and for other purposes.

H.R. 3021. An act to guarantee the continuing full investment of Social Security and other Federal funds in obligations of the United States.

March 15, 1996:

H.J. Res. 163. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

March 16, 1996:

H.R. 2778. An act to provide that members of the Armed Forces performing services for the peacekeeping efforts in Bosnia and Herzegovina, Croatia, and Macedonia shall be entitled to tax benefits in the same manner as if such services were performed in a combat zone, and for other purposes.

March 22, 1996:

H.J. Res. 165. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

March 26, 1996:

H.R. 2036. An act to amend the Solid Waste Disposal Act to make certain adjustments in the land disposal program to provide needed flexibility, and for other purposes.

March 29, 1996:

H.J. Res. 170. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

H.R. 3136. An act to provide for enactment for the Senior Citizens' Right to work Act of 1996, the Line Item Veto Act, and the Small Business Growth and Fairness Act of 1996, and to provide for a permanent increase in the public debt limit.

April 1, 1996:

H.J. Res. 78. Joint resolution to grant the consent of the Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois.

H.R. 1266. An act to provide for the exchange of lands within Admiralty Island National Monument, and for other purposes.

H.R. 1787. An act to amend the Federal Food, Drug, and Cosmetic Act to repeal the saccharin notice requirement.

April 4, 1996:

H.R. 2854. An act to modify the operation of certain agricultural programs.

April 9, 1996:

H.J. Res. 168. Joint resolution waiving certain enrollment requirements with respect to two bills of the One Hundred Fourth Congress.

H.R. 2969. An act to eliminate the Board of Tea Experts by repealing the Tea Importation Act of 1897.

April 24, 1996:

H.J. Res. 175. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

April 25, 1996:

H.R. 3034. An act to amend the Indian Self-Determination and Education Assistance Act to extend to 2 months the authority for promulgating regulations under the act.

April 26, 1996:

H.R. 3019. An act making appropriations for fiscal year 1996 to make further downpayment toward a balanced budget, and for other purposes.

April 30, 1996:

H.R. 255. An act to designate the Federal Justice Building in Miami, Florida, as the ''James Lawrence King Federal Justice Building.''

H.R. 869. An act to designate the Federal Building and United States courthouse located at 125 Market Street in Youngstown, Ohio, as the ''Thomas D. Lambros Federal Building and United States Courthouse.''

H.R. 1804. An act to designate the United States Post Office-Courthouse located at South 6th and Rogers Avenue, Fort Smith, Arkansas, as the ''Judge Isaac C. Parker Federal Building.''

H.R. 2415. An act to designate the United States Customs Administrative Building at the Ysleta/Zaragosa Port of Entry located at 797 South Zaragosa Road in El Paso, Texas, as the ''Timothy C. McCaghren Customs Administrative Building.''

H.R. 2556. An act to redesignate the Federal building located at 345 Middlefield Road in Menlo Park, California, and known as the Earth Sciences and Library Building, as the ''Vincent E. McKelvey Federal Building.''

May 6, 1996:

H.R. 3055. An act to amend section 326 of the Higher Education Act of 1965 to permit continued participation in Historically Black Graduate Professional Schools in the grant program authorized by that section.

SENATE

June 5, 1996:

The President has approved the following:

March 28, 1996:

S. 1494. An act to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.

April 1, 1996:

S.J. Res. 38. Joint resolution granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact.

April 9, 1996:

S. 4. An act to give the President line item veto authority with respect to appropriations, new direct spending, and limited tax benefits.

April 24, 1996:

S. 735. An act to deter terrorism, provide justice for victims, provide for an effective death penalty, and for other purposes.

May 2, 1996:

S.J. Res. 53. Joint resolution making corrections to Public Law 104–134.

May 20, 1996:

S. 641. An act to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990.

May 13, 1996:

H.R. 2024. An act to phase out the use of mercury in batteries and provide for the efficient and cost-effective collection and recycling or proper disposal of used nickel cadmium batteries, small sealed lead-acid batteries, and certain other batteries, and for other purposes.

May 15, 1996:

H.R. 2243. An act to amend the Trinity River Basin Fish and Wildlife Management Act of 1984, to extend for 3 years the availability of Moneys for the restoration of fish and wildlife in the Trinity River, and for other purposes.

May 16, 1996:

H.R. 2064. An act to grant the consent of Congress to an amendment of the Historic Chattahoochee Compact between the States of Alabama and Georgia.

May 17, 1996:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

May 24, 1996:

H.R. 1743. An act to amend the Water Resources Research Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes.

H.R. 1836. An act to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, New York, for inclusion in the Amagansett National Wildlife Refuge.

May 29, 1996:

H.R. 2066. An act to amend the National School Lunch Act to provide greater flexibility to schools to meet the Dietary Guidelines for Americans under the school lunch and school breakfast programs.

June 3, 1996:

H.R. 1965. An act to reauthorize the Coastal Zone Management Act of 1972, and for other purposes.

The SPEAKER pro tempore. The Committee will resume its sitting.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The Committee resumed its sitting.

Mr. SKEEN. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, the Animal Damage Control Program represents one of the most efficient and cost-effective programs within the U.S. Department of Agriculture. It benefits the general public as well as the agricultural industry. Without animal damage control, studies have indicated that agriculture's annual losses would total in excess of $1 billion. In 1994 in Oregon alone, the National Agricultural Statistics Service estimated that 4,275 sheep and 15,200 lambs were lost to predators.

What kind of signal are we sending to these ranchers? When urban residents are robbed of their private property, they rely on publicly financed services to regain their property. It this a subsidy to private property owners? Is the taking of private property in the East worthy of publicly financed services, while in the West it is not?

Mr. Chairman, ranchers are hard-working, tax-paying citizens who contribute mightily to their communities. And the Animal Damage Control Program is a tool they rely on to maintain a successful operation. It should be protected.

Oppose the DeFazio amendment.

Mr. Chairman, I oppose the DeFazio amendment, and I want to state that predator control is not only a western issue; it is an issue throughout the entire country. I think that we need to retain this program because we retained other predator control programs that pertain to our police protection. This is just another form of that, and we need it.

Mr. DEFAZIO. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I rise in strong support of the DeFazio amendment that would cut $13.4 million from the fiscal year 1997 budget for animal damage control.

Mr. Chairman, I ask the indulgence of my good friend, the chairman of the committee, to understand my position because I hope I understand his. I have a small spread in California. I engage in predator control. I believe in predator control. I will not describe the type of predator control that I use, but I think it is reasonably effective.

What I am suggesting here in this effort to cut the budget for animal damage control is that we can do this job more effectively and in a more principled fashion than we do. I believe in strong cooperation on the part of the Government, the Department of Agriculture in this case, to help the farmers, ranchers, and other people of this country. I have demonstrated that time after time.

On the other hand, I do not believe in an unnecessary and less than beneficial subsidy that is being used to support this program.

As I think we all know, the Department of Agriculture is authorized to levy fees to support this program, but have never used that authority. We move in that direction in almost every other area in which we are providing services to a segment of the business community, and it is my view that we should be moving in this direction as far as the Animal Damage Control Program is concerned.

In previous legislation the Congress has indicated that there are preferred ways to carry out this operation and they do not require the extensive use of the kinds of traps, snares, poisons, aerial hunting, and other things that are going on today under the name of controlling animal damage. There are more effective ways, and the Congress has directed that these be used.

We have GAO reports that the ADC has been using these methods that I

have described in essentially all instances, despite the Department's written policies and procedures which call for preference to be given to nonlethal methods. Now I confess that I am an unabashed animal lover and like to protect their lives where possible, and I think in this case we can achieve the control of predator damage by the use of nonlethal technologies, and that we can do it cheaper and we can distribute the costs of doing this in a more equitable fashion by levying fees which would be levied on the people who get the benefit from the program.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Wyoming [Mrs. CUBIN].

Mrs. CUBIN. Mr. Chairman, I rise in opposition to the pending amendment which would reduce funding to the Animal Damage Control Program.

Mr. Chairman, I think that this amendment is at the very best uninformed, and possibly at the worst, mean-spirited. When we talk about predators, we are not talking only about coyotes, we are talking about the wolf which has been introduced into Wyoming, into my State, which is an endangered species. The grizzly bear is an endangered species. Eagles and hawks, many of them are endangered species.

We do not have any right or any will to kill these predators, and we cannot legally do that to protect our livestock. I believe in predator control, but when an endangered animal, an endangered species kills some livestock, the only way that the owner of that livestock can get compensated is through the Animal Damage Control Program.

□ 1130

I would suggest that, if the gentleman who offered the amendment had a dog that was worth $10,000 and this dog was in his very own yard, and there are bulls that are worth that much, much more than $10,000, but this dog was in its very own yard and my dog went over and killed his dog, then he would say that I ought to be responsible to pay him back for the value of his dog. This is all this predator control program does.

If a species or if a predator, including an endangered species, kills a cow, a bull, a sheep, whatever, all we are asking is that a portion, a very small portion of the value of that livestock be given back to the owner of the livestock. That is what we are asking. This is not a subsidy. It is merely paying someone for a small portion of what is rightfully theirs.

The animal loss in the livestock industry is enormous, as the gentleman from Oregon [Mr. COOLEY] stated earlier. Aside from the livestock issues, there have also been wildlife losses, not just in Wyoming but in Oregon and across the western United States, due to predation. It is the livestock producers who, by controlling predators, who keep the burgeoning numbers of coyotes, foxes, mountain lions, and brown bears down, who have provided the most protection for wildlife, which are preyed upon by these same destructive animals. The Animal Defense Control Program is the last line of defense for the wildlife that we enjoy and that everyone wants to preserve in our State.

If Members have any real interest in protecting wildlife, they will vote against this amendment, because the ranchers and the livestock growers are the ones who are helping control the predators, and they need the animal control money to enable them to do that.

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

The issue here is a subsidy, subsidy. That side of the aisle is consistently against government programs and subsidies except when it goes to their own parochial interests. This bill does nothing, nothing to prevent predator control by individuals, by counties, by States. As I said previously, when I was a county commissioner, we canceled the predator control program, walked away from the Federal match. They engaged in private predator control, and the losses did not go up. But that is the issue here.

Will we continue a $13.4 million subsidy to a selected few of the livestock producers in the Western United States?

As I stated earlier, yes, the losses are largely due to predation. Almost 3 percent of the losses last year were due to predation. The other 97 percent were due to a number of causes, some of which are not preventable, like weather, but others which could be preventable with research, like respiratory problems, 27 percent; digestive problems, 25 percent. Fifty-two percent of the losses in this industry were due to respiratory and digestive problems.

Maybe we should invest this money in our veterinary schools. Maybe we should invest it in a vaccination program for livestock. I do not know. But there would be a heck of a lot better return than the 3 percent that was due to predation.

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

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. BONILLA].

Mr. BONILLA. Mr. Chairman, I thank my friend from New Mexico for yielding time to me.

Mr. Chairman, I rise in strong opposition to the DeFazio amendment. It is bad news, it is bad news for agriculture. It is bad news for consumers. It is bad news for the environment. And it is bad news for America's children.

Here is the bad news the DeFazio amendment has for agriculture. In 1994, 520,000 sheep and lamb were killed by predators, direct losses to agriculture from wildlife damage totaled $461 million. The DeFazio amendment says too bad, so sad, let us increase these losses.

The DeFazio amendment would cut animal damage control that is essential for the continued viability for many American ranches already battered by the drought. Let us not forget about the drought. The DeFazio amendment would punish these ranchers with increased losses. My friends, that is wrong, it is just plain wrong.

Here is the bad news the DeFazio amendment has for consumers. Higher grocery bills are on the way for millions of American families struggling to make ends meet. These higher costs are courtesy of the DeFazio amendment which will increase predator damage and reduce supply.

At the same time, ADC plays a vital role in the safety of millions of air travelers. By 1991, 635 airports participated in the ADC program. The importance was illuminated when a bird strike at Kennedy Airport in New York caused severe damage to a plane and, more importantly, threatened the lives of 300 passengers. The DeFazio amendment says so sad, too bad, we should accept this level of risk.

That is wrong. It is plain wrong. We should reject this amendment for that reason as well.

Here is bad news the DeFazio amendment has for the environment. ADC activities protect threatened and endangered species from predators. The black footed ferret, the San Joaquin kit fox, the desert tortoise, the Aleutian Canadian goose might well be extinct were it not for ADC protection from predators. The DeFazio amendment says too bad, so sad, we may as well terminate these species. That is wrong, plain wrong, another reason to reject this amendment.

Finally, and most troubling, the DeFazio amendment delivers bad news to America's children. Rabies is rearing its horrifying face across America. Between 1988 and 1992, rabies cases have doubled. New York reported 1,761 new cases, while 640 of my fellow Texans were treated for rabies. Predators also directly threaten our youth. In Los Angeles, a 3-year-old girl was killed in her front yard by a coyote. ADC fights these threats. The DeFazio amendment tells us not to worry about the predator threat. It is not important, too bad, so sad.

This is wrong. We should reject the DeFazio amendment. If we care about either agriculture, consumers, the environment or children, we should stand strong and reject the DeFazio amendment.

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

The gentleman should read the amendment before he rises with such extraordinary charges that the amendment will be responsible for the collapse of American democracy and the final victory of the totalitarian Soviet state, which I think was part of the statement there.

It has exceptions for human health and safety. It has exceptions for endangered or threatened species. The endangered, threatened species are often dealt with in a better manner by fish

and wildlife, who has a line item in their budget. All this does is eliminate a subsidy for a ridiculous anachronistic program first implemented in 1931 that has no discernible impact.

It has had an impact, and it is inadvertent, against nontarget species, poisoning of nontarget species, the destruction of predators which, like coyotes, in many cases prey on rodents or on groundhogs and gophers and things which cause problems with pastures and with horses breaking their legs. So the gentleman, by killing coyotes, is responsible for people whose horses have put their legs in gopher holes, broken them, fallen and then been killed.

I will not make that charge, but his charges were equally irresponsible.

This is an absurd subsidy to a selected few, a very small percentage of privileged western livestock producers. It is something that if they need, they can contract for themselves without a subsidy from the U.S. taxpayers to continue this ineffective and indiscriminate program.

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

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I rise in opposition to this amendment. I have listened attentively to much of the debate. I think that the proponent of this amendment is completely overlooking the reason why some of us believe that it is a good program.

If you have ever talked to a rancher that has lost 200, 300, 400, or 500 kid goats, baby goats just born, if you have talked to ranchers that have lost 200 or 300 or 400 baby lambs that have just been born, then the 3-percent figure in the Nation makes no sense whatsoever to that individual.

This program is designed to take care of a problem. When there is no problem, when you do not have an undue number of coyotes or other predator animals in an area, you do not have a program. But when you do have one, and it becomes a problem, then you have a need for a program, and it does not just benefit the rancher.

Living in my part of the country today, as my friend and neighbor from San Antonio just pointed out, rabies, we have a serious problem that we are trying to contain and control. It is spread by coyotes and bobcats. And it is a problem that is now coming within the city limits of some of our towns in the southern part of Texas.

This program, as it is designed, is designed to be a responsible way to deal with problems like this. So I would hope that my colleagues, both sides of the aisle, would not support this amendment. It does nothing other than create some tremendous economic problems for certain ranchers, and it is not just in the far west, it is in Texas, it is in Oklahoma, it is in New Mexico, in all areas in which you have for whatever reason a problem with predatory animals.

I would hope that Members would not support this amendment. I think the committee has done a very responsible job. They have had a difficult time with the amount of moneys available. They have put the moneys where they believe is in the best and highest priority. I believe that it is something that almost every one of us can find a way to justify and support.

The CHAIRMAN pro tempore (Mr. LINDER). The gentleman from New Mexico [Mr. SKEEN] has 3½ minutes remaining and has the right to close, and the gentleman from Oregon [Mr. DEFAZIO] has 2 minutes remaining.

Mr. DEFAZIO. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have had a lot of red herrings drug across the floor here. Rabies is not affected by this amendment. Human health and safety activities are totally exempt. Whether it is rabid animals or problem animals, those things can still be taken care of by ADC.

We have heard about environmental concerns from the other side. I am pleased to finally hear environmental concerns from the other side from the gentleman from Texas, maybe not a first but definitely somewhat unprecedented.

We accommodate endangered and threatened species in this amendment. It does not affect control efforts that deal with the preservation or safety of endangered or threatened species.

Quite simply, the amendment goes to the heart of this issue, which is, should the U.S. taxpayers subsidize a program of poisoning, baiting, killing, shooting from airplanes and others of predator species that may or may not be a particular problem, should they continue to avoid their mandate that they use other controls, should we spend $14 million doing this? Maybe we should go out and have a Federal program to acquire dogs. We could buy Great Pyrenees, kuvasz, Komondors, Bouvier des Flandres. You can get a heck of a lot of them for $14 million, and if they live 10 years, we would not have to spend any more money.

The issue is, many ranchers have become dependent upon practices that are not the most prudent practices, to have calving or birthing of lambs in areas that are problem areas without any herders present, without themselves being present.

As we saw earlier, actually more of the livestock die with calving problems, 17 percent, than with the predation problems, 3 percent. But in any case, they are saying we need this program. If they need the program, they should pay for it themselves. They should go to their county or State, have the county or State pay for it.

It is time to put this Federal anachronism to bed. At a time when we are cutting back on every other program here in order to get to a balanced budget, we should no longer subsidize the indiscriminate killing by the animal disease control people and we should continue in the areas of health, safety, airports, and endangered species.

Mr. SKEEN. Mr. Chairman, I yield myself the balance of my time.

Let me say to the gentleman, who is existing in oblivious and euphoric unawareness, that is the closest I can come to being real kind about this issue, I understand his problem. He feels so good that he is cutting money.

Let me say to the gentleman, by cutting funding for the program there will not be any personnel available to take care of the health and safety issues that he is espousing because that is built into the program.

□ 1145

I ask the Members to vote ''no'' on this issue. Let us go back a little bit in history. We had the perfect answer to the kind of predatory control in the United States at one time with the formula known as 1080. It did not cost near as much as it does for the program that we have today because it took care of the problem. It was benign and it was species-specific. But, no, the animal rights people decided that this was a lethal method that was objectionable to them, and we did away with it, we banned, the use of 1080 in Western ranges.

So they came up with this program, and it is a participation program in which ranchers, farmers, and others put up money, that is to some degree, matching the Federal funding that is involved.

Yes, we want to cut the budget, and how, but we need to take care of a problem that is so onerous and so critical to those people who are livestock raisers and grazers. The are not being subsidized. They are paying their part because they have to spend enormous amounts of time checking traps and doing whatever they do to keep their predator control situation under absolute control.

So I say to the gentleman, ''Get out of the county courthouse that you were sitting in so comfortable; get out there and live with a family for a little while that has a predator problem so that you actually understand what predator control means.''

This program also assists those who have trouble going in and out of airports with huge flocks of birds that fly through jet engines and things of that kind. We are using a mental approach and a research approach to solving that problem; lethal means, are used as a last resort.

I agree with the gentleman that there ought to be a better system. We had a better system at one time, but it was not looked upon with great favor. In our great wisdom we banned it by executive decree, and I think that was a horrible mistake.

So I say to the gentleman and to those who are interested in this particular thing that I sure would appreciate a ''no'' vote because I think it has a devastating effect, and the gentleman, giving him all due credit, does not know what he is talking about.

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

Mr. PORTER. Mr. Chairman, I rise in strong support of this amendment. Currently, the Federal Government spends $27 million on the Animal Damage Control Program. Various activities covered under this program include prevention of the spread of rabies and control of bird flocks near airports. I strongly support these programs because they protect human health and safety. However, there are other activities within the ADC program which serve as an unnecessary subsidy to livestock producers. By the Federal Government paying for predator control, livestock owners are not encouraged to deter predators and improve the protection of their herds. By leaving newborn calves and lambs in fields far from the protection of the barn, livstock producers are enticing animals such as wolves, mountain lions, and foxes to prey on this young stock. In addition, the Department of Agriculture is already authorized to levy fees for predator control services but will not do so while the Federal government continues to pay the bills.

By cutting this program in half, we will focus the remaining money on the more beneficial programs that protect human health and safety. In these times of budgetary constraints, supporting this amendment will save taxpayer money and provide an incentive for livestock producers to take responsibility for protecting their herds.

Mr. FAZIO of California. Mr. Chairman, I rise in opposition to the DeFazio amendment, which would reduce funds for the Animal Damage Control Program of the Animal and Plant Health Inspection Service.

This is not a well-known program, but it is an important program for California and the United States.

ADC's activities range from preventing bird strikes to aircraft at JFK International Airport in New York, to seeking solutions to the severe problem of canine rabies in Texas, to protecting threatened and endangered species in California.

In California, ADC has worked with the U.S. Fish and Wildlife Service to protect the western snowy plover, the California clapper rail, the desert tortoise, and the California least tern.

In addition, ADC works with ranchers and grazers to prevent losses due to predation.

Losses of sheep and goats due to predation averages approximately $24 million a year. Cattle losses due to predation average approximately $40 million annually. In the absence of an operational ADC program, these losses will increase dramatically.

The effect of the DeFazio amendment would be significant and devastating. Seven ADC States offices would be closed, including the gentleman's home State and six other Western States. Twenty ADC district offices will close from Wisconsin to my home State of California. Approximately 200 field positions would be subject to reduction-in-force. Matching cooperative would decrease by 50 percent—amounting to a $10 million loss in cooperative funding.

In short, this is an effective program throughout the United States, and this amendment would severely reduce its effectiveness.

I urge my colleagues to oppose the DeFazio amendment.

The CHAIRMAN pro tempore (Mr. LINDER). The question is on the amendment offered by the gentleman from Oregon [Mr. DEFAZIO].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139, noes 279, not voting 16, as follows:

[Roll No. 230]

AYES—139

Abercrombie
Ackerman
Andrews
Barrett (WI)
Becerra
Beilenson
Berman
Bilbray
Bilirakis
Blumenauer
Blute
Bonior
Borski
Brown (CA)
Brown (OH)
Bryant (TX)
Cardin
Castle
Chabot
Chrysler
Coburn
Cox
Coyne
Cummings
DeFazio
DeLauro
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Duncan
Ehlers
Engel
English
Eshoo
Farr
Fawell
Filner
Flanagan
Foglietta
Fox
Frank (MA)
Furse
Gejdenson
Gephardt
Gilchrest
Goss
Gutierrez
Gutknecht
Hall (OH)
Harman
Hinchey
Hoekstra
Jackson (IL)
Johnston
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kleczka
Klink
Klug
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lowey
Luther
Maloney
Manzullo
Markey
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Miller (FL)
Mink
Moakley
Morella
Nadler
Neal
Neumann
Obey
Olver
Owens
Payne (NJ)
Pelosi
Petri
Porter
Rahall
Ramstad
Rangel
Reed
Rivers
Roemer
Rohrabacher
Roth
Roukema
Roybal-Allard
Royce
Sabo
Sanders
Sanford
Scarborough
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Slaughter
Smith (NJ)
Stark
Stearns
Stockman
Studds
Stupak
Taylor (MS)
Torres
Towns
Upton
Velazquez
Vento
Wamp
Waters
Waxman
Woolsey
Yates
Zimmer

NOES—279

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Bevill
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Camp
Campbell
Canady
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clinger
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Cooley
Costello
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Dreier
Dunn
Durbin
Edwards
Ehrlich
Ensign
Evans
Everett
Ewing
Fattah
Fazio
Fields (LA)
Fields (TX)
Flake
Foley
Forbes
Ford
Fowler
Franks (CT)
Franks (NJ)
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Geren
Gibbons
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Longley
Lucas
Manton
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Minge
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oberstar
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Portman
Poshard
Quillen
Quinn
Radanovich
Regula
Richardson
Riggs
Roberts
Rogers
Ros-Lehtinen
Rose
Rush
Salmon
Sawyer
Saxton
Schaefer
Scott
Seastrand
Shadegg
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stenholm
Stokes
Stump
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NOT VOTING—16

Bass
Calvert
Chapman
Clyburn
Conyers
Emerson
Frelinghuysen
Gillmor
Inglis
Lewis (CA)
Lincoln
Martini
McDade
Moran
Pryce
Schiff

□ 1207

Messrs. KILDEE, FATTAH, and ROSE changed their vote from ''aye'' to ''no.''

Mrs. KENNELLY, Mrs. MEEK of Florida, and Messrs. COX of California, BILBRAY, SCHUMER, LEWIS of Georgia, and NEUMANN changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. MORAN. Mr. Chairman, during rollcall vote No. 230 on H.R. 3603 I was unavoidably detained. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. MARTINI. Mr. Chairman, this morning during rollcall votes 229 and 230 I was unavoidably detained. Had I been present, I

would have voted "aye" on rollcall vote No. 229, and "nay" on rollcall vote No. 230.

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer amendment No. 1.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. KENNEDY of Massachusetts:

At the end of the bill (page 69, after line 5), insert the following new section:

SEC. . None of the funds appropriated or otherwise made available by this Act for market access activities under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623), or made available for the salaries of employees of the Department of Agriculture who provide assistance under such section, may be used to provide assistance to eligible trade organizations (as defined in such section) to promote the sale or export of alcohol or alcoholic beverages.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, and that the time be equally divided.

The CHAIRMAN pro temprore. Is there objection to the request of the gentleman from New Mexico?

Mr. KENNEDY of Massachusetts. Mr. Chairman, reserving the right to object, I would ask the gentleman, did he request 10 minutes?

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New Mexico.

Mr. SKEEN. Yes, 10 minutes.

Mr. KENNEDY of Massachusetts. Five and five?

Mr. SKEEN. Five and five, yes.

Mr. KENNEDY of Massachusetts. Mr. Chairman, that is fine with me, and I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from New Mexico [Mr. SKEEN] will each be recognized for 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think many people that saw the news yesterday that Seagrams Liquor Co. is now going to begin advertising directly hard liquor on television, were shocked at that development.

In a country that currently is involved in a situation in the United States of America where the No. 1 killer of people under the age of 24 in this country is alcohol and alcohol-related deaths, when we spend $15 billion a year of taxpayer funds to fight the war on drugs, and yet we have the singly most abused drug in this country, alcohol, now killing many, many more Americans than all other drugs combined, we have a tragedy on our hands.

We have spent time and time again debating on this floor the need to cut back programs that provide for the education of our children, that provide for the research and development of our country, that provide for the health care of our senior citizens. But in this bill is a hidden subsidy worth millions and millions of dollars to advertise some of the most profitable alcoholic beverages abroad. It is a shame and it is a scam. It ought to come to a stop.

In this Market Access Program, we will be spending millions of dollars to advertise Ernest and Julio Gallo, the richest winemakers in the world, who receive $25 million worth of United States taxpayer money to advertise its wine and brandy in Thailand, the Philippines, Canada, and England. Jim Beam got over $2.5 million to push its whiskey abroad. Other whiskey giants like Hiram Walker and Brown-Forman profited from the Market Access Program.

The MAP program adds insult to injury by asking the taxpayers to foot the bill of the world's largest foreign alcohol giants. We actually spend money subsidizing Seagrams, the very company that has gone on television yesterday to advertise its hard liquor, we are now subsidizing that Canadian company with United States taxpayer dollars to advertise their products abroad.

This is a scandal that ought to come to an end. Mr. Chairman, I would just suggest to the Congress of the United States that it is about time that if we are going to stand up to the senior citizens and tell them we spend too much money on their health care, if we are going to stand up to kids and tell them we spend too much money on their education, if we are going to stand up to the poor and vulnerable and tell them we spend too much money on poverty programs, then we can stand up to the biggest alcohol producers, the biggest winemakers in the world and tell them we are sick and tired of using taxpayers' money to subsidize their profits.

□ 1215

If they want to advertise their alcohol products abroad, let them do it with their own money. Let them stay out of the taxpayer's back pocket.

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

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. I thank the gentleman for yielding time.

Mr. Chairman, let me see if I can shed some light on this subject. We are talking about helping export American agricultural products under this program. I am specifically talking about small wine grape growers, most of whom market their products through several large wineries. This is an amendment to help small agriculture.

Remember, the European Union spends more on the export promotion of wine than the United States spends promoting all of our agricultural products. They do a great deal to help their growers promote their foreign sales. The European Community wine industries are heavily subsidized to the tune of $1.5 billion, which includes $90 million alone for export promotion. That is the total amount provided for all of agriculture in this bill, if it is not reduced or eliminated.

Other countries do even more than the European Union. The Italian Government through its trade commission is funding an additional $25 million for Italian wines alone. So when it comes to the wine industry, the MAP program that we are now debating is a program that helps small business, not visit the giant wineries, not only the names that we have heard bandied about here on the floor.

In fact in 1994, for example, 101 wineries participated and 89 of them were small wineries. So there is no question that this is not a subsidy simply to big agriculture or big vintners.

We are not talking about people who are purveying distilled spirits. This is wine, a product that we lead not only this hemisphere but this world in the production of a quality product. MAP promotes independent businesses. It is important that 90 percent of the small wine grape growers in this country be given an opportunity to be part of an export promotion program. This amendment would put an end to it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FAZIO of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would just like to suggest to the gentleman that if he reads the fine print of this legislation, what he will find is there is a big gap. The gap says that they can put money through the association. It is through those associations that then launder the taxpayers' dollars that then go into the pockets of the biggest wineries in the United States. Ernest and Julio, et cetera.

Mr. FAZIO of California. If I could reclaim my time, the people who are involved in this program are putting up half the money. This is not all Government money. Half the money comes from the private sector, both from the wine grape growers through their association and those who make wine and help market the product.

This is a program that works for all elements of one of our most successful agricultural industries. If we want to be successful in getting down our trade imbalance, if we want to help small growers, we ought to continue to support this very modest program, which is all we can afford at the present time.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. I thank the chairman of the subcommittee for yielding time.

Mr. Chairman, I think we have to keep in mind in this debate with respect to the Kennedy amendment that this program helps small farmers. This helps small farmers out in Washington State who, I might say to my friend from California, make the best wine in the world.

But also I want the gentleman from Massachusetts to understand that the USDA directs the Market Access Program to small businesses, small farms, small wineries. I do not think we want to cede our industry to the European winemakers.

That is what we are really doing here. We are developing a program that allows our Government to contribute some money to competition, unfair competition in my judgment, from foreign governments who assist their winemakers for shelf space. That is really what we are doing. What we are doing is developing a program that allows our products in this country to have some shelf space in foreign markets. That means jobs to Americans. That means jobs to people in my district, small wineries. I urge the rejection of this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think it is interesting to note that people are talking about how this program assists small vintners. I would anticipate after a vote on this amendment, Mr. Chairman, offering a follow-up amendment that would simply limit the subsidy program to go only to small vintners.

As long as the gentlemen that talked so heartily about the need to assist those small vintners would put their vote where their mouth is, I think we might be able to work out a compromise on the underlying issue about whether or not the program should go directly to those small businesses.

My true feeling, and I know that the gentleman from Utah [Mr. HANSEN] has offered this amendment with me in the past, I wish he was here—I do not think he expected the amendment to come up quite so quickly—is that we do not believe that the U.S. Government ought to be involved in subsidizing alcohol products abroad. That is the fundamental question that is involved with this debate. It is fundamentally, I think, wrong for us to tell people that we do not have money in the coffers of the Federal Government to provide for the health care and the education of our people, but we do have money in the coffers to be able to subsidize alcohol advertising for some of the richest companies in America abroad.

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

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. FARR].

Mr. FARR of California Mr. Chairman, I say to the last speaker, Wake up.

We turn on the television set, we see Colombia's Juan Valdez selling us coffee. We see Mexico selling us Corona beer. This is a global market. If we want people to buy American, then we have to tell them what is American.

This is a program that requires that the Government match by private funds to advertise and to promote these products abroad. If we are indeed going to sell our products grown in America abroad, we are going to have to maintain this program. I urge a ''no'' vote on the amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, how much time remains on each side?

The CHAIRMAN pro tempore (Mr. LINDER). The gentleman from Massachusetts and the gentleman from New Mexico each have 30 seconds remaining, and the gentleman from New Mexico [Mr. SKEEN] has the right to close.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I cannot believe that we are hearing Members of Congress that normally speak out so strongly against corporate subsidies and say that is how we ought to balance the budget, all of a sudden switching when it comes to a corporate subsidy that happens to go to the wine industry.

Let us listen to Edward Nervo of the Famiglia Nervo Vines and Wines in Sonoma County, CA, who has written to me and said, ''With corporate welfare programs like these, no wonder the biggies get bigger and the small fry end up in the frying pan.''

Mr. SKEEN. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. I thank my distinguished chairman for yielding time.

Mr. Chairman, let me just say, first of all, the 5 largest recipients of market access promotion funds purchase over 90 percent of their grapes from small independent grape growers. This is a program that is working. It is a public-private partnership that has been improved by the Congress over the last few years. I just want to remind my colleagues that this same amendment went down to defeat in this House last year on a vote of 268 to 130. The American wine industry and the farmers who depend on that industry need our help to again defeat the Kennedy amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The amendment was rejected.

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY of Massachusetts: At the end of the bill (page 69, after line 5), insert the following new section:

SEC. . None of the funds appropriated or otherwise made available by this Act for market access activities under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623), or made available for the salaries of employees of the Department of Agriculture who provide assistance under such section, may be used to provide assistance to eligible trade organizations (as defined in such section) to promote the sale or export of alcohol or alcoholic beverages unless it is made known to the Federal official having authority to obligate or expend such funds the the promotion activities benefit a small-business concern.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes and that the time be equally divided.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from New Mexico [Mr. SKEEN] will each control 5 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to commend the chairman of the committee along with my good friend from Illinois, Mr. DURBIN, for some language that they inserted in the ag bill last year as a result of the same debate that just took place on the House floor. I shall read what those changes are:

The funds shall not be used to provide direct assistance to any nonprofit corporation that is not recognized as a small business concern described in section A of the Small Business Act. Secondly, a cooperative; or, third, an association described in the first section of the Act.

Essentially what that is attempting to do is to reform this act so that the big subsidies do not go to the big companies, Seagrams, Ernest and Julio Gallo and the other major vintners and major producers of alcohol that have, I think, very unfairly skimmed money from the American taxpayer while they are making millions and millions of dollars in their exports.

The language of this amendment very simply suggests that while what is really occurring is through this trade association loophole, the money is now being funneled through to trade associations and then the trade associations redistribute it to the very big companies.

I had a long talk last evening with the Department of Agriculture about this loophole that is contained in the law. All that this amendment would do would be to extend the small business criteria to any funds that get funneled through the trade association to make sure that the concerns of my good friend from California, who is so very worried about those small vintners, will actually make sure the money goes to those small vintners.

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

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY. Mr. Chairman, I rise in strong opposition to this amendment.

What the market Assistance Program is all about is trying to ensure that U.S. farmers get their fair share of expanding export markets. What the gentleman from Massachusetts [Mr. KENNEDY] is trying to do now is define a different criteria and that we try to say that only small businesses are going to be involved in achieving those expanded markets.

As a farmer and as any grape farmer or wine grape grower out there will say, what is important is to increase the sales of wine. What is important is to assure that U.S. wineries have a fair playing field when they take on the European Union and the 6-to-1 advantage that they have in export promotion over U.S. wineries.

What we would be doing in this case if we limit the money on where it goes, we would be saying to that small grower who is growing grapes that is selling them to a larger winery that they are not ever going to benefit from the Market Assistance Program. We would be saying to that winery out there and that winery who might be owned by an individual that might be farming 10,000 acres but has his own winery that he is going to benefit from the Market Assistance Program. That is not fair.

What we are trying to do is to ensure that that average wine grape grower in California, or other parts of the country, that grows less than 100 acres of wine that they will have a tool that will ensure that U.S. wine will be at a competitive advantage or have a fair playing field when we take on the winemakers and the wine grape growers of the European Union.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DOOLEY. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Does the gentleman really believe that we should be providing Government tax subsidies to the richest companies in the U.S. regardless of what their profit lines are?

Mr. DOOLEY. Reclaiming my time, what the issue is is that the U.S. farmer have fair access. In a perfect world if the European Union were not spending six times the amount that the U.S. Government was to provide exports, then we would not need this program. But if we want to ensure that the U.S. farmer has a level playing field, this Government needs to stand behind them, and that is what the Market Assistance Program does.

Mr. KENNEDY of Massachusetts. May I inquire of the Chair how much time remains on each side?

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. KENNEDY] has 3 minutes remaining and the gentleman from New Mexico [Mr. SKEEN] has 2 minutes remaining.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just like to suggest that I do think that we ought to have some kind of test in this program as to whether or not companies who are making tens of millions of dollars worth of profit and then coming in and reaching into the back pocket of the taxpayer and asking us to subsidize them when they are already making all these dollars.

□ 1230

The real question is whether we should be promoting alcohol products abroad to begin with, but if we are to do it and we have to do it because the Europeans are subsidizing their industry, I say fine, but let us not go out and needlessly line the pockets of companies that are already making tens of millions of dollars' worth of profits.

Come on, Congress of the United States, stand up to the wine lobby. That is what this is all about. Just for once say to the wine lobby, look, we will accept that we are going to help out the little guy, but let us not go out there and line the pockets of the richest wine companies.

These are people that for all the time have gone out and gotten all the farm workers picking the grapes and all the rest of it. They make plenty of profits. Let us stand up to them, for crying out loud. Have a little heart, have a little soul, and stand up to the big boys every once in a while. It is good for the soul.

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

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, first of all, I would say to the gentleman from Massachusetts that the Department of Agriculture and the Department of Health and Human Services say that a little wine in each individuals' daily diet is healthy for them. So exporting wine is something we should not be ashamed of. We should be proud of it, and we should be out there competing with the rest of the world.

But the point the gentleman does not get is that we are talking about small growers who own 30, 40, or 50 acres. They are not the ones who make wine and send it overseas. They have to have a winery buy their product. We are trying to help, as the gentleman from California [Mr. RIGGS] said, 90 percent of the small grape growers in this country to find a home for their product. They will find it in many cases domestically but we are expanding our international markets, and we are doing it with a cooperative program that is shared between those who profit and the taxpayer who profits even more by a modest investment in terms of income producing tax paying jobs.

And I can tell the gentleman, in this MAP Program we get back $16 in agricultural exports for every dollar that we spend. So please understand we are talking about small farmers here and a benefit for taxpayers as well.

Mr. KENNEDY of Massachusetts. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore (Mr. LINDER). The gentleman from Massachusetts [Mr. KENNEDY] has 2 minutes remaining and the gentleman from new Mexico [Mr. SKEEN] has 2 minutes remaining.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I want to address my comments to my good friend from California, Mr. FAZIO. The truth is that all this amendment does is limit it to small businesses. All we are saying is if the gentleman is truly concerned about small businesses and the small vendor, then he should be supportive of this amendment.

This amendment simply says that the trade association funding can only go to businesses that will qualify under the Small Business Act as small business. Instead of the big boys, the little guy.

Mr. FAZIO of California. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Chairman, I would note, as the gentleman from California [Mr. DOOLEY] said, a winery may be called a small business but 90 percent of the grapes grown by farmers move through the five largest wineries. So the gentleman is not helping the grower if he makes this distinction. He is trying to do something that is a worthy cause, but he is missing by a mile.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, the truth of the matter is, if these people are part of a trade association they still have access. What this bill does is limit the ability of the trade associations to go about providing big subsidies to the biggest wine companies. It does not, in fact, stop us from providing small businesses with the ability to gain access to the program.

I think the whole program is crazy, but I think it is even crazier to suggest that what we will do is continue to skip a loophole open that provides all this money to go to the biggest companies in the country.

Mr. FAZIO of California. Mr. Chairman, if the gentleman will continue to yield, the craziest thing we could do would be to eliminate 90 percent of the wine grape growers, who are small farmers. They do not make wine and do not export it. They need private sector help to do it. and this program provides the partnership to do it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, the truth of the matter is, this will have absolutely no impact. And if the gentleman talks to people seriously about the impact of this whole MAP program, it will not have a penny's worth of difference in terms of what the actual sales are.

The gentleman and I both know we can produce wine. People want to buy the wine and will produce the wine, and it has nothing to do with the small amount of subsidies that end up going into this program. It is the principle of the fact that we are providing taxpayer

dollars, millions and millions of dollars worth of taxpayer funds, that go into the back pocket of the biggest companies. That is a scam and a scandal that ought to be dealt with.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. RIGGS], the remainder of my time.

Mr. RIGGS. Mr. Chairman, I wish the gentleman from Massachusetts could devote so much time and energy to helping us address the competitive and trade disadvantage that our wine exports have against Chilean and European wines.

But the gentleman was correct when he said last year in conference we restructured the MPP, now known as the Market Access Program, to restrict direct participation of for-profit corporations that are not small businesses while requiring a direct match from any small business that participates in this program. These reforms should silence this unwarranted criticism of the Market Access Program.

The accusations that corporations are advertising products at taxpayers expense are simply not true. The primary emphasis of this program, as has been pointed out repeatedly over the last few minutes of debate, is toward the small family farmer. Historically, 60 percent of market access promotion funds have gone to generic advertising; the remaining 40 percent is allocated to brand promotion, with priority again given to small entities.

I quote from the act: In addition, a sizable number of large corporations receiving market access promotion moneys are actually grower cooperatives. All benefits those organizations derive from brand assistance under this program are directly returned to their grower members, who themselves tend to be small and medium sized operations.

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

Mr. RIGGS. I yield to the gentleman from Kentucky.

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

Mr. WARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. RIGGS. Mr. Chairman, I wanted to conclude by saying the Market Access Program is not corporate welfare; it is a valuable resource for America's small farmers to compete in highly restrictive foreign markets. In fact, this program is pro-trade, pro-growth, and pro-jobs.

Ms. WOOLSEY. Mr. Chairman, although I have the utmost respect for the gentleman from Massachusetts, unfortunately, I must rise in strong opposition to this amendment.

I must do so because this amendment directly and unfairly targets my constituents in Sonoma and Marin Counties, CA, who produce some of the world's finest wine. If this amendment passes, however, their world-famous wine would no longer be able to compete in the world market.

This amendment would devastate the small wine producers in my district, who rely upon Federal export assistance to enter and compete in the global marketplace.

Unlike Europe and South America, U.S. wine producers receive no production subsidies whatsoever. Furthermore, our competitors outspend the United States in export subsidies by more than 6 to 1!

Mr. Chairman, small California wineries cannot compete in such a lopsided marketplace without some assistance. And let there be no mistake, this amendment targets small, family-owned businesses—89 out of 101 wineries that participate in the Market Access Program are small wineries.

The Kennedy amendment takes this critical assistance away from small wine producers and, in doing so, It takes away jobs; it takes away trade; and, it takes away fairness.

Mr. Chairman, we should be working today to help export California wine, Not California's jobs. Vote "no" on the Kennedy amendment.

The CHAIRMAN pro tempore. All time for debate has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

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

Mr. KENNEDY of Massachusetts. Mr. Chairman, I demand a recorded vote, and pending that, I make a point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] will be postponed.

The point of no quorum is considered withdrawn.

The Chairman pro tempore. Are there further amendments?

AMENDMENT OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOLBE: At the appropriate place in the bill, insert the following new section:

SEC. . None of the funds made available in this Act may be used to administer a peanut program that maintains a season average farmers stock price for the 1997 crop of quota peanuts in excess of $640 per ton.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes with the time being equally divided and to roll the vote.

Mrs. CLAYTON. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

The gentleman from Arizona [Mr. KOLBE] is recognized for 5 minutes.

Mr. KOLBE. Mr. Chairman, I rise to offer this amendment with the gentlewoman from New York [Mrs. LOWEY]. It is an amendment that simply carries out the intent of Congress on the peanut program. The farm bill, the Freedom to Farm Act, made some extremely modest changes to the peanut program. The change that was supposed to benefit consumers was a 10 percent reduction in support prices from $678 to $610. This amendment would ensure that the price of quota peanuts would actually be $610 per ton, as approved in the recently passed farm bill.

Now, why is this amendment necessary, if all we are doing is seeking to implement what the farm bill said we were going to do? It is necessary because the Secretary of Agriculture, not without reason, since he represents agricultural interests, has chosen to administer this program in a way that makes sure that peanut prices will continue to stay at previous, much higher levels.

The Secretary was able to do this, to keep the peanut pries high, by announcing a national peanut quota production level that is going to be at least 100,000 tons less than the projected domestic demand. In other words, the Government is creating an artificial shortage.

Mr. Chairman, what we have is a Government-created artificial shortage of peanuts and, thus, a consequent higher price for peanuts. That is contrary clearly to what we intended to do in the farm bill.

At a time when we have a peanut industry that is certainly in a serious state of decline, with peanut consumption dramatically declining over the last 5 years, it does not seem to me that we can afford to let bad government policy excessively inflate the prices for domestic consumers. Inflate the prices, I might add, to what is now double, double, the export price. The domestic price of peanuts is double what our producers get when they sell it into the export markets. In other words, we have this artificially created price.

Even at $610 a ton, which we are not going to get to because of this reduction in the quota, U.S. peanuts are 33 percent above the world price of $350 per ton.

So this amendment only ensures that the administration will carry out the will of Congress to reduce the price of quota peanuts by 10 percent, which is what we though we were getting when we voted for the Freedom to Farm Act.

If some would question whether or not there is a precedent in this, I would point out that the Committee on Appropriations has already adopted an amendment which places a price cap on the price of raw cane sugar at 117.5 percent of the loan rate. It was done for the exact same reason we are talking about here today. This cap was necessary in order to ensure that the price of sugar did not rise too far.

In both cases, the Department of Agriculture has created this false shortage of a very basic commodity that we use.

Mr. Chairman, the bottom line here is very simple. We thought, we intended, and we wanted to get market reform when we voted for the Freedom to Farm Act. We got the least in the commodity programs, but we thought we were getting something with a 10-percent reduction in the target price.

However because of the other aspects of this, the quota, the Secretary of Agriculture has been able to undermine any kind of a price reduction by setting a quota that is below what the market can consume.

So all we are seeking to do is to make sure that the market works; that the Freedom to Farm Act works exactly the way it is intended. We are making no basic change to the program.

And I might to also add, Mr. Chairman, that this is a fix that can only be good for 1 year. This is an appropriation bill for 1 year. It can only work for 1 year, that is we can try to make the farm program work they way we intended in the Freedom to Farm Act for 1 year any one year only. If everybody really want to find a way to make this work over the course of the next 7 years of the freedom to farm legislation, then we can find a way to do that. But this is only to be sure that in the calendar year 1997 it is already too late for 1996—that we can have a price for peanuts that does not mean that consumers will pay more for their peanut butter, more for their candy bars, more for everything that they buy that has peanuts in them.

Mr. Chairman, I strongly urge my colleagues to support this amendment.

Mr. ROSE. Mr. Chairman, I rise to speak in opposition to the amendment.

Mr. Chairman, I am not sure, and I would like to engage my colleague in a colloquy. I do not believe he understands how the peanut program works. In the first place, $610 was not a ceiling. It is a floor. In other words, the Department of Agriculture price support level for peanuts is $610. The gentleman is trying to fix the price of peanuts at $610.

The ''Dear Colleague'' letter that when out from about 15 institutions in this town is a flagrant violation of the Federal antitrust laws against price fixing. I have never seen anything to beat it.

Does the gentleman actually believe that if the price of peanuts is $610 a ton that the people who buy those peanuts are going to pass the savings on to the American housewife?

□ 1245

Mr. Chairman, I would ask the gentleman if he really thinks that?

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

Mr. ROSE. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, the answer is ''yes.'' I guess I have a naive belief in market systems that there will be some passing on of that price. And if the gentleman is correct about this being the floor, then why do we have to lower the quota 100,000 below the level of consumption?

Mr. ROSE. Mr. Chairman, reclaiming my time, the purpose of the program is to provide a safety net for the thousands and thousands of farm families across this country who raise peanuts. Mr. Chairman, $610 is way below the marketplace price, and the program is probably not even going to click into effect. And if it was, has the gentleman not raised the number in his amendment about four times and is it not now, what is it, $645?

Mr. KOLBE. Mr. Chairman, if the gentleman would yield, to respond to the gentleman it is $640 per ton in the amendment.

Mr. ROSE. Six hundred forty. Mr. Chairman, I, for the life of me, cannot understand why the gentleman would want to introduce an amendment like this. It is not going to save any money. The Department of Agriculture is perfectly content with operating the program at $610 a ton. That is a floor, it is not a ceiling.

Mr. Chairman, I would say to my colleagues I think this is a very mischievous amendment. It actually probably will not have any legal effect if it passes because of the way it is written.

But it is a hoax to tell the American housewife that if we vote for this amendment, that they are going to save anything on the price of peanuts at the grocery store. This will go into the pockets of the companies that manufacture candy.

Candy manufacturers are worried about only two things: the cheap sugar and cheap peanuts. We could give peanuts to candy manufacturers, and do you think they would drop a nickel or a dime off the cost of a candy bar? Absolutely not.

This amendment does not relate to the peanut program because it does not even understand how the peanuts program works. I urge my colleagues in the House, vote ''no'' on this amendment. Let us get on to letting the Department do what we agreed to in the farm bill, and that is that the price support floor is $610 for peanuts. Let us do not even attempt to fix the price of the peanuts in this bill.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Arizona [Mr. KOLBE] and I are offering this amendment today to ensure that the minor reforms, and I say minor reforms, to the peanut program that were included in the farm bill are actually implemented. I do not think that is too much ask. The peanut program epitomizes wasteful, inefficient Government spending and it supports peanut quota holders at the expense of 250 million American consumers and taxpayers.

This is an outdated program. It is based on a system reminiscent of feudal society. Quotas to sell peanuts are handed down from generation to generation. And let us remember that two-thirds of the people who own these quotas do not even farm. They do not even live on the farm. They probably do not remember what a farm looks like.

Mr. Chairman, the GAO has estimated that this program passes on $500 million per year in higher peanut prices to consumers. To my good friend from North Carolina I would like to say I know that there are a lot of studies, but there is a study done by Public Voice for Food and Health Policy, between 1988 and 1993, that showed that as the Government-set price of peanuts went up, the retail price went up and as the Government-set price went down, the retail price went down. I know that there are a lot of studies, but this was on study that testified to that fact.

Mr. Chairman, the Kolbe-Lowey amendment is a reasonable approach to ensuring that the reforms that were actually passed in the farm bill are implemented. The amendment ensures that the average price of peanuts is no greater than $640 per ton, which is $38 lower than last year's price, and $30 higher than the price support rate included in the farm bill.

As many of my colleagues know, I was not satisfied with the reforms to the peanut program included in the farm bill, but the very least we can do is to ensure that these reforms are implemented and executed.

Lowering the price of peanuts is also good for American jobs because the price of peanuts in the United States is so high, peanut butter and candy bar manufacturers are actually leaving the United States to open up plants in Canada and Mexico because the peanuts can be purchased there are at the world market price, which is half the United States price, and the finished product can be brought into the United States and sold here.

Seems to me that what we have to do is artificially lower the high price of domestic peanuts to save these manufacturing jobs. I urge my colleagues to stand up for American consumers, pass the amendment. It is good policy, and it is only asking that the reforms passed as part of the farm bill are implemented.

Mr. KOLBE. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank the gentlewoman for yielding, and I commend her for the statement she made.

Mr. Chairman, I want to respond to a couple of things said by the gentleman from North Carolina [Mr. ROSE] when he is talking about this being a floor. He is right. But he forgets to talk about the other aspect of this program, which is the quota that the Secretary can manipulate.

The Secretary has toyed with the quota, which, as far as I know, has never in recent times ever been set below the level of consumption. By lowering it below the level of consumption, he has assured that that price will not drop to that floor of $610 a ton. So we know that we will not have a 10-percent reduction.

And if we are talking about a safety net for growers, where is the safety net for those who do not have quotas, that

sell only in exports? There is no safety net for them. Why do not we have a price that reflects the world market price?

Mrs. LOWEY. Mr. Chairman, reclaiming my time, I want to respond to one other point that was mentioned by my good friend from North Carolina. We have heard a lot about fixing the price, but maybe I am missing something. It seems that that is just what this feudal system is about, fixing the price.

Mr. Chairman, if we do not want to fix the price and mess with the market, then let us let it go free on the market. What we are doing here is actually price-fixing by keeping this in place.

Mr. ROSE. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from North Carolina.

Mr. ROSE. Mr. Chairman, the gentlewoman was responsible, she and her colleagues were responsible, for reducing the price support level for peanuts from $678 dollars a ton to $610 a ton. That is a substantial, tremendous financial hit on the peanut farmers of America. The gentlewoman has characterized it as not a very substantive reform. We think it was too much reform, but she has that to her credit.

It is a floor under which the Government support program buys the peanuts. The gentlewoman and her colleagues are trying to say that if the average price of peanuts——

The CHAIRMAN pro tempore (Mr. LINDER). The time of the gentlewoman from New York [Mrs. LOWEY] has expired.

(On request of Mr. ROSE, and by unanimous consent, Mrs. LOWEY was allowed to proceed for 2 additional minutes.)

Mrs. LOWEY. I yield to the gentleman from North Carolina.

Mr. ROSE. Mr. Chairman, what the gentlewoman from New York is saying is that if the price of peanuts goes over $245, that the program disappears. Well, who is going to tell the Department of Agriculture what peanuts sell for when they do not monitor that, if they are not within the program?

In other words, the gentlewoman has come up with something that will not work. Will Rogers used to say, ''It ain't what people do not know that bothers me; it is what they think they know that is just dead, damn wrong that bothers me.''

The gentlewoman from New York and her colleagues all have wandered into that area here rather beautifully. There is no way the Department of Agriculture can go out and see every peanut farmers in America and say, ''Did you sell your peanuts for more than $654 a ton? If so, we want you to sign a paper.'' How you are going to monitor this monster that you all have created? I beg to offer to you that it will not work, and I urge my colleagues to vote against it.

Mrs. LOWEY. Mr. Chairman, reclaiming my time, I just want to say to my distinguished colleague I am very respectful of his knowledge on this program, but many of us as consumers do face the impact of these programs. And all we are saying is we are not changing by this amendment any of the improvements, any of the modifications that were put in place that the gentleman supported, or many of my colleagues supported, in the freedom to farm bill.

All we are saying is let us not be able to squeeze the market, squeeze the quota so we push the price higher. CBO has estimated that this amendment will be zero cost. The growers will not have to pay anything. It is my understanding that that is all the amendment does. My distinguished colleague is actually making sure that the reforms, as modest as they were, be implemented.

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

Mr. Chairman, the gentleman from North Carolina referred to a monster that he said we would be creating by passing this amendment. The real monster and the real offense against the market system is the current peanut quota system. It locks up the market tighter than a drum. It is a Government-sanctioned cartel, and it is offensive to everything that we as Americans believe in with respect to free enterprise.

Mr. Chairman, as for the gentleman's contention that none of the cost savings to the manufacturers would be passed on to the consumers, if that is the case, then let us set the price at $1,000 a ton or $2,000 or $5,000 a ton.

Of course, if we completely lose sight of rational economics and we decide that there will be one corner of Stalinistic economics in our economy, then anything should go, and why do not we go for $5,000 a ton?

The fact is that the lower the price of the raw material, the lower the price of the product. And it is adding 33 cents to the cost of a jar of peanut butter to implement the current program. This is a cost that is borne disproportionately by the working poor and by the middle class. It is paid every day by that working mother who makes the peanut butter and jelly sandwich for her children to take to lunch at school. And that is the true impact.

It is time that we stop treating the peanut industry as a special, privileged sector of the agricultural economy. The Freedom to Farm Act made some important reforms in many commodities, but in order to get the votes to enact those reforms, it went very light on sugar and very light on peanuts.

Mr. Chairman, I believe it is time for us to get serious about this. This is a very modest step to make sure that we do not pay even more than the Freedom to Farm Act contemplated.

So, it is absolutely essential that we pass this amendment, and I strongly urge a ''yes'' vote.

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

Mr. Chairman, that last exchange was truly amazing. If my colleagues would only stop for a moment; when we talk about the consumer, and I want my colleague from New York to listen very carefully, look at what has been happening in the marketplace for cereal in the last 2, 3, 4 weeks. The price of cereal has dropped from $4 a box to $3 a box while the price of grain has doubled to the farmer. Why? Because the manufacturing interests that the two sponsors of this amendment are carrying the water on today have decided that they do not need to take $2 from the consumer for advertising in order to sell more of their product, that by lowering the price they can sell more.

That is what is happening in the marketplace, and the same is true for peanuts. You can find and document the exact same facts in the manufacturing side. There is more cost in the container of a jar of peanut butter than the value of the peanuts within the peanut butter. So the argument that was just made by the gentleman from New Jersey, better go back and check the facts.

Let us review what the Committee on Agriculture did in the farm bill this year. We, much to the chagrin of the small producers that many of us represent, agreed to cut the price to the producer from $678 down to $610. Pretty good cut, folks, by anybody's definition of cut. And this is not cut from rate of increase. This is a cut in net farm income that does not seem to satisfy some folks around here today because they want to do more.

Now, what is truly amazing to me about this amendment and this argument, which I do not believe the proponents of the amendment truly understand the peanut program or what they are proposing.

Mr. Chairman, if, in fact, we want the market to work, by cutting the quota from 1.3 million tons to 1.1, we are allowing the market to work. We are reducing the amount of subsidized peanuts and allowing the probability of farmers who have no quota to produce peanuts for the market.

Now, lo and behold, what the complaints are today is what? You cannot find a seller for $650 for peanuts. Farmers want more. If the marketplace says they should get more, then they will get more. If this says they will get less, they will get less. Because who now has an opportunity to sell peanuts? Anybody in the United States today can raise peanuts.

□ 1300

There is no prohibition on who can raise peanuts. If you choose to raise them for this market that everybody is concerned about, you take a guarantee of $138 a ton. That is all you are guaranteed. You can produce for the international marketplace, get a contract perhaps for $400, but if you want to go for the market in the belief that there will be increased consumption, you

may do so. But you also take a chance on losing. That is what the market is all about.

Listening to this debate today, I am saying, am I living in a different world? All of the arguments being made are being made in direct opposition to the market. That is why I believe that those offering the amendment truly do not understand the intricacies of the peanut program.

In conclusion, let me say this, please, to my colleagues: Understand what we have already done to the peanut program. We are doing it because we, too, recognize the market needs to work. We have moved the program in that direction. We have reduced the support price from $678 to $610. We are allowing people to produce peanuts.

Yet we hear now those who are concerned that the consumer is being hurt, take a look at cereal. Take a look at the argument. Ask those people that are giving you the information of why you ought to come in here and do to the peanut farmer what you are doing, ask them what and why they are doing in the marketplace to the consumer other than trying to take it out of the farmer's pocket.

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

Mr. STENHOLM. I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, I would just like to ask my distinguished colleague a question. The gentleman is saying that the committee and the freedom to farm bill passed some very important reforms, and I would agree that there have been some reforms made. It is my understanding, and I am trying to understand why he objects, that this amendment, which we are proposing, is just making sure that these reforms, which are an important step in the right direction, are implemented.

The question that I have, with these reforms, the prices continuing higher than the $610. My colleague is saying that it is the market. There may be a case to be made that, because the quota is squeezed and the quota is reduced, that continues to push the price up. Maybe there is a faulty administration of the quota system.

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has expired.

(By unanimous consent, Mr. STENHOLM was allowed to proceed for 3 additional minutes.)

Mrs. LOWEY. Mr. Chairman, if the gentleman will continue to yield, if, in fact, this amendment is implemented, and I hope it is today, then what it is trying to do is just to be sure that the reforms which my colleague states were made, and they were in the freedom to farm bill, are implemented correctly.

Mr. STENHOLM. Mr. Chairman, I thank the gentlewoman for her question, but follow this very carefully. There is no prohibition on anyone raising any number of peanuts. Last year, I believe the domestic market for peanuts was 937,010 tons. That was the domestic market last year. The administration has reduced from 1.3 to 1.1; 1.1, the last time, I checked, was more than 937. So really, you cannot make an argument that even the reduced quota is going to short the market.

But the important thing to understand is that anybody can raise any number of peanuts. If there is a shorting of the market because there are not enough peanuts to go around, anybody can go into the pools that we have, pools in which peanut farmers sell their peanuts into a joint pool. If the market price is greater, they share in the benefits and, if it is not greater, they lose.

So the argument that we, by reducing from 1.3 to 1.1 is unduly influencing the market, it might be right now when some folks are trying to contract. And if I were a buyer right now, I would be doing everything in my power to do, to get somebody to come on the floor and to put a cap on what farmers can receive. That is good business. I understand that. That makes eminent good sense, put a cap on, which is what this amendment would do. No farmer may ever get more than $640 a ton for their peanuts.

Mrs. LOWEY. But my colleague agreed to $610 already.

Mr. STENHOLM. As floor, as a floor. But it is the same in corn. I suppose the next thing we will have an amendment to put a cap on is corn. Put a cap on wheat, put a cap on cotton. Control the price. Control. Let us have price fixing, which is what you are proposing right here with this amendment. Let us fix the price on the up side.

As we all know, what we have tried to do with farm programs is to put some bottom-side protection to growers; bottom-side protection, because we are in the international marketplace in all of agriculture. And in peanuts it is a unique program, I concede that. It is very unique. But I wish my colleague would give credit to the Committee on Agriculture for doing that which we recognize we had to do, and that is move the program more into the market orientation side. And we did that. But it is never enough for those that want to kill the program. Those that want to go in and eliminate the total program and would love to pay $400 a ton for peanuts and buy all the peanuts for 1 year until you break the farmers, I understand that. It makes good sense.

The CHAIRMAN. The time of the gentleman from Texas [Mr. STENHOLM] has again expired.

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

Mr. STENHOLM. Mr. Chairman, I only want to point out again, which I think is the most relevant counter-argument to the amendment being offered: There is no restraint on production of peanuts. The market is the one that has to react. If the market chooses to pay $800 a ton, peanut farmers will be happy. If they choose to pay $610, they will not be so happy. Some will be very happy with $610. I have got growers that make good money at $500, $400 a ton. I have got others that struggle to make it at $610. We tried to balance that constituent interest because I happen to represent both quota and nonquota. I happen to represent some of the theory that the gentleman from Arizona [Mr. KOLBE] is trying to put forward here.

Mrs. LOWEY. Mr. Chairman, if the gentleman will continue to yield, I just want to say again that, respectfully to my good friend, the only difference in our view is, you are calling price fixing our amendment which attempts to put in place the change in the freedom to farm program where we are saying that this feudal program is price fixing all along.

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

I will not take the full 5 minutes. Let us just put this in perspective. What is going to happen if this amendment passes, the small farmers is going to get hurt. We have practiced this in other areas. He is going to get hurt. We talk so much about the consumer. Everybody is a consumer, even the small peanut farmer. He buys peanut butter, he buys candy bars. He buys all the stuff that is made with peanut products. What is going to happen is the small farmer is going to be hurt, it is going to cost him money. But if you think for 1 minute that, if you pass this bill, the savings are going to be passed on to the consumer, then we have got some good property over in North Carolina on the coast that fluctuates with the tides, we like to sell you over there.

You are not going to pass along the so-called savings to this. The people that make the Baby Ruths and the Pay Days and the Hershey bars, they are not going to pass along the savings to the consumer. So what it is going to boil down to is the small farmer, who is a consumer, he has to go out and buy; but the masses of the consumer that go every week to the Safeways and to the Giants and the places and buy the snack bars, what have you, he is not going to see any savings on this.

It is going to be a tremendous profit to the people, the big manufacturers that make the, that use peanuts to go into their profits. So we can talk a lot about the consumer, but let us just keep in mind, we have had it in the past when we had sugar programs that said, if you pass a sugar program, hey, soft drinks will come down. We have the same situation. They do not come down. They do not pass on to the consumer. You are not doing anything in this amendment but doing harm to the small farmer and giving exorbitant profits to the people that use the peanuts in their products. The consumer, bless his heart, he is mentioned a lot, but he is not going to receive one penny's worth of benefits if you pass this

amendment. I strongly urge you to look at the reality of it and vote this amendment down.

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

As a member of Committee on Agriculture and one who comes from a heavy peanut-producing area, we began work on reform of the peanut program on November 9, 1994. We began talking to folks in the industry. We began talk to go growers. We began talking to shellers, everybody that is involved in it, because there was a continual attack on the peanut program. Within the Committee on Agriculture, in a bipartisan way, we made real reforms to the peanut program that ensured three things. We talked an awful lot about this: One was that we secure a no-net-cost program to the American taxpayer. We did that.

The second thing was that we make the program more market oriented. We did that. We allowed the transfer of peanut quota across county lines, we did a number of things that would make it more market oriented.

The last thing we did was to provide a safety net for our farmers. We did that with the program that we came up with in the Committee on Agriculture.

Now, there has been some conversation about the domestic demand versus domestic quota. It is true that domestic quota under the previous farm bill was set at 1,350,000 tons. In order to make the program more market oriented, we removed that floor. That was not at the request of the manufacturer, the people who you are talking in favor of right now. They did not want a floor on it. By doing that, we ensured a no net cost, but it also eliminated a floor for domestic demand.

Now, once we did that, the Secretary had the authority to come in and to set that floor at whatever domestic quota, whatever he thought domestic demand would be. It is true that the Secretary set it at 1,100,000 tons, and domestic demand had been 1,200,000 tons. That is a 100,000-ton difference.

Does the gentleman understand the buy-back provisions in the peanut bill? Does the gentleman understand the buy-back provision?

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

Mr. CHAMBLISS. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, yes, I do understand. I confess that I am certainly not the expert on the buy-back provisions that my colleague would be.

Mr. CHAMBLISS. Does my colleague understand that under the buy-back provision that that 100,000-ton gap can be filled with additional peanuts by the Secretary?

Mr. KOLBE. In theory.

Mr. CHAMBLISS. Not in theory, in actuality, that is the way the program works?

Mr. KOLBE. Mr. Chairman, if the gentleman will continue to yield, my understanding of the way the program works in actuality, this is not the case. I would just point out the difference between the domestic price and the export price of peanuts. It is clear that the reduction of the quota is designed to keep the domestic price at an artificially high level.

Mr. CHAMBLISS. Mr. Chairman, let us move on to talk about domestic price. the amendment establishes the fact that no grower of peanuts anywhere in the United States, of quota peanuts, can achieve a price in excess of $640 per ton. No grower of additional peanuts can receive a price in excess of $640 a ton; is that correct?

Mr. KOLBE. Mr. Chairman, if the gentleman will continue to yield, no one who would be under the quota program would get a price in excess of $640 a ton.

Mr. CHAMBLISS. So we have set a maximum price on peanuts irrespective of the market oriented provisions of this bill, set a maximum of $640 a ton. Is that or is that not price fixing?

Mr. KOLBE. Mr. Chairman, the price fixing that is going on has been going on in this program, as we know, since the 1930s when we created this program. The reason for this amendment is because the Secretary has chosen to use the other provision of the law, the quota provision, by reducing that below the level of consumption. The result is a dramatic increase in the price, the actual domestic price consumers pay for peanuts. I would be happy, if the gentleman would agree to an amendment, to do away with this entire program in one fell swoop.

Mr. CHAMBLISS. I will be happy to go back to my friend from New Jersey's recommendation that we go to $1,000 or $5,000 a ton limit.

But the gentleman is correct in saying that his amendment does fix the price. If I am wrong about that, please correct me.

That flies in the face of everything we have tried to do from a reform of agriculture programs and in particular the peanut program, which is now market oriented. The growers of peanuts took a significant reduction of $678 a ton to $610 a ton in anticipation of selling their peanuts more in the world market. That is the whole idea behind it.

What this amendment does is to come in and slap those folks in the face and say, irrespective of how much it costs you to grow it, how much it increases the cost of growing your peanuts next year, throw those facts out the door. The maximum you can get for a ton of peanuts is $640. That is wrong. It is un-American. It is price fixing. I urge my colleagues to vote against this amendment.

□ 1315

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

Mr. Chairman, I urge a ''no'' vote on the Kolbe-Lowey amendment because it is indeed unfair. It is unfair because the peanut industry and agriculture has made an honest attempt, notwithstanding those who are not satisfied that we have not gone far enough in $678 to $610, a substantial reduction in what that forwards.

Further, the Government's program is supposed to be a safety net, only used as a bottom line, not the ceiling. Now we are imposing a ceiling, and I also think this is now antimarket. I would think, I say to the gentleman from Arizona [Mr. KOLBE], this was certainly in contradiction to what the Republican Party said they were all about.

This is unfair because, I want to say to the gentlewoman from New York [Mrs. LOWEY], ''You may not know who those farmers are, but I do know, and many of them are minority farms, many of them are low-income farms, because you can have a small lot of land and still farm.'' So this will have a disproportionate hardship on smaller farmers and minority farmers.

By the way, to those who may not know, more minorities participate in farming of peanuts because it is relatively cheap to get into. They do not need as much land. So there is an opportunity here. This opportunity will be removed from those who have had that opportunity.

I would urge a ''No'' vote on that.

Mr. Chairman, I yield to my colleague, the gentleman from Virginia [Mr. SISISKY].

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

Mr. SISISKY. Mr. Chairman, I thank the gentlewoman for yielding. Many of the arguments I was going to give have already been expressed.

Let me just explain something. I went to peanut hearings, and we had a Senate hearing in my district, and one of the manufacturers who has peanuts in the can said about the program that he could reduce the price, I think, about a dollar a can. And I asked him, ''Do you have 50 cents worth of peanuts in that can?'' He said, ''No, as a matter of fact, 48 cents.''

I said, ''You must be a genius.''

Six or seven years ago I was in a hearing in the ag room in the Longworth Building, and it was a candy manufacturer from the Midwest who said he can save 30 percent on a candy bar, and I asked the chairman, and it was the gentleman from North Carolina [Mr. ROSE], and I said, ''May I interrupt for a minute?'' I said, ''Thirty percent.'' I said, ''Retail or wholesale?'' He said, ''Retail.''

I said, ''That's 15 cents. Do you have 2 cents worth of peanuts in there?'' He said, ''No, got about a penny and a quarter, and that is what the problem is.''

The gentleman from Texas [Mr. STENHOLM] mentioned something which was basically true. I have been in a consumer product business, so I know what I am talking about. The container is more expensive than the

ingredients by a large margin. It is not just the ingredients that are in there. And if my colleagues think for a minute that the gentlewoman from New York [Mrs. LOWEY] mentioned that we would open plants in Canada. Why? They send peanut paste down here already. They send peanut paste from China through Canada to come in at a discount. But we have not seen the price of peanut butter drop, I guarantee.

So with that I would ask this House, and I thank the gentlewoman for giving me the time to oppose vehemently the Kolbe-Lowey amendment.

Mr. Chairman, I want to express my very strong opposition to the Hobson/Lowey amendment, which would gut the peanut program.

Only a few months ago Congress passed a farm bill that included a series of reforms to the peanut program. Congress made sure this would be a no-cost program that would not add to the deficit.

But for peanut farmers, there was a price to pay. Farmers had to accept a cut in the support price from $678 to $610. As a result of that cut, planting of peanuts has already gone down 5 percent this year because it just does not pay to plant peanuts.

Now just a few months later, with the ink barely dry on the farm bill, here we are debating whether to go back on that package of reforms.

The Hobson/Lowey amendment was drafted to correct a problem that does not exist. Its supporters claim that peanut prices are too high because there is a shortage of supply. They claim the national poundage quota is set too low. But what is their evidence for this? Every indication is that there will be no shortage of peanuts in 1996 or 1997.

Supporters of this amendment point to prices in some parts of the Southeast that are higher than the support price. But this has nothing to do with the national quota being set too low. It is not unusual for prices in the Southeast to be higher than they are elsewhere. In the Virginia-Carolina area and the Southwest, prices are lower. The price that's been offered in my district, for example, is $610. That is the support price exactly.

The real problem that some of the manufacturers have is that peanut prices are not as low as they would like. They did not succeed in eliminating the peanut program in the farm bill, and they would prefer a support price that would make the program worthless to farmers.

What supporters of this amendment would like to do is slash the price paid to farmers below the cost of production. But that is simply not fair to peanut farmers.

The support price is meant to be a safety net to keep farmers from going out of business. This amendment sets up a cap on the price that can be paid to the farmer. Nowhere in the farm bill did it place a limit on the prices farmers could receive.

The truth is that this amendment does not carry out the intent of the farm bill, as its supporters would have you believe. In fact, it reneges on the compromise that was made in that legislation.

I urge you to stand by the reforms we agreed to in the farm bill and give them a chance to work. Vote "no" on the Hobson-Lowey amendment.

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

Mr. Chairman, I rise in support of the Kolbe-Lowey amendment to establish a maximum market price for peanut sales of $625 per ton.

As my colleagues know, we all remember when the 1996 farm bill was passed, one of the reform measures that passed in that legislation was a 10-percent reduction in the price of peanuts. This amendment merely insures that the peanut program will be administered as we intended in the 1996 farm bill.

The peanut program comes up every year. It is an antiquated program; there is no doubt about it. Peanuts cannot be sold for fresh use in this country unless they are grown on land that has a quota for peanut production. This system prevents new farmers from growing peanuts. Only so many U.S. producers are permitted to produce peanuts for the U.S. market. Their production is limited to estimated domestic demand or just below to guarantee them a congressionally set support price.

So by producing the peanut support price to an effective rate of $610 per ton, the U.S. support price would still be $200 per ton above the world price of $350 per ton. The price of domestically produced peanuts would still be 43 percent above the world price.

The Kolbe-Lowey amendment would insure that some measure of reform is carried out by encouraging the Secretary of Agriculture to set the national peanut quota system production at a realistic level.

So, Mr. Chairman, the existing quota and price support program for peanuts is anticonsumer, anticompetitive, inefficient. It needs to be changed, and I urge my colleagues to support the Kolbe-Lowey amendment.

Mr. Chairman, I yield to the gentleman from Arizona [Mr. KOLBE], the amendment introducer.

Mr. KOLBE. Mr. Chairman, I thank the gentlewoman for yielding, and I will not take the full time, but I just want to emphasize a couple of points that have been made here and to reiterate that this has been a controversial program; I think we all acknowledge that, a controversial program since its very inception, and frankly growers, manufacturers, and consumers have been constantly at odds on this program.

But I think the freedom to farm bill clearly had a philosophical direction, and that was to make commodities, to market commodities, consistent with a market-oriented approach, to move us in that direction.

There is a huge difference, a huge gap it seems to me, when we are talking about peanuts. It is being treated in a very different fashion, particularly with regard to this gigantic loophole that the Secretary has used. When we talk about setting prices, we are setting prices at $610 a ton, we are setting prices at $640 a ton, whichever one we are using. But the fact of the matter is the Secretary has used a huge gap in the law which allows him to put the quota below, below where the actual level of domestic consumption is to force prices back up. One does not have to be an economics major to figure out that that is going to have a effect on the demand, and it is going to have a effect on the price. If we artificially set the amount of peanuts that can be sold in the United States and one cannot sell any peanuts in the United States without that, it is going to drive that price up. That is what we are trying to correct here.

I have talked to numerous Members here who represent peanut growing interests and they have said, "Look, we did not do it; it was the Secretary that did this." OK, if that is the case, all we are trying to do is correct what we thought we were getting in the farm bill, which was some very modest reduction in the price, and that is why I think this is so essential.

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

Mr. Chairman, I am appalled. I believe that this amendment is clearly nothing more than a fraud. Proponents would have us to believe that it will lower the cost of peanuts, peanut products to the consumer. That could not be farther from the truth, as has already been stated. Not one single manufacturer anywhere in this country has agreed to lower the cost of a candy bar, a jar of peanut butter or a bag of salted peanuts one red cent if this amendment passes. Instead the amendment would put a ceiling on what a farmer who has weathered the storms, the droughts and all of the other risks of growing to what that farmer can get for his product after he has worked so hard.

It seems to me what we are doing here is artificially, as the gentlewoman from New York pointed out, artificially fixing the price. If this is not a violation of antitrust laws, what is? No matter what the market price might be, this amendment limits the amount of profit that a poor farmer in Georgia could make on his peanuts. This is price-fixing, pure and simple.

Now, the gentleman from Georgia [Mr. CHAMBLISS] and I offered earlier last year the national peanut reform bill because the gentlewoman from New York and the gentleman from Texas and many other places have pointed out that they had some problems with the way that the peanut program was structured. As a consequence, we passed a reform bill which was folded into the new farm bill, a reformed peanut program. As a consequence, as the gentleman from Georgia pointed out, we achieved a program that has no net cost to the Government, that is market oriented, but at the same time provides a safety net for our farmers. That is all that it does.

What this amendment will do is take away that safety net, and the minimum profit that a farmer might get because the market has driven the price up will be taken away, and that windfall will be placed in the hands of those people who manufacture that candy bar, who manufacture that jar of peanut butter and who manufacture that bag of salted peanuts. Those are the ones that will get the benefit of that. The poor farmer is going to suffer, and we will see fewer and fewer family farms.

Now, the attack has been made on the Secretary. The Secretary is accused of setting the national pound quotage too low; as a result, artificially driving up the price because of a reduction in supply. But I want to point out, as someone has already said, that in 1995, last year, the national poundage quota was 937,010 tons. This year it is almost 200,000 tons more. That does not sound like anything that is going to reduce the supply. The supply is going to increase. And what is consumption? Consumption is what the market will bear.

This amendment is a fraud, it should be defeated, it is an attack on family farmers, and particularly peanut farmers. I represent the largest peanut farming district in the country. Our farmers work hard, and they suffer great risk to try to turn a profit. We, at great sacrifice, passed a bill, the farm bill, that would address some of the concerns that the critics have had although we felt that they were not well taken. Nevertheless, we compromised, and we have taken a great deal of profit away from our farmers already, reducing the price from $678 a ton to $610 per ton. That is a significant decrease in what our farmers can make on their hard labor and the risk they take.

I ask my colleagues to defeat this amendment, protect family farms, protect all of what we have tried to do in farming, our commodity programs and our farm programs, in this 1996 farm bill. This peanut program has been reformed, we have fixed it, and we do not need to break it as this amendment would do. It is clearly a fraud, and I urge my colleagues to defeat it.

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

Mr. Chairman, I want to make it plain that we do not grow peanuts in my district. We have had some of the large peanut growing districts get up here and speak, but I did have the responsibility of chairing the subcommittee that produced the peanut program for the farm bill and other speciality crops. And I want to say that I believe that the peanut program was in need of reform, and I believe that we reformed the peanut program, and I believe that it is in the continuing process of being reformed, not with amendments like this, but because of the world market situation of the NAFTA and GATT treaties that we have approved in this House. It will happen and is going to happen. And I think that some of the reforms should be pointed out to this House if my colleagues forget that we eliminated price support escalators, we eliminated undermarketing, we eliminated the quota floor, and we reduced and modified and reformed the quota provisions, and people are going to lose their quota eligibility. And it was designed to put quota with the farmers of the South, where peanuts are grown. Sale, lease, and transfer of quota is freely made between the peanut growing areas.

□ 1330

The loan rate was reduced considerably. We did all of this, and now those who oppose this program are back here wanting to reform it before it has ever had a chance to work.

Mr. Chairman, I kind of resent, or I think it is unfair, that the peanut farmers of America are not in the halls, the manufacturers are in the halls seeking somebody to carry this amendment. Where and who is representing the farmers of America, the people that grow our food and fiber? I gladly say I do represent them. It is time to let this program work. Yes, if we need more reforms we can come back and do it later. Let us get the Department of Agriculture to do their job down there. Then we will not have this.

The one thing we tried to put in the farm bill was not shackles on American agriculture. If we can get more for our products, we should have this, we should have it in the free market, and this is a floor for the peanut industry and not a ceiling. I suggest that this amendment is ill-timed and should be defeated.

Mr. PETERSON of Florida. Mr. Speaker, I move to strike the requisite number of words.

Mr. Chairman, I want to compliment the chairman of the subcommittee on our Committee on Agriculture for his previous remarks. He was right on target. I probably just will not take 5 minutes to reiterate what he has already said. But I do want to say, first of all, that this is a consumer-oriented program. We are taking care of the consumers, because we are giving them quality and we are giving them guaranteed quantity. Yes, we are helping the farmers, too, because we are helping assess some of the risk that they are taking. These are incredible risk-takers that we have, Mr. Chairman, these small farmers, who are not in the halls, incidentally. They are out there planting crops and tending to the crops now, they are not out there with the manufacturers up here, asking that this amendment pass.

In fact, Mr. Chairman, I ask that this amendment be pulled. This is a very bad, un-American amendment. It is not well thought out. It does not do the things that we tried to do in the reform process of this program. This is price-fixing at its worst. I think everybody agrees that this is price-fixing.

In fact, Mr. Chairman, not only does it price-fix, but it has this absolute line drawn that says if you go above that, then the program is dead. What kind of Congress is that, that is going to take all of these small farmers in America and just cut their throats in one fell swoop because they are participating in the free market? Is that not un-American? That, to me, is un-American.

The program that was reformed in the Committee on Agriculture last year was real reform. This took from $678 to $610 on the quota price. It did a number of things on the quota transfer. The biggest issue is that it is now, for the first time ever, a no net-cost program. This is not a program that is costing the Federal Government millions and millions of dollars. We need to defeat this amendment. This amendment is as bad as any amendment that has ever come across anybody's desk, and for whatever reason we are doing this, I cannot find a good one.

I ask my colleagues to seriously look at this, look at the fact that we are, in fact, injuring not only peanuts in this regard, because what we are going to do if we take this to its final conclusion, we are going to destroy all of the other programs that are out there.

I will tell the Members, if we do this, the American public is going to have sticker shock in the supermarket. Not only are they going to have sticker shock, but they are going to be a Third World country when they go to the supermarket and try to find these products at the quality levels with which we are producing them now. This is a very poorly thought out amendment. Anybody can look at the fact that it is un-American from the standpoint that it is price-fixing and taking people out of the free market. We need to defeat this amendment today, without delay.

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

Mr. Chairman, I want to rise in support of the Kolbe and Lowey amendment, a fellow New Yorker, a colleague of mine. I ask Members to support the amendment and ask my colleagues to continue to listen to this debate. I also want to take a minute to congratulate the subcommittee chairman, the gentleman from Illinois, on the work that he has done and the reform he has put forward in the full bill.

I also believe that while he is a representative and a great representative of the farmers, that we need to make certain that the consumers are also represented here in this discussion and in the amendment and in the bill. I believe that the one small farm bill change of moving the price support from 678 to 610 has been negated by the fact that the USDA has set the quota on the amount of peanuts that can be grown at such a low level as to basically short the market and to drive up the actual price.

Mr. Chairman, I believe that this reform, the amendment, the Lowey-Kolbe amendment, is one that is a moderate reform in the peanut program for consumers and it represents

exactly that kind of information, exactly the kind of modification. I do not think it is as drastic as we could offer here today. I urge its support.

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

Mr. QUINN. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I do not know how any opponent of this amendment can say with a straight face ''un-American'' or use the word ''world market'' and talk about ''consumer-oriented'' and talk about the free market. Give me a break. Un-American? Yes, it is un-American not to let Americans grow peanuts, but you can go to jail if you grow peanuts and sell in the market. You can certainly get arrested and you can be fined. The point is, you cannot grow peanuts and sell at the $6 price.

Mr. Chairman, I just would say, the bottom line is I would be embarrassed to be opponents of this amendment and talk about un-American, consumer-oriented program, world market, free market. The bottom line is the world market cannot compete. They are not allowed to sell peanuts unless they come and they crush them and they do not get the price. There is no free market, because people from outside this country cannot sell and people in this country, Americans, cannot sell peanuts unless it is to be crushed.

Talking about consumer-oriented, what is consumer-oriented about fixing supply? They fix supply. They are told it is going to be about 900-and-some tons, 1,000 tons. That is fixing the price. What is American about that? What is free market about that?

The problem is we only allow a few people to farm peanuts, only a few. We fix the price by limiting the supply. We attempted to reform that system and we failed. We then said the price should not be $610, not lower than that, the Government will buy it. What has happened by what the Department of Agriculture has done, they have fixed supplies so the price will be well above the $610 price. We may end up having to be more than $678. I think this is an outrage that you can say with a straight face that it is un-American, that it is against the consumer, that it is the free market. How can Members do it? How can they in a straight face use those words?

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

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

Mr. ROSE. Mr. Chairman, I wanted to humbly say to my good friend, who I admired for his support of the minimum wage, we have a little modest minimum wage here for peanut farmers at 610. I just want to chide the gentleman a little, because I have great respect for the gentleman and have read about him in the paper very well the other day, and I was very proud of that. This is a modest minimum wage program. It puts a floor under the peanut farmer.

Mr. SHAYS. If the gentleman will continue to yield, Mr. Chairman, the bottom line is the price is double in this country what the world market price is.

Mr. ROSE. If the gentleman will continue to yield, Members should go up to Canada, where this so-called free market works, and see if peanut butter does not cost more than it does in this country. It is cheaper in this country. We keep it that way and we want it to stay that way.

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

Mr. Chairman, this is so ridiculous. We have sponsors of amendments up here that have no idea about the program, do not serve on either the authorizing or the appropriating committees, the Committee on Agriculture, or its subcommittees. Frankly, this is an ill-conceived amendment, as my colleague, the gentleman from Florida, said. It really ought to be pulled. This is an embarrassment to the House.

First of all, it is price fixing. it is kind of odd that these folks want to fix the price to a farmer who goes out there and puts his capital out there, who sweats and earns his living by his brow, but they do not want to fix the price to the sheller or the manufacturer. They can charge as much as they want to.

Another definition that needs to be explained here is when these folks get up and talk about consumers and quote the GAO report, guess who they are talking about? They are talking about the first buyer of that peanut, which is the sheller and manufacturer. They are not talking about the housewife. We have congressional testimony in committees where these manufacturers say they will not pass one thin dime on to the housewife, not one thin dime.

Mr. HEFNER. Mr. Chairman, will be the gentleman yield?

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

Mr. HEFNER. Mr. Chairman, is the gentleman telling this House and the people watching this debate that he does not believe that the manufacturers would pass this savings on to the consumer? That is what the argument is about, the consumer. The consumer is not going to benefit from this amendment one iota. Am I correct on that?

Mr. EVERETT. Not one iota, Mr. Chairman. Anybody that believes that has driftwood where their brains ought to be. There is no question about that. There is no evidence whatsoever that one dime of this, and anybody that would say anything like it was going to reduce the cost of peanut butter by 35 cents a jar has no idea where he is coming from, has nothing to support that with, absolutely nothing. Mr. Chairman, this is price fixing without question. It is price fixing without question. Next week I guess we should expect a price-fixing amendment on corn, wheat. After all, they are in short supply this year. We have a terrible situation with corn and wheat.

Let me tell the Members what this is all about, pure and simple. This is about corporate greed. This is about people who are carrying the water for these major corporations who are lining the halls out here, carrying the water for them, and as my colleague pointed out, we do not see any farmers out there lobbying. Every dime of this will go to these corporations' pockets. Not a penny would be passed on to the consumer. This is the most ill-conceived, crazy amendment I think I have seen come on this House floor since I have been here.

For the first time ever, the peanut program is a no cost program. We were asked to do that and we did that. The CBO estimates savings, it says, of $400 million in the next 7 years. It has already been pointed out the price support escalator is gone, the national pound quota floor has been eliminated. That makes the program market-oriented. Institutional and out-of-State quota holders are stripped of their peanut poundage quota. No more Sam Donaldsons getting checks, from the Government. That has been taken care of. Sale and lease across country lines, that has been taken care of. My growers bitterly opposed that, but we compromised and passed it.

The growers who abused the program and refused to sell the peanuts on the commercial market will be kicked out of the program. No other commodity program in this country has such a severe penalty, not one, none. The price support has been reduced. Overall, the farmers are going to get about 30 percent less in income now because of this new program that has been passed.

For the benefit of the House, I would like to remind the membership that these reforms were made at the expense of the farmer. When we had a hearing in Georgia with both gentleman, my colleagues from Georgia were there, and the gentlewoman from Florida was there, I asked the manufacturers, come work with us. Help us reform this program. But do Members know what? It was their way or no way. They would not move one inch and never moved one inch. Every reform that has been made has been made at the expense of the farmer. As a matter of fact, there are multinational manufacturers, and six or seven of them control 83 percent of the peanut crop, and they just want to line their pockets even more.

Mr. Chairman, this is corporate greed, this is price fixing. Why do we not fix the price, as I said, on peanut butter, candy bars? Let us just fix the price on everything around here, I say to all the free market folks. I ask my colleagues to vote against this amendment. It is absolutely ridiculous.

□ 1345

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

Mr. Chairman, the peanut program which was debated on and passed by the full House earlier this year has already been extensively reformed. It is now a no-cost program representing a $434 million savings. The support price has been cut by 10 percent, reducing grower income.

These changes already made will reduce farmer income by over 20 percent, $200 billion annually. Further reductions to the price support level or elimination of the peanut program altogether will only cause the economic ruin of America's 15,000 family peanut farmers and the thousands of rural communities they support without benefiting consumers or taxpayers.

Mr. Chairman, the small family farmers in my district have taken substantial cuts and they have done their part to reduce Government spending and help balance the budget. We do not need a price-fixing amendment. For once let us look out for the concerns of the small family farmers and let us vote ''no'' to this Kolbe-Lowey amendment.

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

Mr. FUNDERBURK. I yield to the gentleman from Georgia.

Mr. CHAMBLISS. Mr. Chairman, I would like to ask our friend from Arizona, Mr. KOLBE, the sponsor of this amendment, the gentleman from North Carolina has just reiterated the fact that in our peanut title of the 1996 farm bill there was a reduction in the price from $678 to $610, in excess of 10 percent. Would the gentleman accept an amendment to his amendment which would reduce the price of a candy bar by 10 percent? And would the gentleman also accept an amendment that would put a cap on the price of all candy bars in this country?

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

Mr. FUNDERBURK. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I would say to the gentleman from North Carolina and the gentleman from Georgia that the last I checked, there is no Government price program for candy bars as there is for peanuts, so I do not think that the question is a relevant question.

Mr. CHAMBLISS. Mr. Chairman, that is exactly the point. There should not be a price-fixing cap by the Federal Government on any product in this country.

My friend from Texas made a classic point. I think he struck at the heart of this amendment. We have the highest prices for corn and wheat in this country today that we have ever seen in the history of anybody that sits in this House. Yet this week the manufacturers of cereal, the manufacturers who process corn and wheat, have reduced their prices at the retail level.

That shows us that a reduction in price is not going to translate into a reduction at the retail level. An increase in the price in that instance translated into a reduction at the retail level. I again say this amendment is deplorable, it is un-American, it is price fixing, and it ought to be defeated.

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

First off I would like to apologize to my colleagues on both sides of the aisle who feel very strongly about this issue because I know they are speaking from their heart. I would never want to give the impression that I doubt their sincerity. I guess we have a sincere disagreement about what different words mean. But I also apologize, I guess, to my own Republicans because I thought Republicans believed in the concept of supply and demand. I thought that was one of the things that my party believed in, and I thought my party believed in competition, and so that is why I get so exercised, because I really believe in some of these things that we have said we want and why we got elected.

I also believe that when we went after social welfare that we were also going to go after corporate welfare and after agricultural welfare. I define welfare as a very simple thing, when you start doing things and giving to people that basically become handouts and protections that just promulgate an inefficient system. I see it in this agricultural program.

The program to me, as I see it, is quite simple. We say only some Americans in this country have the right to farm peanuts. I view that as un-American, to say that only some can farm peanuts. I think it is immoral to say that only some in this country.

If we have someone who wants to farm peanuts and sell it at the U.S. price of $678 or $610 or whatever, they cannot do that, because they do not have a quota. In this country, unbelievable to me, you need a quota to farm peanuts and sell at that inflated price.

We lost that debate—and I did not introduce this amendment—we lost it by a few votes. We wanted to get rid of the program. But we at least thought that $610 number was a real number in which a farmer, it would go from $678 to $610. We thought that was a real number that meant something and that if a farmer sold at the $610 price to the Government and the Government bought it at $610 but could not sell it at $610, we were told that the farmers would make up the difference in the next year.

But what we learned is we are now going to limit supply to 935,000 tons. My basic Republican tenet told me that when you limit supply, and you have a certain amount of demand, the price starts to go up. And so what you have done effectively or what the Commissioner has done, what the Secretary has effectively done, we went from $678 with a support price to $610, and you say it is a 10-percent reduction, but it is never going to be at that $610 price because we have limited production. So it may be even more than $678.

What the gentleman from Arizona [Mr. KOLBE] wanted to do was at least say it would be at $640 and not higher. That is price-fixing. It is price-fixing in a system that is fraught with fixing. It is a system where only some Americans in this country can farm.

I have gone after social welfare in my urban areas, I want to go after corporate welfare and I want to go after agricultural welfare. That is what this program is. We need to get people out of it gradually, I agree. That $640 price is a fair price. They are going to go from $678 to $640. That is fair. We did not eliminate the program. We are just asking for some protection because we did not think the Secretary would manipulate price by limiting supply of the product so much.

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

Mr. SHAYS. I yield to the gentlewoman from North Carolina.

Mrs. CLAYTON. Mr. Chairman, did I understand the gentleman to say that the $610 was a ceiling or the floor?

Mr. SHAYS. It is the price at which a farmer can sell to the Government.

Mrs. CLAYTON. It is a price below which the Government will have a safety net to help.

Mr. SHAYS. That is the safety net. When the Government buys it and has to sell it if it does not get $610.

Mrs. CLAYTON. What does the Government buy it for?

Mr. SHAYS. It is the floor.

Mrs. CLAYTON. It is the floor for which the Government will make it eligible for a farmer to buy.

Now the gentleman wants to fix the price at $640.

Mr. SHAYS. No, no. We want to put a ceiling on that price, because by limiting supply, the supply may even go over $678. That is the irony. We talk about the manufacturer and we talk about the farmer. Who is talking for the consumer?

Mrs. CLAYTON. I would like to think that I am.

Mr. SHAYS. No, I think the gentlewoman is talking for the farmer, because the consumer is getting screwed in this system. The consumer is getting screwed.

Mrs. CLAYTON. They are not getting screwed by the farmers.

Mr. SHAYS. If they were paying the market price, it would be $350.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Arizona [Mr. KOLBE].

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

RECORDED VOTE

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

A recorded vote was ordered.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. If no intervening business occurs after this vote, there will be a 5-minute vote on the Kennedy amendment.

The vote was taken by electronic device, and there were—ayes 189, noes 234, not voting 11, as follows:

[Roll No. 231]

AYES—189

Andrews
Archer
Armey
Baldacci
Barr
Barrett (WI)
Barton
Bass
Becerra
Beilenson
Bereuter
Berman
Bilbray
Blumenauer
Blute
Boehlert
Boehner
Bono
Borski
Brown (OH)
Brownback
Bunn
Burton
Camp
Campbell
Cardin
Castle
Chabot
Christensen
Chrysler
Clay
Clement
Collins (IL)
Conyers
Cox
Coyne
Crane
Cremeans
Cunningham
DeLauro
DeLay
Deutsch
Doggett
Doyle
Dreier
Duncan
Dunn
Ehlers
English
Ensign
Eshoo
Fawell
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frisa
Furse
Gallegly
Gejdenson
Gekas
Gibbons
Gilchrest
Gilman
Goodling
Goss
Greene (UT)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hancock
Harman
Hayworth
Hinchey
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hutchinson
Jacobs
Johnston
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kim
King
Klink
Klug
Knollenberg
Kolbe
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manzullo
Markey
Martini
Mascara
McCarthy
McDermott
McHale
McHugh
McIntosh
McNulty
Meehan
Menendez
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Moakley
Molinari
Moran
Morella
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Packard
Pallone
Pelosi
Petri
Porter
Portman
Pryce
Quinn
Ramstad
Reed
Regula
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Rush
Sabo
Salmon
Sanford
Sawyer
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Slaughter
Smith (NJ)
Smith (WA)
Stark
Stokes
Studds
Talent
Tate
Torkildsen
Upton
Velazquez
Vento
Visclosky
Walker
Wamp
Waxman
Weldon (PA)
White
Wolf
Yates
Zeliff
Zimmer

NOES—234

Abercrombie
Ackerman
Allard
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barrett (NE)
Bartlett
Bateman
Bentsen
Bevill
Bilirakis
Bishop
Bliley
Bonilla
Bonior
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Bryant (TN)
Bryant (TX)
Bunning
Burr
Buyer
Callahan
Canady
Chambliss
Chapman
Chenoweth
Clayton
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cramer
Crapo
Cubin
Cummings
Danner
Davis
de la Garza
Deal
DeFazio
Dellums
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Durbin
Edwards
Ehrlich
Engel
Evans
Everett
Ewing
Farr
Fattah
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Foley
Fowler
Frost
Funderburk
Ganske
Gephardt
Geren
Gonzalez
Goodlatte
Gordon
Graham
Green (TX)
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Horn
Houghton
Hoyer
Hunter
Hyde
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Jones
Kaptur
Kildee
Kingston
Kleczka
LaHood
Largent
Latham
Laughlin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Manton
Martinez
Matsui
McCollum
McCrery
McInnis
McKeon
McKinney
Meek
Metcalf
Millender-McDonald
Mink
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Ortiz
Orton
Owens
Oxley
Parker
Pastor
Paxon
Payne (NJ)
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Poshard
Quillen
Radanovich
Rahall
Rangel
Richardson
Riggs
Roberts
Rogers
Rose
Roth
Roybal-Allard
Sanders
Saxton
Scarborough
Schaefer
Schroeder
Scott
Serrano
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Volkmer
Vucanovich
Walsh
Ward
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Williams
Wilson
Wise
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—11

Calvert
Emerson
Frelinghuysen
Gillmor
Hayes
Inglis
Lincoln
McDade
Payne (VA)
Schiff
Souder

□ 1415

The Clerk announced the following pair:

On this vote:

Mr. Frelinghuysen for, with Mr. Calvert against.

Messrs. WARD, DICKEY, MARTINEZ, SERRANO, and DELLUMS changed their vote from ''aye'' to ''no.''

Messrs. REED, DEUTSCH, KIM, PACKARD, BECERRA, Ms. PELOSI, and Messrs. SAWYER, BURTON of Indiana, WHITE, Ms. FURSE, Mrs. KENNELLY, and Mr. BROWNBACK changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1415

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY] on which further proceedings were postponed and on which the noes prevailed by a voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 133, noes 288, not voting 13, as follows:

[Roll No. 232]

AYES—133

Archer
Armey
Barton
Bass
Beilenson
Bereuter
Blute
Borski
Brown (OH)
Brownback
Burton
Cardin
Castle
Chabot
Christensen
Chrysler
Coburn
Collins (IL)
Conyers
Cox
Coyne
Cunningham
Davis
Deal
Doyle
Duncan
Ehlers
Ensign
Fawell
Fields (LA)
Foglietta
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Furse
Gejdenson
Gibbons
Gilchrest
Goodlatte
Goss
Graham
Greene (UT)
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hancock
Hansen
Hayworth
Hoke
Hostettler
Hutchinson
Hyde
Jackson (IL)
Jacobs
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kildee
LaFalce
Lazio
Linder
Lipinski
LoBiondo
Lowey
Luther
Markey
Martini
McInnis
McKinney
McNulty
Meehan
Miller (FL)
Minge
Moakley
Moran
Morella
Myrick
Nadler
Neumann
Oberstar
Obey
Olver
Orton
Pallone
Payne (NJ)
Petri
Porter
Poshard
Ramstad
Reed
Regula
Rivers
Rohrabacher
Roukema
Royce
Rush
Salmon
Sanders
Sanford
Scarborough
Schumer
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skaggs
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spence
Spratt
Stearns
Stockman
Studds
Tate
Tiahrt
Torkildsen
Velazquez
Vento
Visclosky
Wamp
Weldon (FL)
Weldon (PA)
Wolf
Yates
Zeliff
Zimmer

NOES—288

Abercrombie
Ackerman
Allard
Andrews
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bateman
Becerra
Bentsen
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Bono
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Buyer
Callahan
Camp
Campbell
Canady
Chambliss
Chapman
Chenoweth
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Danner
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Dreier
Dunn
Durbin
Edwards
Ehrlich
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Ford
Fowler
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilman
Gonzalez
Goodling
Gordon
Green (TX)
Greenwood
Hall (TX)

Hamilton
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Houghton
Hoyer
Hunter
Istook
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennelly
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Livingston
Lofgren
Longley
Lucas
Maloney
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McIntosh
McKeon
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Mink
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Neal
Nethercutt
Ney
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Parker
Pastor
Paxon
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Rangel
Richardson
Riggs
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Sabo
Sawyer
Saxton
Schaefer
Schroeder
Scott
Seastrand
Serrano
Sisisky
Skeen
Skelton
Slaughter
Solomon
Stark
Stenholm
Stokes
Stump
Stupak
Talent
Tanner
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Upton
Volkmer
Vucanovich
Walker
Ward
Watt (NC)
Watts (OK)
Waxman
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—13

Calvert
Emerson
Frelinghuysen
Gillmor
Hayes
Inglis
Lincoln
McDade
Payne (VA)
Schiff
Tauzin
Walsh
Waters

□ 1426

Mr. GENE GREEN of Texas, Mr. MCHALE, Mr. OWENS, and Ms. JACKSON-LEE of Texas changed their vote from ''aye'' to ''no.''

Mr. TIAHRT change his vote from ''no'' to ''aye.''

The amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. WATERS. Mr. Chairman, I was unavoidably detained during rollcall vote No. 232, the Kennedy of Massachusetts amendment to H.R. 3603, the fiscal year 1997 Agriculture appropriations bill. Had I been present, I would have voted ''aye.''

AMENDMENT OFFERED BY MR. BONO

Mr. BONO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 Offered by Mr. BONO: Page 69, after line 5, insert the following new section:

Sec. . It is the sense of Congress that, not later than the date of the enactment of this Act, the Secretary of Agriculture should—

(1) release a detailed plan for compensating wheat farmers and handlers adversely affected by the karnal bunt quarantine in Riverside and Imperial Counties of California, which should include—

(A) an explanation of the factors to be used to determine the compensation amount for wheat farmers and handlers, including how contract and spot market prices will be handled; and

(B) compensation for farmers who have crops positive for karnal bunt and compensation for farmers who have crops which are negative for karnal bunt, but which cannot go to market due to the lack of Department action on matching restrictions on the negative wheat with the latest risk assessments; and

(2) review the risk assessments developed by the University of California at Riverside and submit a report to Congress describing how these risk assessments will impact the Department of Agriculture policy on the quarantine area for the 1997 wheat crop.

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

Mr. BONO. Mr. Chairman, as many of my colleagues may know, a wheat fungus called karnal bunt was found this spring in Texas, New Mexico, Arizona, and California. Many areas were placed under quarantine by USDA. This means that no wheat infected with karnal bunt can leave the quarantine area, and wheat free of karnal bunt can be sold only under specific conditions.

Karnal bunt is a staggering problem in a year when drought already has troubled the Nation's wheat supply.

The USDA has implemented compensation plans in Texas and New Mexico for farmers who suffered losses from the quarantine.

However, despite weekly promises for 2 months from the USDA, no compensation plan has been released to California farmers. The only thing the Department has told the farmers is, that some will be compensated, and a plan will be released next Tuesday. The USDA has been making this promise over and over for 2 months and has not delivered.

In other words, these farmers have been left in the dark—with no end in sight. These farmers do not know how they will be treated by the USDA, who will be compensated for losses from the quarantine, and what is the official policy.

The Department's inaction has caused our farmers more uncertainty and anxiety, when they already have to deal with the devastation of a quarantine on their best crop in 20 years.

Our farmers deserve better. They deserve timely and thorough information, not unfulfilled promises and uncertainty.

This amendment is simple. It expresses the sense of the Congress that the USDA should live up to its promises: It should end the delay and release a detailed compensation plan.

The amendment also requests that the USDA review a new study of karnal bunt in these counties, and report to Congress on how this study will affect the Department's policies for the 1997 wheat crop.

This study was recently performed by some of the most respected experts in agriculture at the University of California. Because it is more complete and updated than the USDA's last study, it should be seriously considered.

This amendment is the least we can do for the farmers.

Mr. Chairman, I urge my colleagues to vote for my amendment.

□ 1430

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

Mr. BONO. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding to me.

I want to commend the gentleman from California [Mr. BONO] for his leadership on this issue which is of great economic importance to not only California but all of the other States in which this disease is now showing up. Let me just say that this is a well-thought-out amendment. It requires that USDA give us a blueprint for the compensation package that we need now for our farmers as a result of the Government imposed quarantine.

Second, it requires the Government, USDA, to look at the new study, the University of California study that shows that in most of our areas, the possibility of having a karnal bunt outbreak as a result of the California wheat crop is less than 1 in 1 million years and taking that into consideration to give us a policy, a blueprint for farming our wheat, planting our wheat next year. So the gentleman has taken the leadership on this, and I want to applaud him and join with him on this amendment that not only helps California farmers but farmers across the United States to plant wheat.

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

Mr. BONO. I yield to the gentleman from California.

Mr. DREIER. Mr. Chairman, I rise to join my friend from San Diego in strongly supporting the amendment of the gentleman from Palm Springs. The reason I do so is that there is tremendous uncertainty out there today. All that the gentleman from California [Mr. BONO] is asking is that we have some kind of decision come forward so that we can address what is obviously a very serious and important problem. As my friend from San Diego said, this is not simply a California issue. This is something that has an impact on the entire Nation.

Let us see a decision made so the uncertainty that exists will be able to shift to the past.

Mr. BROWN of California. Mr. Chairman, I rise in support of this amendment by my good friend, the gentleman from Palm Springs, CA [Mr. BONO], supported by my good friend from San Dimas and my good friend, the gentleman from San Diego, CA [Mr. HUNTER]. I know that they all have a serious interest in this. It is a problem

which does involve both of their districts.

I rise to indicate that this amendment has strong bipartisan support throughout the State.

There is no wheat in my own district, but I am very familiar with the problem that this is causing in California. I think that it is a very excellent piece of legislation which addresses the problem and, more than that, assures the farmers who sometimes feel neglected down in southern California that there is concern for their conditions here in Washington. I think that is very helpful.

I urge everyone to vote ''yes'' on this very good amendment.

Let me conclude by saying one other thing. I do not know which one of you instigated the investigation by the University of California at Riverside; possibly it was the gentleman from California [Mr. HUNTER]. I want to say that the universities reacted very promptly and very thoroughly to this request and have prepared a really excellent report. They are to be highly commended also.

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

Mr. BROWN of California. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman because this is a very important point for California. Actually, Mr. Birdsall, the agricultural commissioner for Imperial County, asked for that report early. The University of California has come up with this study validated by peer review to the effect that we only had about a 1 in 1 million chance of having a Karnal bunt outbreak, a disease outbreak as a result of the California wheat crop in most areas. To me that means one chance, a chance of it happening one time in 1 million years.

To me those numbers, which have been validated by the USDA, now, in their recent analysis, should compel us to lift the onerous quarantine requirements that USDA presently has on California wheat. I know the gentleman, my friend Mr. BONO, is working as I am. I know our good friend, Mr. BROWN, is working as are other Members to try to lift that quarantine requirement. I think the University of California analysis supports at least a modification of the quarantine to lift the heating requirement.

Mr. SKEEN. Mr. Chairman, we have no objection to this and accept the amendment of the gentleman from California [Mr. BONO].

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

I would like to make sure having assurance from my colleague from California that our vote on the issue of Karnal bunt will not be used against us by the Family Values Coalition?

I ask the gentleman in all seriousness whether or not the wheat growers who were affected by this quarantine have any protection from crop insurance for these losses?

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

Mr. DURBIN. I yield to the gentleman from California.

Mr. BONO. Mr. Chairman, it does not apply. So the answer to that is no, they do not have protection right now. That is the problem. They are stuck with this, cannot get a response from USDA. And they have a study, a more recent study than the USDA's that shows that the liability is not nearly to the degree that the USDA has placed on it, but they are just stuck. There is no response from the USDA.

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

Mr. DURBIN. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, just to back up my friend, I am just talking to the committee staff, and I have talked to a number of our farmers. This did not prevent us from harvesting the crop. We are harvesting the crop. It is good wheat. It is high class wheat. But because it is harvested and it is simply selling restrictions that are a function of the quarantine, that is not covered, I understand, by most private insurance programs. So basically these farmers are out, at least in my county, in excess of some $70 million worth of wheat. I think Mr. BONO's county is pretty close to that. It is the Government-imposed quarantine which is the direct cause of the nonmarketability of the wheat at this point.

Let me say this: This study Mr. BONO has talked about that we have done at the University of California says that a chance of an outbreak is less than 1 in 1 million years. We think that that new evidence, that it has beeen analyzed now by USDA, should justify USDA lifting the heating requirement that presently makes the marketability of this wheat very onerous.

We can only ship this stuff to mills now that have a heating facility that they can heat the feed byproduct with this. It makes it very difficult. I would hope my friend would joint with us in talking with Secretary Glickman, who has been working with us here on this problem, and with Mr. BONO and with Mr. MILLER and the rest of the Californians in trying to lift that very onerous requirement which I do not think now is justified in view of the 1 in 1 million years risk factor.

Mr. DURBIN. Mr. Chairman, if I might reclaim my time and thank my colleagues for giving the additional information on this amendment.

I just say that, since this is not a question of whether or not the growers bought crop insurance, I have much more sympathy for the situation. Second, let me say I do not want Congress to put itself in a role of making scientific decisions, but I do believe that we want the very best and we want an objective decision which will, frankly, help all wheat growers.

Finally, let me say this should remind many of our colleagues, again, how critically important agriculture research is. We are looking at fungus problems with the corn crop. Here we have one with the wheat crop which literally may cripple some of our wheat growers in our home areas. So I hope my colleagues will stick with us in the future as we try to make sure that ag research receives adequate funding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. BONO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SCHUMER

Mr. SCHUMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SCHUMER: Page 69, after line 5, insert the following new section:

SEC. 734. (a) LIMITATION ON USE OF FUNDS.—None of the funds made available in this Act may be used to provide assistance to, or to pay the salaries of personnel who carry out, a market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

(b) CORRESPONDING REDUCTION IN FUNDS.—The amount otherwise provided in this Act for ''Commodity Credit Corporation Fund—Reimbursement for the Net Realized Losses'' is hereby reduced by $90,000,000.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes and that the time be equally divided.

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

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. SCHUMER] will be recognized for 15 minutes, and the gentleman from New Mexico [Mr. SKEEN] will be recognized for 15 minutes.

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

Mr. SCHUMER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, I rise in strong support of the Schumer-Royce amendment eliminating funds for market promotion programs. The 104th Congress has been constantly struggling to get corporate welfare out of the budget. Last year we missed a perfect opportunity to prove to the American people how serious we are about cutting spending by failing to get rid of the Market Promotion Program. Believe it or not, Mr. Chairman, the Market Promotion Program is worse than corporate welfare. At least most corporate welfare dollars are spent in the United States. The Market Promotion Program, on the other hand, takes precious tax dollars and spends them overseas to pay for advertising of American companies like Sunkist, Gallo Winery, and McDonald's.

The self-serving argument goes that scarce tax dollars are being spent to convince people in faraway lands to buy American products. Is it a legitimate role for the Federal Government

to act as an ad agency for a multimillion dollar corporation? I think not. The last thing we need to do is for the hard-working taxpayers of America to find themselves footing the bill for the promotion of wealthy companies' products. Let them promote their own products at their own expense. It is time to stop using scarce tax dollars to convince the French to buy Le Big Mac. Let us show the American people instead that we are truly serious about balancing the budget and, by getting the Federal deficit under control, we can get the Federal deficit under control by being responsible and eliminating programs like the market promotion program that are not necessary for the Federal Government to do, that should be left to those big corporations to pay for their own promotional and advertising costs.

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

Mr. Chairman, I strongly oppose this amendment as I have done many other times the gentleman has offered it or a similar version.

USDA predicts that American agricultural exports will earn a net of more than $30 billion for our trade balance this year. We are headed toward $60 billion a year in exports, an all-time record. The Market Access Program, as it is renamed in the new farm bill, has a lot to do with that success.

This program is responsible for tens of thousands of jobs in food production, processing, and transportation. It has been strongly supported by several administrations and by a solid bipartisan majority in Congress.

Under the new World Trade Organization rules, it is one of the few programs that are legal anymore so I fail to see the reason for unilaterally giving it up when other countries are doing the very same thing.

Finally, Mr. Chairman, I would refer the gentleman to the new farm bill where the authorizing committee has made major changes to reform the program and make sure funds are directed to small and not-for-profit organizations. The program level has also been reduced by almost 20 percent to $90 million.

I urge all my colleagues to vote ''no'' on the Schumer amendment.

□ 1445

Mr. Chairman, I yield to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I thank the gentleman from New Mexico [Mr. SKEEN] for yielding, and I would rise in very strong support of the position which he has taken and for two reasons, one of which he has already dwelled on, and that is this country today is facing a situation of strong competition from around the world in every field, including agriculture, and if we do not do our very best to assist the farmers and, by extension, the business community in this entire country to deal with that competition around the world, we are going to end up with severe economic damage as a result of that.

Now, this is the general and national position that I take. I hate to be parochial, but this program is extremely important to California. We probably have a major part of our agriculture in California that goes into the export market, particularly into Asia, but also other parts of the world as well. That includes our citrus, our grapes, our fruits and vegetables, all other things of that sort, and I would be remiss if I did not point out at least to every Californian that a vote in favor of this amendment is very detrimental to the economic interests of California.

Mr. SCHUMER. Mr. Chairman, I yield myself 6 minutes.

Well, Mr. Chairman, it is deja vu all over again. Six years ago the 1990 farm bill took one of the most ludicrous Federal programs known as targeted export assistance, and instead of reforming it or eliminating it, we changed its name and hoped no one would notice. And this year, in our own congressional version of the Federal Witness Protection Program, we did it again. Behold, now we are going to call it the market access program.

Mr. Chairman, the hasty reformer who does not remember the past will find him or herself condemned to repeat it. In 1986 Congress created the Targeted Assistance Program, or TEA. This $300 million per year boondoggle passed during a time when ridiculous provisions were routinely added to farm legislation to win support. In this case, a lot of the California folks came over and said, ''We do not have a program. Wheat has a program, and soybeans has a program, and milk has a program, but what about our stuff? Wine and fruits and things like that? Almonds? Nuts?'' And so they created this program. But the TEA program was so bad it did not pass the laugh test. It became the poster child for corporate welfare by giving no strings attached grants to huge agribusinesses to advertise their products overseas.

In 1990 Congress responded to mounting criticism by, lo and behold, changing its name to the market promotion program, or MPP. But old habits are hard to break. USDA checks flowed in the millions of dollars to Sunkist and Dole, M&M Mars, Blue Diamond, Gallo Wine, Campbell Soup, Fruit of the Loom, and a tiny mom-and-pop business hamburger chain called McDonalds.

Over the course of the 4 years, GAO issued three reports on TEA and MPP, each one worse than the last. According to GAO, USDA rarely evaluated any of the 1.25 billion grants it made. There was no evidence the grants led to increased exports. Can my colleagues believe this? The whole name of this program is for exports; they did not find a single bit of evidence it lead to increased exports. USDA gave buckets of money to the same companies each year, and the companies treated the grants in a sloppy and haphazard manner.

My favorite, the California Raisin Board. They used their $3 million to air their famous Claymation dancing raisin ads in Japan. My colleagues remember the ads. They were a hit in the United States. I am sure my colleagues remember those dancing raisins singing ''I heard it through the grapevine.'' But the ads were a bomb in Japan because unfortunately these raisins were not bilingual. They sang in English to a baffled Japanese audience who, one, never heard of Marvin Gaye; two, never saw a raisin; and, three, did not understand English. They put these ads in English on Japanese television because they had free money. Why not?

Anyway, the Raisin Board conducted no market research because they were using taxpayer dollars, not their own. If they used their own money, they perhaps would have learned that the Japanese, having never seen an actual raisin, would not recognize a gargantuan singing raisin.

Now that brings us to this year, the freedom to farm act, renamed MPP again, this time as the market access program, or MAP. That is three farm bills and three names, for those of my colleagues keeping score. Call it MAP, call it MPP, call it TEA or any other name, it still spells W-A-S-T-E, waste. Funds are still going to profitable brand-name products. This year Pepperidge Farm, Entemann's Cakes, Ocean Spray, Tootsie Roll, Welch's, M&M Mars, Pillsbury, Campbell Soup, and Hershey all received grants.

Now, there is some good news. MAP is funded at $90 million, which is much less than the historical levels for MPP and TEA, and more of the funds are going to smaller companies in cooperatives. But this year, when we are struggling to cut the budget in so many worthwhile areas, better is far from good enough. The whole premise of the program is wrong. At a time of 12-digit deficits, we should ask our constituents should Congress award $14,000 to promote beef jerky?

Mr. Chairman, does beef jerky equal reform?

We do not need the Market Access Program, and we all know it. Pillsbury and Sunkist and Blue Diamond and Gallo will still advertise overseas. Dole, Sunsweet, and Fruit of the Loom will still make a profit. The makers of beef jerky did not need a subsidy to advertise Slim Jims in the United States, and they will not need it overseas.

Last year, we exported $54 billion of agriculture products; that is great. This year the projection is a record high $60 billion. USDA and proponents of MAP argue that corporate welfare subsidies are the reason for our record exports. That is clearly not the case. The program is not needed, and I urge that we support this amendment and put this program, once and for all, to its deserved kindly, but certain, death.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Chairman, we have all afternoon heard about these terrible

corporate welfare programs. The reformers are out to knock off these corporate welfare programs and sugar and tobacco and peanuts, and now apples and grapes. Do my colleagues not understand that what we are doing is we are going after the American farmer?

My distinguished colleague from downstate New York, where all the people are, does he realize that upstate New York is where a lot of the food comes from, and he is well in the same State, and when he comes upstate to talk about whatever it is that he wants to talk about, we are going to remind him that the farmers in upstate New York benefit from these programs. These are small farmers.

We heard the gentlewoman from North Carolina [Mrs. CLAYTON] talk about the peanut farmer who is going to be hit when we went after these big corporations. American corporations are in a global market. When in a market place, there is need to advertise; if in a global market, advertise globally.

The apple farmers in New York State and Washington State and Oregon and Michigan have benefited from this program. Let me just cite one example. A couple of years ago the French apple crop failed. Many of those apples found their way to Israel. The New York State Commissioner of Agriculture, using market promotion funds, was able to go to the Israel marketplace, put our best foot forward, and we sold that market millions of dollars' worth of apples. That was a successful program.

There is nothing wrong with American corporations making money. That is what capitalism is all about. And if we are going to make money overseas in a global marketplace, let us advertise globally, and the gentleman paraphrased Santayana about learning from history. If the gentleman would learn from history, he would understand this amendment failed last year and the year before, and I expect it to fail again.

I urge a ''no'' vote.

Mr. SCHUMER. Mr. Chairman, I yield myself an additional minute.

I would just like to respond to the gentleman from upstate New York, a great place that, he is right, I have visited on occasion. I have the list of all the programs that New York State benefits from, not a single farmer, not a single small business person, although I will say this:

In my own district of Brooklyn they have Minkowitz Services, gets $5,000. I do not know who Minkowitz Services is, but I am sure he deserves a cut just as much as the upstate folks, the upstate businesses to get it.

Free enterprise, I would remind the gentleman, and then I will yield to him, means free enterprise, not Government subsidy, and I am sure his constituents in Onondaga County accept that premise, we should all accept it.

Mr. Chairman, I yield to the gentleman from New York [Mr. WALSH].

Mr. WALSH. We are not going nearly far enough to support American agriculture. We have 2 percent of the population of this country feeding the world, and we need to do all that we can to support this activity.

Mr. SCHUMER. Reclaiming my time, supporting agriculture by these kind of subsidies is a waste. It does not support it.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. I thank the gentleman from New Mexico for yielding this time to me.

Listening to my good friend from Brooklyn give a history of agriculture export programs has got the same ring of authenticity that my analysis of the New York subway system might have. In fact, when he says in his comments, cites the song ''I Heard It Through The Grapevine,'' I think ''I Heard It Through The Grapevine'' must be the source of his information about what we are doing to this program.

We have heard the gentleman's speech before; in fact, I think the same speech before, but we have gone to the Committee on Agriculture and we have reworked this program. We have cut the funding by 20 percent. We have directed the funding provided be limited to ag co-ops and associations. We focused on high-value meats, vegetables, wines, and fruits because that is where the value-added jobs that increase the benefit of this program are.

Our trade competitors across the world must look at this debate in absolute amazement. United States of America, the largest trade imbalance in the world, and what do we want to do? We want to unilaterally disarm our own export enhancement efforts. Europe outspends us 5 to 1 today, and what do we want to do? The gentleman from New York wants to reduce our effort. That is crazy.

We have tried to fix the program and, I believe, have made a very meaningful attempt to address any criticism that could be launched on this. But let us just look at the track record of what we have already accomplished: $5.6 billion of exports attributed to this program, $16 in exports for every $1 invested, and because we are talking about value added, we are not just talking about raw ag product, we are talking about the men and women that go to those processing plants every single day, make a living, and there is a lot more of those jobs because the opportunity out there for U.S. agriculture is fantastic if we do not just throw in the towel and walk away.

Do not throw in the towel. Reject this amendment. Stand by the move to increase our ag exports.

Mr. SCHUMER. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. ROYCE], cosponsor of this amendment.

□ 1500

Mr. ROYCE. Mr. Chairman, traditionally the battle cry for business in America has been ''Get government off our backs.'' However, some corporations have been publicly demanding less Government interference while quietly seeking millions of taxpayers' dollars to finance their business endeavors overseas. A wealthy corporate executive in a pin-striped suit is not exactly what most people would think of as a typical welfare recipient. However, some Fortune 500 companies are lining up at the public trough to get their share of the millions of dollars being given out through the Federal Government's market access program to subsidize their overseas advertising budget.

The numbers are not insignificant. I will share with the Members that since 1985, 1¼ billions of dollars of Federal money has been spent on this program. We are fighting a $5 trillion debt that has dragged our economy to a point where the economic growth is a crawl. Five trillion dollars, and here is 1¼ spent since 1985.

Mr. Chairman, we have offered this amendment to eliminate one of the most egregious corporate welfare programs, with the hope that a trend will develop which would further rid the private sector of an intrusive government. The Federal Government first began financing corporate advertising in 1985 with the targeted export assistance. It was established to encourage commercial export markets for U.S. farm products. Then, after a critical audit of the General Accounting Office, it was changed to the market promotion program. Then, after another critical audit, it was changed to the market access program in 1996.

The names may have changed after every audit, but the program has not. Not unlike most good-intentioned Federal programs, Federal funding of advertising turned out to be just another Government handout. Instead of promoting generic agricultural products like wheat and corn, a majority of the budget has gone to brand name corporate advertising of the most well-known American corporations.

Despite the amount of money that has gone into MPP, the General Accounting Office, in assessing the program, concluded that ''There is no clear relationship between the amount spent on MPP and the levels of exports.'' In a separate report, the GAO questioned whether MPP funds are actually supporting additional promotional activities or if they are simply replacing private industry funds.

MPP is typical of a bureaucratic program run amok. This should not come as a surprise to us. Whenever the Government attempts to help business, the inevitable result is reduced efficiency due to weakened market incentives. If overseas promotion is so critical to a particular product's market, then companies would, in considering their rate of return, invest their resources there.

Because MPP funds are, in essence, free money, corporations have no incentive to spend it wisely. We have already heard the example, and I doubt

that the raisin industry would have spent $3 million of their own money as carelessly in the Japanese market. That is not likely.

Mr. Chairman, Government has no business deciding which companies are worthy of advertising funds. That is precisely what the free market is there to do, to allocate resources in the most efficient way possible. The Government ought not to be taking tax money from companies to finance the advertising of their competition, which is the direct result of redistribution.

Our amendment to eliminate MAP enjoys support from across the philosophical spectrum. Everyone, from the Progressive Policy Institute and Friends of the Earth to the Cato Institute and Citizens Against Government Waste, agree corporate welfare must be eliminated, and the best place to start is by cutting funding of Government-subsidized advertising.

If we are truly committed to balancing the budget and downsizing the Federal Government, we must be willing to attack corporate welfare and take companies like Pillsbury and Tyson Foods off the public dole.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, the gentleman from New York and my good friend, the gentleman from California, both suggested that the Market Access Program, as we now know it today, is somehow unnecessary or wasteful. But let me quote the Secretary of Agriculture and our former congressional colleague, Dan Glickman:

> Longstanding competitors like the European Union and Canada are using market promotion and credit programs as well as monopoly marketing boards to compete aggressively for international markets. Even less traditional exporters are becoming more aggressive. We cannot eliminate unilaterally our export assistance efforts at a time when the competition is increasing its investments in these areas. It would be pennywise and pound foolish, and just plain stupid.

His remarks are general in nature, Mr. Chairman, but they certainly apply to our U.S. wine industry, which I think most Members know produces an award-winning high value product that competes with the best in the world. The problem, Mr. Chairman, is that many wine-producing countries have established both tariff and nontariff barriers that prevent American wine from competing on a level playing field. In other words, they have access to our markets. We just do not have access to theirs.

According to the U.S. Department of Agriculture, in 1995 the European Union subsidized exports to the tune of $94 million. That figure is comparable, as other speakers have already pointed out on the floor today, to what the United States spends for all agricultural export promotion. In addition, the European Union supplements that $94 million where individual countries also contribute to wine promotion. So we are not talking about a level playing field here. If we were, those of us who believe strongly in this program would not be out here fighting this fight.

The Market Access Program is the only Government program that the American wine industry utilizes. It is a dollar-for-dollar matching partnership that works, with over 100 wineries participating. As I said earlier today, the five largest wine recipients of these funds purchase over 90 percent of their grapes from small, independent grape growers.

One other point I would like to add for my colleagues. Apparently Members are not familiar with the reforms we made to this program in conference last year, in the House-Senate conference on the agricultural appropriations bill, the 1997 bill. If Members would like to see these reforms, please come see me. I have the exact language here which limits these funds, and should address the legitimate criticism that has been made of this particular program.

We very carefully restructured this program last year, and yes, not only did we change the name, but we also included language prohibiting for-profit corporations from direct participation in this program and giving small businesses priorities, while requiring that those small businesses participating in the program match any Federal funding assistance on a dollar-for-dollar basis.

Mr. Chairman, this is not corporate welfare, it is a valuable resource for small farmers in highly restrictive foreign markets.

Mr. SCHUMER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. BARRETT].

Mr. BARRETT of Wisconsin. Mr. Chairman, this is not a difficult issue. For my friends on this side of the aisle who have been screaming for months that Uncle Sam should get off their back, this is the time for them to get their hands out of Uncle Sam's pockets. There is no reason for Uncle Sam and the people of this country to subsidize companies for marketing overseas. If they are going to be making money overseas, they are going to continue to advertise. There is no reason in the world for us to underwrite that advertising.

For my friends on this side of the aisle who are concerned about restructuring and downsizing, this is corporate welfare. This is exactly what we are saying we do not want to have happen in this country. We think that our country can compete. For those who say that there are tariff problems with industries like wine, then let us address those problems. Let us talk about the tariff problems. Let us address them head on. But let us not give one segment of our economy an advantage over another.

Mr. Chairman, I come from a district that does not benefit greatly from this program. Why should the producers in my district not benefit, while producers in other parts of the country benefit? I think we should have a level playing field and not have the U.S. Government subsidizing for-profit companies.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY. Mr. Chairman, I rise in strong opposition to this amendment. Let us take a look at U.S. agriculture. Currently one out of every three acres that is cultivated in the United States is used for the production of crops which are exported. Last year agriculture exports hit $60 billion in the United States. When we look at the growth that we are seeing in exports, in China alone we saw a 175-percent increase in U.S. exports; in Korea, 74 percent; in the Pacific rim, 33 percent.

What we are talking about with the market assistance program is to ensure that the U.S. farmers have equal access to those markets. We have heard speaker after speaker talk about what our international competitors are doing. They are outspending us by six to one. If we are going to provide the farmers with the assistance they need to ensure they can take on these unfair practices by other countries, we have to provide the market assistance program.

When we look at it in terms of benefits, what it has provided, a recent USDA study has shown that every investment, every dollar invested in the market assistance program, has generated $16 in increased sales. For every $1 billion in agricultural exports, we have generated over 20,000 new jobs. I think it is clear that the Market Assistance Program is a good program for agriculture, it is a good program for farmers.

A gentleman earlier said there are no farmers listed as the primary beneficiaries. I can tell the Members, if you are a cotton farmer, you are not going to be making that sale to China. You are going to be working through a cooperative. You are going to be working through a major company. The same thing if you are a prune grower. You are going to be working through Sunsweet. If you are a raisin grower, you are going to be working through Sunmaid. If you are an almond grower you are going to be working through Blue Diamond. You are not going to have the ability and resources to enter into those international markets.

The market assistance program does this: It provides that financial assistance that ensures that the small farmers of this country, working in cooperation with the businesses of this country, can ensure that we will see the promotion of U.S. agricultural products.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Chairman, I thank the chairman for yielding time to me.

Mr. Chairman, the elimination of the Market Access Program means the

elimination of jobs. It is just that simple. We have heard a lot of talk here this afternoon by proponents of this amendment who talk about corporate welfare. What this Market Access Program really does is help employ people in the United States as we export our agriculture products overseas. It is just that simple.

The gentleman from California who spoke in favor of this amendment, 137,000 people in his State depend on the Market Access Program and export-related jobs; the gentleman from New York, 8,300 jobs; the gentleman from Wisconsin, 27,500 jobs directly related to agriculture export jobs.

Let us be serious about this. We have again this year come to the same place we were last year trying to eliminate a program, a modest program that is going to help American jobs overseas and help us export our products overseas. That is what we ought to be doing. We ought to reject this amendment wholeheartedly.

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I appreciate the gentleman yielding me the time.

Mr. Chairman, I take this time, although I have already spoken once, to point out that this morning I was on a panel looking at the problems of export promotion in another area, in the Department of Energy. We had eight leading businessmen from this country, each one of whom, and they are mostly Republicans, testified to the fact that the assistance that they were getting from the Department of Energy in terms of promoting their products overseas, was invaluable to them. They thought that we should have more of them, not less. That applies to agriculture as well as to energy and the environment.

Mr. SKEEN. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, I stand in opposition to this amendment. We all know that agricultural exports are vital to this country, to the strengthening of farm income, providing jobs. They generate $100 billion in related economic activity for every dollar we spend, and what we spend on MAP is now down to $90 million. We get $16 back in additional agricultural exports for every one of those dollars.

We are backing out of the world market at a time when the rest of the world, in GATT-compatible fashion, is investing more money. This is a blind approach to cutting spending. Under the rubric of corporate welfare, we are shooting ourselves in the foot and putting American workers out of jobs. We ought to defeat this once again—once and for all.

Mr. Chairman, I rise in opposition to this amendment which would eliminate the Market Access Program, formerly known as the Market Promotion Program.

Every year, we see these shortsighted attempts to reduce or eliminate the Market Access Program.

This is a mandatory program established by the Agriculture Committee at $90 million. It has been reduced significantly from a funding level or $200 million just a few years ago and an authorized level of $350 million.

The so-called reformers of this program have sought to whittle away at this program until we can no longer recognize it.

Unfortunately, such a continued assault will render it less and less effective. Yet it is a program which works well to expand U.S. agricultural exports, garnering $16 in return for every $1 invested.

Since 1993, the House has acted to take into account concerns of critics of the program, and these reforms have now been embodied in the 1996 farm bill.

We have made sure the funds go to U.S. companies.

We have made sure the funds are not merely substituting for funds for market promotion that were already going to be spent.

And we have specified that only farmer-owned coops, trade associations, or small businesses can be the beneficiaries.

I believe these changes have satisfied most, if not all, of the reasonable complaints made against this program.

I am particularly pleased that the House has voted repeatedly over the last few years to keep this important program alive in the face of such opposition, and I hope we will be smart enough to do so again this year.

American agriculture leads the world in productivity and in total production. Agriculture accounts for our greatest export dollar. Agriculture and related food and fiber industries employ more Americans by far than any other industry.

However, one area in which we are falling short—and this has been analyzed by agriculture experts, the GAO and others—it promotion for our agricultural products overseas.

In particular, we need promotion for so-called "value-added" agricultural products. This is an area where our competitors in the European Union and Asia are making enormous promotion investments and reaping enormous returns. It is an area where we should be doing much more.

The Market Access Program is the program that fills this need.

Agriculture exports, projected to exceed $50 billion again this year—up from $43.5 billion for fiscal year 1994—are vital to the United States.

Agriculture exports strengthen farm income.

Agriculture exports provide jobs for nearly a million Americans.

Agriculture exports generate nearly $100 billion is related economic activity.

Agriculture exports produce a positive trade balance of nearly $20 billion.

If U.S. agriculture is to remain competitive under GATT, we must have policies and programs that remain competitive with those of our competitors abroad.

GATT did not eliminate exports subsidies, it only reduced them.

The European Union spent, over the last 5 years, an average of $10.6 billion in annual export subsidies—the U.S. spent less than $2 billion.

The EU spends more on wine exports—$89 million—than the U.S. currently spends for almost all commodities under the now-renamed Market Access Program.

MAP is critical to U.S. agriculture's ability to develop, maintain, and expand export markets in the new post-GATT environment, and MAP is a proven success.

Our experience with the Market Access Program in California is very instructive.

MAP has been tremendously successful in helping promote exports of California citrus, raisins, walnuts, almonds, peaches, and other specialty crops.

MAP permits small producers to pool the promotion efforts for particular commodity groups.

It may allow them to pursue new markets—markets they could not have pursued otherwise.

It may leverage their promotion efforts in a particular market that are already underway.

We have to remember that an increase in agriculture exports means jobs: a 10-percent increase in agricultural exports creates over 13,000 new jobs in agriculture and related industries like manufacturing, processing, marketing, and distribution.

The measure of any government program has got to be performance.

The Market Access Program performs.

For every $1 we invest in MAP, we reap a $16 return in additional agriculture exports.

MAP limits participation to 5 years—that means commodity groups will not grow dependent on MAP, but will use those funds wisely to put in place long-term, industry-wide promotion efforts.

MAP requires a cost-share—participants, including farmers and ranchers, must contribute as much as 50 percent of their own resources for branded advertising and cannot substitute MAP funds for investments they intended to make in the first place.

MAP is accountable—independent audits and ongoing reviews ensure that the program remains effective and remains true to the intent of Congress.

In short, MAP is an effective program. If anything, we should be bolstering our commitment to value-added market promotion overseas instead of constantly whittling back our efforts in the face of significant investments by our competitors.

I strongly urge my colleagues to support American agriculture, support smart marketing efforts to promote American exports, support American farmers and producers, and oppose this amendment.

Mr. SCHUMER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Chairman, for over a year now, we have been debating in this Chamber how to balance the budget. Democrats and Republicans have been trapped in a stalemate, arguing how to cut Government programs without harming the poor, the elderly, without sacrificing the environment. The majority party has proposed cutting vital programs for education, child nutrition, all in the name of deficit reduction. Yet today, here we are again, fighting an uphill battle to end one of the greatest corporate boondoggles in our budget, the renamed but certainly not repealed Market Access Program.

There were 300 Members in this Chamber who voted for a balanced budget amendment. That did not take courage. They come in, vote for a balanced budget amendment. The challenge we face as a country is how to balance the budget. This Market Promotion Program is a flagrant misuse and misallocation of funds. Anyone who voted for a balanced budget should not come into this Chamber day in and day out to keep corporate subsidies in the budget. Let us stand up and take a stand. If Members voted for a balanced budget, have the courage to balance the budget.

□ 1515

Mr. SKEEN. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. DURBIN].

The CHAIRMAN. The gentleman from Illinois is recognized for 1½ minutes.

Mr. DURBIN. Mr. Chairman, let me say to my friend, the farmer from Flatbush, that he really should get out into the real world of agricultural competition. I know he stays close at home in Brooklyn and in New York. But had he joined me in a visit to Asia, he might have found that many countries such as France are outspending the United States 3-to-1 to win market share in Korea, in Japan, in China and in so many other places.

We have reformed this program dramatically. We have pushed for companies that are new to export, we have pushed for small companies, and the gentleman may make light of some of these companies, but frankly, by themselves they would never have a chance in the world market.

When we consider the fact that our ag exports are so important when it comes to our trade balance, and when we consider the fact that our consumer food products that we are exporting have increased so dramatically over the last several years, what the gentleman from New York, my big-time agronomist from the Big Apple, fails to realize is that to eliminate this Market Access Program would literally eliminate jobs and opportunities in the United States. I hope he will reconsider this ill-considered amendment, and I hope that the grower from Gotham next year will not be offering this amendment as he has in previous years.

Mr. BALDACCI. Mr. Chairman I rise today in opposition to the amendment offered by my colleagues, an amendment that would gut the market access program.

We revisit this issue annually.

I'd like to point out a few things about MAP, which used to go by the acronym MPP. Over the past several years, Congress has mandated several reforms. These changes help small businesses and co-ops, limit branded promotion activities and increase the cost share requirements for private firms. On top of that the authorized level of spending was cut $20 million in the 1996 farm bill.

But step back and look at the larger picture. The farm bill that was signed into law a little more than 2 months ago made sweeping changes in agriculture policy. An integral part of those reforms was increasing the focus on exports.

American farmers are competing for market share in countries around the world. They are competing against farmers in countries that provide far, far deeper subsidies.

In my home State of Maine, potato farmers are suffering at the hands of subsidized Canadian imports. One bright spot is the potential for overseas outlets for Maine potatoes. The industry is exploring options. They need assistance in gaining access to those markets.

I recently talked to a friend of mine, Rodney McCrum who farms 650 acres of potatoes in Aroostook County, ME. I asked him about MAP.

He said, and I quote, "That program really expands the world market to create jobs here in Maine. We just get so much bang for our buck."

In the past decade the value of U.S. potato exports has increased nearly six-fold, reaching more than half a billion dollars that has come about in large part as the result of the pooling of industry money and funds from the old MPP program.

We need to build on that success. We need to continue to ensure that U.S. agriculture continues to be competitive overseas, that our agriculture exports continue to exceed our imports, that our farmers remain the best in the world.

I urge you to oppose the amendment.

Mr. HASTINGS of Washington. Mr. Chairman, I rise in strong opposition to this amendment. The Market Access Program is critical to the continued expansion of U.S. agricultural exports, and is one of the few Government programs that really works. Virtually all funding is used to combat unfair trade practices, and the amount we are spending is almost nothing in comparison to the huge export subsidies of our foreign competitors. Our trading partners would love to see funding for this program reduced. In fact, it has already been reduced by over two-thirds since it was first enacted.

The fact is, the Market Access Program has proven to be an effective method of expanding our agricultural exports. It has sustained American jobs and contributed to the reduction of our trade imbalance.

For every $1 in MAP funding, sales of U.S. exports increase by $16. Ultimately, the increased economic activity created by the Market Access Program supports as many as 28,000 American jobs through expanded exports.

The argument has been made that the types of promotional activities implemented through the MAP will go on regardless of Government funding. However, my colleagues should understand that the participants match the Government funding on a one-to-one basis. The argument also ignores the fact that the program is targeted towards nations which utilize unfair trade barriers, such as Japan and the European community. To cite just a few examples, my colleagues may be interested in the following MAP success stories from my State of Washington alone:

In Mexico, MAP funds helped boost United States exports of apples from just 574,000 cartons to over 4 million cartons in just 1 year.

In Egypt, MAP funds helped convince potential buyers of the quality and value of United States wheat flour—leading to contracts for 427,000 metric tons of flour in 1993.

In Germany, MAP funds supported market development and awareness activities—leading to an increase of United States asparagus exports of 14 percent.

I urge my colleagues to support economic growth and jobs by opposing amendments to eliminate funding for the successful Market Access Program.

Mr. LOBIONDO. Mr. Chairman, I rise in strong support of the Schumer-Royce amendment to cut the $90 million appropriated from the Market Access Program, formerly the Market Promotion Program.

Last July, I cosponsored the Zimmer-Schumer amendment to defund this program, and although the program has a new name, it is still a misuse of taxpayer dollars.

The essence of the Market Promotion Program has not changed. In fact, this is the second name change this program has undergone—it began its life as the Targeted Export Assistance Program. It's still a giveaway, and it's still unfair to taxpayers and to other businesses trying to compete abroad.

Mr. Chairman, this is not a loan program. This program is a giveaway to U.S. businesses, which use public money to advertise their goods abroad. There are other export assistance programs available to U.S. businesses. This program is uniquely flawed.

Termination of this program is supported by the GAO, the CBO, the Grace Commission, Citizens Against Government Waste, and the National Taxpayers Union. As far as I'm aware, these organizations did not recommend simply renaming the program; they believe it is corporate welfare and support its elimination. Let's save $90 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SCHUMER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DURBIN: Page 69, after line 5, insert the following new section:

SEC. 734. For an additional amount for the Department of Agriculture (consisting of an additional $22,500,000 and $2,500,000 for "Rural Utilities Assistance Program" and "Distance Learning and Medical Link Program", respectively), and none of the funds made available in this Act to such Department may be used to carry out or pay the salaries of personnel who carry out any extension service program for tobacco or to provide or pay the salaries of personnel who provide crop insurance for tobacco for the 1997 or later crop years, $25,000,000.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 90 minutes and that the time be equally divided.

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

Mr. MEEHAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DURBIN. Mr. Chairman, some 1,500 different crops are grown in the United States of America. The Department of Agriculture gives 60 of those 1,500 crops special treatment. For those crops, those 60 crops, we have many

programs, including the Crop Insurance Program.

The purpose of my amendment today is to delete one crop from that list. The crop I am speaking of is tobacco. Why would I single out tobacco of all the things grown in America? Because tobacco is not like any other agricultural product. It is neither food nor fiber. It is in fact the only legal product sold in the United States which, when used according to manufacturers directions, will kill you. Tobacco is not just another agricultural crop.

My friends who will stand today in defense of tobacco and its programs will speak at great length about equity and fairness. Let me tell you about the equity and fairness of tobacco.

At this very moment there are young people who are listening to this debate. They have a vested interest in this debate.

Each year the tobacco companies, with this tobacco product, have to lure these children into a lifetime addiction that will kill 1 out of 3. Each day in the United States 3,000 children start smoking for the first time. Think about it, parents of America. Think about it. If your child came home tonight and said, ''Mom, Dad, I've got great news, I just started smoking,'' how many of us would stand up and say ''Congratulations, we were hoping that you would make that decision.'' My colleagues know better, and so do I.

Four hundred thousand Americans will die this year from tobacco-related diseases. It is the No. 1 preventable cause of death in America.

Also in the Chamber, sitting in the seats today, are the lobbyists for the tobacco companies and the tobacco growers. They are the heavy hitters in this town. They have more money than friends, but we will see a lot of their friends on the floor today. They will tell us in debate that the Federal Government does not subsidize tobacco. That is not true. Let me tell you specifically why it is not true.

We will spend this year $98 million on a variety of programs subsidizing tobacco. The single most expensive is crop insurance. Follow me. A tobacco grower plants his crop and buys crop insurance and pays a premium. Then if the crop fails, from drought, flood, pests, whatever it is, he will expect to collect on his insurance policy. But when we add up all the premiums paid by tobacco growers and then we add up all the money paid by the Government when the crop fails, guess what? They do not match. We taxpayers step into this situation and put $68 million on the table to subsidize tobacco and tobacco growth.

Some of my friends have passed around some ''Dear Colleagues'' about the Durbin amendment. One of the statements here is that tobacco growers would be the only farmers in the Nation without access to crop insurance. I am sorry. They should have checked the facts. One thousand five hundred different crops in this country and only sixty are covered by crop insurance.

The Durbin amendment, and I have many of my friends, the gentleman from Utah [Mr. HANSEN] on the Republican side, and others who have joined me in this amendment, says that the tobacco crop will no longer be covered by crop insurance. What does it mean to my colleagues?

When you go to your town meetings and the person stands up and says, ''Congressman, explain something to me, if you will. If tobacco is killing our children, if it is the No. 1 preventable cause of death in America, why does the Federal Government still subsidize to the tune of $90 million a year the growth and production of tobacco products?''

Most Congressmen will say, ''Oh, but we don't.''

They are wrong. We do.

Many of them will say, ''we should not.''

By voting for the Durbin amendment today, they will be able to put an end once and for all to this Federal subsidy of crop insurance for tobacco.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DURBIN] has expired.

(By unanimous consent, Mr. DURBIN was allowed to proceed for 3 additional minutes.)

Mr. DURBIN. Mr. Chairman, behind me on this podium, you may not be able to see it, carved into the wood, are nothing short of tobacco leaves. The people who designed this Chamber 100 years ago thought that this was such an important part of the American political scene, they put it permanently in place. You will find it, too, as you tour this Capitol, at the top of the columns, tobacco leaves. Tobacco has always enjoyed, I guess, a special place in the politics of America. But I think the American consumers and taxpayers have had their fill of the tobacco growers and the tobacco companies. As we witness day in and day out our families and friends afflicted by diseases related to tobacco, we understand this is not just another agricultural product. As we see these tobacco companies openly deceive American consumers about their products, we understand this is not just another product. As we realize that over half of the smokers in this country started smoking before the age of 16, when we realize that the starting average age for a person to use spit tobacco, those little round cans, is 9 years old in America, we understand what we are up against. We are up against a product that has to be treated differently. It should not have a privileged place in this town or in this Government. If the tobacco growers want to continue their program at their own cost, God bless them. If they want to continue their crop insurance at their own cost, God bless them. If adults want to choose to smoke, and I hope they do not, but if they want to, God bless them. But, Mr. Chairman, the rest of us, the taxpayers of this country, should not be footing the bill to subsidize this deadly product. Today Members of Congress who have been preaching about balanced budgets and deficit reduction for months around this place have a chance to put up or shut up. This Durbin amendment gives them a chance to save at least $25 million a year and to say to the taxpayers once and for all when they ask the question, ''Why do you subsidize this deadly product?'' We did, until we passed the Durbin amendment, and we stopped.

Mr. ROGERS. Mr. Chairman I rise in opposition to the amendment.

Mr. Chairman, the Durbin amendment is the same amendment that this body rejected last year out of hand, it is the same amendment the committee just last week rejected out of hand, and it is the same amendment that today this body is going to reject again out of hand. I will tell you why. The Durbin amendment has nothing to do with smoking. It has nothing to do with the health hazards of smoking. It has nothing to do with whether or not you think you have the right to smoke or not. Smoking is not involved here. What is involved here is singling out by this sinister amendment small poor farmers who in the main have no other way to earn a living for their family. This amendment does not get at big tobacco companies. I will say that again. This amendment does not get at big tobacco companies as has been stated. In fact, it plays into their hands, because it would cripple the small growers in this country and favor the big companies who would love to grow the tobacco in this country and more importantly outside this country and ship it here and sell it for dirt cheap prices.

So the Durbin amendment, I would say to you, favors big tobacco companies. They have been wanting this a long time, to run these small farmers out of the business. Without this program, small farmers will not be able to grow tobacco. The Congress has protected that right ever since we have been here almost. So this amendment plays into the hands of big tobacco.

If you want to see cheap cigarettes, you bring in this imported tobacco, grown under no telling what kind of conditions, pesticides you would not dare let on crops in this country, you are going to bring in poisoned tobacco and you are going to bring in tobacco that is dirt cheap and you are going to drive down the price of cigarettes until everyone can say, even kids, ''Hey, I can afford to smoke now.''

So I say to the gentleman from Illinois [Mr. DURBIN], your amendment will promote smoking. It promotes big tobacco companies. We are standing here telling you that if you pass the Durbin amendment, you are singling out the very small, poor tobacco growers in this country to the favor of big tobacco companies and foreign growers all over the world.

This amendment does not save you money. The no-net-cost program—and

the gentleman from Illinois [Mr. DURBIN] knows this—passed through this Congress a few years ago that says the tobacco program will cost nothing to the American taxpayer.

The gentleman says that in his amendment we will not let ASCS employees talk to a tobacco farmer. That tobacco farmer may also grow corn or soybeans or wheat, and what have you but the ASCS employee cannot go out there and talk to him because he grows tobacco. We may have to send a policeman out there with him to be sure that they never mention tobacco. But the tobacco program does not cost you. The no-net-cost program prevents that. Tobacco does bring into the coffers of your city, your county, your State, and your Federal Government $14.8 billion a year, and it results in $6 billion in American exports.

This amendment discriminates against a legal crop. The gentleman from Illinois [Mr. DURBIN] should go ahead and do what he wants to do and offer an amendment to declare tobacco to be an illegal product. That is what you really want. Go ahead and do that. Let us vote on it. But, no, you are going through these back doors trying to eliminate the tobacco program without declaring the crop to be illegal.

□ 1530

What is next? I submit to the gentleman from Illinois that a lot of the corn grown in his district goes to fatten up beef. Beef has a lot of fattening in it. That is bad for hearts. Why, a lot of people say heart disease is the leading killer. That is caused by the fatty substances in the food that we eat, including beef. Let us get after corn, that is the problem in this country. That is the cause of the great health scare and the health problem in the country. It is corn that causes fat.

And what about wheat, I ask the gentleman? Does he know that wheat goes into the making of Twinkies? And we all know that Twinkies are bad for us. They can cause all sorts of problems. Let us outlaw wheat.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. ROGERS] has expired.

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

Mr. ROGERS. Mr. Chairman, I say to the gentleman that the ASCS advisers of the Agriculture Department help farmers, including tobacco farmers, with such things as preventing the use of illegal or dangerous pesticides, for example. If we take away that advice, these farmers are going to be on their own, and who knows what kind of dangerous health hazards that will cause.

The intent of this amendment is to eliminate American tobacco production, make no mistake about that. It would promote cheaper foreign tobacco grown by who knows what kind of pesticides or other poisons on their crops, bringing poisonous tobacco into the country at dirt cheap prices, promoting smoking. It would drive down the price of cigarettes to no telling what level. It would drive onto welfare rolls these small farmers, in the South primarily, in favor of big tobacco companies who would then buy that tobacco from offshore. The jobs would go offshore.

The prices of cigarettes in this country would go down, smoking would go up, and farmers would be on welfare. Is that what the gentleman wants?

I say to the gentleman that the Congress said last year on this very amendment ''no.'' The full Committee on Appropriations just last week said to answer that question ''no,'' and I say to my colleagues again today, to the Durbin amendment say ''no.''

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

Mr. Chairman, I just heard the gentleman from Kentucky bring up Twinkies, and it is interesting because when the CEO's of the major tobacco companies of this country testified before the Congress of the United States, one of them said, ''Nicotine is no more addicting than Twinkies.'' It is ironic that Twinkies would come up again here today.

Mr. Chairman, I rise in strong support of the Durbin-Hansen-Meehan amendment to once and for all end the Federal Government's $25 million subsidization of tobacco. And by the way, the USDA says that it costs the taxpayers money, the Congressional Budget Office says it costs the taxpayers money. It is time to finally put an end to our agricultural policy that is not in line with our health policy.

Mr. Chairman, the tobacco crop insurance subsidies, these are products of a bygone era that have no interest other than the special interest of the big clout that is supporting them. No longer should the Federal Government be a willing and knowing partner in the addiction of America's youth. Now is the time to correct a serious disconnect in Federal policy.

It borders on hypocrisy, Mr. Chairman, that on the one hand we tell our young people do not smoke, do not chew tobacco, it is a nasty and ultimately deadly addiction. Be smart, do not cave in to the destructive advertising, the peer pressure, and on the other hand to the tobacco and extension services and crop insurance subsidies the Federal Government tells our young all across America, do as I say, not as I do.

A vote against this amendment is a vote against kids in America and a vote for big tobacco. Mr. Chairman, by voting for big tobacco Congress votes for an industry that manufactures a product that kills 420,000 Americans each year; an industry that has convinced through its cartoon character Joe Camel, by the way a multibillion dollar advertising campaign directed specifically to children in America, and through that specifically directed cartoon character there are 300,000 kids a day that pick up a cigarette and try it for the first time. One thousand of those children will eventually become addicted to this deadly product.

It is an industry that costs the American economy through health care costs and lost productivity $100 billion a year. Is this the type of vote we want to go back and explain to the mothers and fathers back in our district that we made?

Mr. Chairman, those on the other side of the issue will argue that this vote will only affect a small family-run tobacco farm. Mr. Chairman, tobacco farming is one of the most lucrative forms of agriculture. An acre of tobacco is 1,000 percent more lucrative than 1 acre of corn. The fact is this amendment does not affect the operation of the tobacco price support program; therefore, this amendment will not cost a single tobacco farmers his or her job.

No, this amendment is not directed against the small tobacco farmer, he will still have his customers, the Philip Morris, the R.J. Reynolds of the world. The amendment is about putting our agricultural policy in line with our health policy.

We have spent millions of dollars educating Americans about the diseases of this product, the dangers of this product. We are seeing historic Americans come out in a historic way to demand that the Congress regulate this product in the advertising to children. We have seen the President come forward and call for the FDA to regulate this product in its advertising to children. We have seen attorneys general all across this country begin to hold tobacco companies accountable for the millions and millions of dollars of damage to health care in every State in this country.

Now is not the time to move backward. Now is the time to make the move to move forward. Just because this amendment has been defeated in the past does not mean we shall not do the right thing here.

Mr. Chairman, I agree the tobacco company needs the help of Congress, but further subsidizes are not the answer. No, Mr. Chairman; big tobacco does not need further subsidization; big tobacco in this country needs regulation. I urge my colleagues to join with me in supporting the Durbin amendment.

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

Mr. Chairman, I rise in strong opposition to the Durbin amendment. This is a mean-spirited attack on small farmers throughout the South. We all know that the gentleman from Illinois does not like smoking, but this amendment will not stop one person from smoking; it will only hurt the small tobacco farmers in my district and throughout the South.

The opponents of tobacco always imply that we should not pay farmers to grow tobacco. We do not. We do not pay farmers. Let me repeat that. The Federal Government does not pay

farmers subsidies to grow tobacco. Sure, our Government offers to tobacco farmers some of the same programs, like crop insurance and extension service, that are offered to other farmers. But we should offer them the same treatment other farmers receive.

Tobacco farmers grow a legal crop. These farmers are not outlaws. They should not be treated as such. They should be treated the same as those who grow corn or raise dairy cows or other commodities. Tobacco farmers should not be forced to pay for the same services every other farmer receives for free.

What this amendment does, Mr. Chairman, is single out the small tobacco farmers who are the backbone of the agricultural industry in my State and all over the South. Most of these farmers, including the 14,400 tobacco growers in my district, own their own family farms. They may have 2 acres, 5 acres, or 10 acres of tobacco that they use to offset their other costs in farming, or they may use the extra income to send their children to college so that their children may have it just a little bit better than they did. Where is the crime in that?

Tobacco is a legal product. We have no right to treat honest, taxpaying, hard working Americans like they are outlaws. They have committed no crime, yet this amendment singles them out and treats them like criminals.

Mr. Chairman, this amendment will not do one thing, as the gentleman from Kentucky has already said, to prevent smoking. It will not do one thing to the major tobacco companies in this country. It will not decrease the deficit. It will only treat small farmers like they are criminals. It is bad policy, it is unfair, it is wrong, and let us vote against the Durbin amendment.

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

Mr. Chairman, this amendment came up in the full Committee on Appropriations and the full Committee on Appropriations soundly defeated this amendment. Just as an old timer around here, I would say stick with the Committee on Appropriations. The Committee on Appropriations, the gentleman from Kentucky [Mr. ROGERS] has informed me, does not want this amendment to pass and he said it very eloquently on the floor himself.

This amendment does two things. It prohibits agricultural extension agents from giving advice to tobacco farmers. It does not stop the tobacco farmer from growing tobacco, but if the agricultural extension agent is called on by the farmer for advice about pesticide spraying for certain insects or fungicides, they will not be able to give that advice to the farmer.

I do not believe that is the result that we want. We are not going to stop the growing of tobacco, but we will stop USDA from giving good horticultural advice on how to grow the crop using the proper insecticides, fungicides, and pesticides. That is not good for either the farmer or the farmer's neighbors.

That is one good reason to vote against this. The second reason is it prohibits small farmers from getting Federal crop insurance. Now, the Federal crop insurance is important mainly to the small farmer. Larger farmers buy it privately. In my part of the world a small farm that has 5 acres of tobacco can be grown by the small family. A husband and a wife and children can take 5 acres of tobacco and put 10, 15, $20,000 extra a year into their pockets.

No, this is not about smoking. My colleague from Massachusetts [Mr. MEEHAN] and my colleague from Illinois [Mr. DURBIN] know this has nothing to do with whether or not people smoke, and they really made that clear in their arguments. But do my colleagues know that if these small farmers cannot get crop insurance, they cannot grow tobacco, that the companies will import more foreign tobacco and, in my opinion, will smile all the way to the bank because they will bring it in cheaper than they can buy it here in America?

If we want to hurt the tobacco companies a little bit, keep the price of tobacco high to them. Make them pay a good price. Take away crop insurance from the small farmer, we will put him out of business, and we will make it impossible for him to bring income in to his small family. It is not good policy to do it that way.

Now, I am not in favor of any advertising or anything being directed at underage smokers. I will support, as my colleague who is now in the other body, Mr. WYDEN, and I proposed, an extensive program of efforts by private industry and the government to stop young people from smoking.

□ 1545

This is not about smoking. It happens, though, that because of the way budgeting is done and accounting is done, crop insurance does show up as a cost to the Department of Agriculture. But other than that, the tobacco program is a no-net-cost program. The farmer pays an assessment into the Treasury to cover any potential losses from the tobacco price support program.

CBO, our own Congressional Budget Office, estimates that the current tobacco program will result in a $1.4 billion gain for the Federal Government over the next 7 years. Let me repeat that. The current tobacco program will produce a positive cash flow of $1.4 billion over the next 7 years. How is that? Because when the Government loans money to the cooperative to pay for the price support program, the money has to be paid back with interest. A $1.4 billion gain.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. ROSE] has expired.

(By unanimous consent, Mr. ROSE was allowed to proceed for 3 additional minutes.)

Mr. ROSE. Mr. Chairman, I wish that there was an accounting mechanism that would allow us to lump all of this together, but there is not. So my colleague from Illinois has a fair shot here at a cost of extension service and a cost of crop insurance. But when we back away from the tobacco price support program and look at the big picture, it way overpays for what it costs the U.S. Government.

Mr. Chairman, I will join with anybody in this House to find a sensible way to stop young people from smoking, to make it illegal, tougher, to give more strength to the States, to outlaw vending machines, to outlaw free cigarettes and many, many other things. That is what we should do.

But, Mr. Chairman, I say to my colleagues they should not kill crop insurance for small farmers and go back home to their urban districts and tell their constituents that they saved them from the horrors of tobacco. They have not done anything. They have hurt some little people and they have, in my opinion, not accomplished what they really would like to accomplish.

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

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

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

Mr. SISISKY. Mr. Chairman, I rise in opposition to the Durbin amendment, which I believe, the gentleman from Kentucky was very kind, this is a mean-spirited, in my opinion—and I have known the gentleman from Illinois since we got here together 14 years ago—this is a mean-spirited amendment and I wish that the House would defeat it.

Mr. Chairman, I very strongly oppose the Durbin amendment, a mean-spirited amendment that is grossly unfair to tobacco farmers.

I understand that there are many Members in this House who would like to make a political statement against smoking. But this is surely not the right way to go about it. This amendment will do nothing to stop smoking, but it will cause a lot of harm to tobacco farmers and the farming communities that depend on them. Many of these communities are located in my district.

The Durbin amendment would treat tobacco farmers worse than other farmers. It would deny them the benefit of extension services that are available to every other farmer. And it would prohibit them from buying Government-backed crop insurance that is available to every other farmer.

This is not only discrimination against tobacco farmers. It's also discrimination against tobacco farming communities. These communities are the ones who will pay the price for the mistakes made because extension services are not available, from the misuse of pesticides, and from the erosion of their economic base.

Mr. Chairman, this is nothing but scapegoating. The backers of this amendment are upset with tobacco companies. So they are taking out their frustrations on farmers, many of them small family farmers struggling just to make a living.

I would suggest that they pick on someone their own size. Small farmers have enough troubles. They don't need mean-spirited efforts like this one to treat them like pariahs. They deserve better than that from us. They deserve some fairness, and at the very least some consideration.

I urge you to soundly reject this terrible amendment.

Mr. ROSE. Mr. Chairman, reclaiming my time, I too want my colleagues to think twice before they vote for this amendment. We have got so many battles to fight around here. Mr. Chairman, I say to the gentleman from Illinois [Mr. DURBIN] we have whiskey ads back on TV again. Whiskey ads back on television. Seagrams is down in Texas showing television ads of Crown Royal whiskey.

Now all of my good health friends who are going to speak about the problems of smoking, which this amendment has nothing to do with, for the Lord's sake, over the night and over the weekend go back and get busy on demon rum and whiskey that is going to be shown to the children of this country.

Please vote against this amendment.

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

Mr. Chairman, here we are again. Tobacco has surfaced as the perennial convenient whipping boy. Tobacco, the ''golden weed'' we used to affectionately call it in the Tobacco Belt. Whipping up on tobacco again.

Mr. Chairman, I was not even going to get into this until the gentleman from North Carolina [Mr. ROSE] mentioned about teenage smoking. Some days ago a fellow in my district came up to me and said, ''I have a cure for teenage consumption of tobacco. Why do you all in Congress not enact legislation requiring teenagers to consume tobacco?'' He said, ''Given the ingenuity of American teenagers, they will manage to violate that law some way, and the problem is cured.''

He said that, of course, Mr. Chairman, with tongue in cheek, but it makes about as much sense as what we are about today. The Durbin amendment, and the gentleman from North Carolina [Mr. ROSE] said it, the gentleman from Kentucky [Mr. ROGERS] said it very adeptly, it will do nothing to discourage smoking or reduce tobacco consumption.

Mr. Chairman, I will tell my colleagues what it will do. It will unfairly attack and penalize small farmers by denying them critical agricultural administrative services available to every other family farmer known to me producing agricultural commodities under a Federal program.

Mr. Chairman, I will tell my colleagues what it will do. It singles out tobacco farmers, particularly small ones, and tramples upon their right to earn a living in regions often inhospitable to growing alternative crops.

This amendment damages, emasculates the small tobacco farmer, not the industry at large. The amendment undermines a decades-old relationship between farmers and the U.S. Department of Agriculture, destroying the farmers' safety net and placing tobacco farmers at the mercy of the elements, the weather, diseases, pests.

The demise, Mr. Chairman, of the tobacco program would destroy, I repeat, destroy the nature and structure of agriculture in the southeast farm area, what we commonly know as the tobacco belt.

Tobacco, my friends, is a crop that is lawfully grown, lawfully cured, lawfully marketed, lawfully processed, lawfully sold in the marketplace, lawfully consumed. And Americans benefit, Lord only knows how much, from this product.

Mr. Chairman, I say to my colleagues, do not permit this antitobacco propaganda to damage innocent farmers who are trying their best to keep their heads above water, to provide for their families by growing a legal and marketable commodity. I urge defeat of this amendment.

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

Mr. Chairman, I rise in support of the Durbin-Hansen amendment. At a time when critical funding for children, for health care, for education is being slashed to the bone, how can we even think of providing even another cent to the tobacco industry? Smoking and its impact on health costs billions of dollars every year, and it costs thousands of lives in the United States of America.

The prior speaker said that it is lawfully grown, it is lawfully sold, it is lawfully consumed. I agree to that, and that is one of the sad problems that we have in this Nation today, because it is lawfully grown, lawfully sold, and lawfully consumed.

Just ask one of the members of the thousands of families, many of whom we know very well, who have lost a parent, a daughter, a son, or a wife to smoking-related cancer, and they will give you the straight answer. No more money for tobacco. Simply, no more money for tobacco.

Yet, in vote after vote on the House floor and in committee, aid to the tobacco industry stays alive. This is wrong. Let us make some smart choices on how we spend our Federal dollars. This amendment gives us a choice. We can vote for tobacco and smoking, or we can invest in health.

This amendment takes the money the bill would spend on tobacco and invests these dollars in linking rural underserved educational and medical facilities to more advanced urban centers. Moreover, it would make significant investment in the rural water and sewer grant and loan programs.

The choice is clear. Vote for the Durbin amendment and end the subsidies to this killing industry.

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

Mr. FOGLIETTA. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I thank the gentleman for his support of this amendment, and say to earlier speakers that someone has noted the fact that the Committee on Appropriations voted against this amendment, and that is true. The Committee on Appropriations also voted against an amendment which I had several years ago to ban smoking on airplanes. Fortunately, this House of Representatives came together in a bipartisan fashion overruling the decision by the Committee on Appropriations.

Mr. Chairman, I would defy all my friends on the side of tobacco today to stand up and say that was the wrong decision. It was the right decision. No one, no one would consider turning back the hands of the clock to the day when people could smoke on an airplane and pass along secondhand smoke to innocent people. The fact of the matter is, this has been accepted conduct now across the United States and we are now applying it to international flights.

I might also thank the gentleman for noting that the money saved from the Durbin amendment will be reinvested in the same rural communities that we have talked about here during the course of this debate, providing in the southeastern United States and across the country, opportunities for medical telecommunications links so that community hospitals can have professional medical care, providing rural water and sewer grants so that a lot of small town America will be able to modernize its infrastructure.

Mr. Chairman, the final point I would like to make is, my friends on the other side of this debate continue to ignore the reality that we subsidize tobacco growers in this country. The gentleman shakes his head, but I would like to tell the gentleman the exact dollars. Ninety-eight million dollars will be put in Federal subsidies to tobacco growers this year; $68 million for crop insurance losses beyond premiums paid; $10 million overhead costs of administering the program. If this is not a Federal subsidy, I tell the gentleman, nothing is. It is $78 million for those two items and $700,000 for extension agents.

Mr. Chairman, I thank the gentleman for his forbearance, and say that any farmer who grows other crops will not be prohibited from speaking to extension agents. We just do not want the Federal Government encouraging the growth of tobacco in this country, a deadly product which is killing so many innocent people.

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

Mr. FOGLIETTA. I yield to the gentleman from Illinois.

Mr. EWING. Mr. Chairman, I think we ought to make it absolutely plain, at least unless my memory is totally gone, that smoking on airplanes was legislation that came through the Public Works Committee. It was not done

on an appropriation bill. We may have had it as an amendment, but I know it came through Public Works.

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

Mr. FOGLIETTA. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, it was before the gentleman from Illinois [Mr. EWING] arrived here, and the amendment came through the Committee on Appropriations.

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

Madam Chairman, I rise today in strong opposition to the Durbin amendment. The denial of Federal crop insurance will destroy the tobacco farmer and the economy of rural America. Besides being excluded from common USDA services provided to all other farmers, this will be an economic nightmare. It is no way of doing business.

The denial of crop insurance does not seem like much. However, most farmers have entered into loan agreements requiring them, the farmers, to obtain crop insurance. This amendment will place the farmer in violation with their current and future lenders. Who will help the family farmers then?

Let me repeat that. Most farmers have entered into loan agreements requiring them, meaning the farmer, to obtain crop insurance. This amendment will place the farmer in violation with their current and future lenders. Who, again, will help the family farmer?

Most importantly I believe this amendment is aimed at the cigarette industry. However, the victim will not be the industry, it will be the small tobacco farmer. In my State of North Carolina the production of tobacco employs approximately 260,000 people. More specifically, 1 in 12 people have a tobacco-related job. A ''yes'' vote will be a vote to destroy the North Carolina economy.

Madam Chairman, in closing I want to make two points that the gentleman from North Carolina [Mr. ROSE] and others have made on the floor of this House.

Since 1982, the tobacco program has been a voluntary farmer-run program that is operated through farmer-paid assessment and fees. I am going to repeat that again, Madam Chairman. Since 1982, the tobacco program has been a voluntary farmer-run program that is operated through farmer-paid assessment and fees.

The second point I would like to make, CBO estimates the concurrent tobacco program will result in a $1.4 billion gain for the Federal Government over the next 7 years. I am going to repeat that again. CBO estimates the current tobacco program will result in a $1.4 billion gain for the Federal Government over the next 7 years.

□ 1600

I ask the House to vote against the Durbin amendment.

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

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

Mr. HEFNER. Mr. Chairman, I rise in strong opposition to this amendment, but I do congratulate the gentleman for trying to do something to put some money back into an area that should never have been taken out to start with, it is sorely needed, into the Rural Utilities Assistance Program. I commend him for that. But I do not commend him for where he would like to get it.

This, I do not think there is anybody in this body that would encourage young people to smoke. It would make the health argument as far as tobacco goes, but to me this is a punitive amendment. It does harm to small farmers. Make no doubt about this. It is not going to cause one person not to smoke. It is not going to spend any money for the health care for people that do smoke, if that be the cause. It is not going to do anything to keep people from smoking cigarettes.

What it is going to do is to those small farmers, it is going to say to them, you are not going to have the same privileges that everybody else that is engaged in agriculture has, whether you are soybeans, whatever, peanuts, sugar, whatever, you are not going to have the same privileges these other folks have. You are going to be a second-class farmer. If you happen to be a small tobacco farmer that maybe grows some other crops and you use tobacco, that is going to be something that you have done that you are going to put my kids through college. You are going to say, we are going to cut off, this is going to take away a part of your income.

It is not going to affect the big picture. It is not going to convince anybody not to smoke. It is just an attack on the small tobacco farmers all across the South that raise tobacco and count on it for their livelihood. So make no mistake about it. The only people that are going to be harmed are going to be the small tobacco farmers. We have thousands of them in the great State of North Carolina and Kentucky and Georgia and Alabama, all across the South.

I might add, there is no place that these folks say: Hey, what we are going to do; we are going to diversify. There is no crop that they can say in the short run next year they will not plant tobacco, we will plant blueberries or we will plant something else. They cannot diversify. This is something that is going to have an impact on the small farmers in North Carolina and all over the South. Make no mistake about it.

I would not call this a mean-spirited amendment. I have known the gentleman from Illinois [Mr. DURBIN] ever since he came here. He is a fine gentleman. But he is just misdirected in his avenue that he has taken as far as the Tobacco Program. We are talking about a legal product that the tobacco farmer has just as much right to grow tobacco as people have to grow soybeans, cotton, corn, wheat, any other crop in these great United States.

This is a punitive amendment, and I would urge the Members of this great body to vote this amendment down and get on with their business.

As far as the Rural Assistance Program, that should be put back in the bill. This is something that should be funded. It should not have been taken out. It is a disgrace that it was, but this is not the way to address something that is bad in the bill to make it even worse by adopting the Durbin amendment.

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

I am here today in strong opposition to the Durbin antitobacco farmer amendment, which was already soundly defeated in committee and last year on this floor.

Let me tell you about the family farmer in Kentucky's Second District. He grows several crops—soybeans, corn, wheat, whatever—but most often, he grows tobacco.

In fact, for thousands of families back home, it's tobacco that puts food on the table and clothes on the kids' backs.

Sometimes, that farmer needs advice on crop production, diseases, or fertilizer. The extension services across rural America are often the only source of this type of information. This amendment denies tobacco farmers that advice.

Now I would assume supporters of this antitobacco farmer amendment would say they care about the environment. They should consider this question: What if a tobacco farmer misuses pesticides because the expert at his local extension office wasn't allowed to talk to him?

This amendment also prevents hardworking tobacco farmers from buying the same crop insurance that farmers in, say, Illinois have.

Think about it: Tobacco is a legal crop. And we are saying to the farmers, when they need assistance, that they are second-class citizens.

The Durbin amendment does away with a critical part of the Federal safety net for farmers who grow tobacco. It is a discriminatory amendment.

Each year, tobacco contributes nearly $15 billion to Federal, State, and local government in taxes. It adds another $6 billion in exports. That's $21 billion.

The gentleman from Illinois should consider what liberal social programs he'd do away with without those $21 billion. Tobacco farmers also pay an additional 33 million for various assessments to allow the Tobacco Program to operate at no net-cost to the taxpayer.

Mr. Chairman, we shouldn't single out the farmers who grow tobacco. We

shouldn't hurt the many families who are just barely getting by with a few acres of this legal product. And we shouldn't pretend that this amendment will stop one person from smoking, because it won't.

The health risks associated with tobacco are well known, and not the issue today. The issue is the thousands of independent decisions made by farm families.

The Durbin amendment would be a disaster for tens of thousands of small family farmers. Vote against this anti-tobacco farmer amendment.

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

Mr. Chairman, I probably have a little more unique position or consideration of this amendment than most Members because I am the only tobacco farmer in this House.

Let me tell you what this amendment does. I am not going to get into all the money everybody else has talked about. It is telling every tobacco farmer in Kentucky today, we have had rain for the last 4 or 5 weeks, we now have the possibility of a blue mold coming in on our plants, which could very well devastate our crop as we move along from June, July, and August. We want to tell that farmer, with the Durbin amendment, we want to tell him, Mr. Farmer, you do not have any protection for that.

We might be devastated. If the blue mold does not get us later in the summer, we have a disease called black shank which could.

Why do I mention these two diseases? First of all, it is the extension services which go to the farmer who does not have to go to anybody else and say, Mr. Farmer, here is what you put on your tobacco plant to try to prevent blue mold, try to prevent black shank. What do they do? They wither up the plants. They give you absolutely no production at the end of the year. But guess what, you have already put in several thousand dollars per acre. You have already put in the fertilizer cost. You have already put in, in some cases right before a harvest, you have put in most of your labor, a great deal of your labor.

Under the Durbin amendment, he wants to tell this farmer, this farmer, you cannot have a safety net. You go on and go broke. We do not care.

Just two or three amendments ago, I heard Mr. DURBIN himself talking about the disaster we had in the wheat. Why didn't those people go get insurance? I would be more interested in hearing them, if they go insurance.

We are telling my farmers they cannot have insurance. It has nothing to do with smoking. You are basically telling the farmers in Kentucky and North Carolina, we cannot have the safety net that we need to make sure we do not go broke. We are not talking just about landowners here. Do not think you are talking about farmowners who just have a lot of land. We are talking about young tenant farmers who maybe do not have any land but have over $100,000, $200,000 invested in equipment. We are going to tell him and her, a lot of women, going right on that farm, do not worry about it, folks, you do not need a safety net, you are going to go broke. Andy by the way, you cannot go talk to the extension service about how to make your crop better. Are you going to use Clorox? That is illegal. You cannot do that. The extension service cannot tell you that. You have got to know it.

This is mean spirited. It is hypocrisy at the highest level. Two or three votes ago, two of the sponsors of these amendments voted to keep on paying the funds necessary to market alcohol. They voted against the Kennedy amendment. I voted against it, too. But now is not that something, we are saying here to the tobacco farmer, somehow you cause health problems, Mr. Farmer. We are not even asking for money to help us market. We are going to tell the alcohol folks, fine. I voted for it and think it is the right thing to do, we are going to help our market, yours and nobody is going to deny that alcohol has some problems with health.

What disappoints me about this is it has nothing to do with smoking. It has nothing to do with what is going to happen. The gentleman from Kentucky [Mr. ROGERS] and others have said it. The Mexicans are going to love it. The Brazilians are going to love it. The Africans are going to love it because they are going to be able to market their products.

Who is not going to love it? Farmers in Kentucky and throughout the South, because we are telling them today, if this amendment passes, we do not care about you. We do not care if you go broke. We do not care if you cannot get insurance. We pay our taxes; you pay. The university has got an extension service; Federal Government has extension services. You cannot go see them.

This is a mean-spirited amendment. It is the most hypocrisy that I have ever seen, over two or three votes ago. I am disappointed by the fact that we do not care about these people.

What is the next small farmer we are going to kick in the shins? What is the next small farmer we are going to hurt? Who are we going to pick on next? Tobacco is an easy target for you folks. Tobacco is an easy target for the urban areas because they do not care about it. Tobacco is an easy target because they do not think about the billions of dollars they get.

I am disappointed. Vote no because this is very mean spirited and the height of hypocrisy.

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

Mr. Chairman, I rise in support of the Durbin-Hansen amendment. This amendment prohibits the use of Federal funds for tobacco-related extension services and crop insurance. It is needed because the current so-called no net cost tobacco price support program does not eliminate Federal spending related to tobacco.

Tobacco products, as the medical profession has repeatedly emphasized, kill. Tobacco is frequently used as a pesticide, thus it is no wonder that almost one half million Americans die each year from tobacco use. This, along with tobacco-related illnesses, costs Medicare and Medicaid approximately $15.3 billion each year.

The Durbin proposal would not cause tobacco farmers to lose their jobs. It does not affect the tobacco price support program; debate on that issue is deferred to the farm bill. Rather, the Durbin proposal continues to align our agricultural policies with our health policies.

As part of this sensible undertaking, the proposal would reallocate funds from the tobacco industry to more health conscious interests. One part of Mr. DURBIN's proposal would help to provide safe and affordable drinking water to the 400,000 rural households currently without it. Mr. DURBIN also proposes to reallocate money to the Distance Learning/Medical Link program. This is another important program which offers valuable opportunities to rural residents though increased educational venues and better access to health care.

It is time for governmental policies to work together, and for us to get out of the tobacco business. I urge my colleagues to seize the opportunity to move one more step toward that goal by supporting the Durbin-Hansen amendment.

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

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

Mr. WAXMAN. Mr. Chairman, I have a chart that I want to display so that Members can see the full consequences of this tobacco issue.

This chart indicates the causes of death in the United States. Deaths related to tobacco come close to 20 percent. It is higher than the combination of deaths due to illicit drugs, motor vehicle accidents, sexual behavior, guns and firearms, toxic agents, microbial agents, and alcohol; all of them combined.

This is a major health problem in this country. We need to address it. The Centers for Disease Control came out with a report a couple of weeks ago. They have indicated to us that we are losing this war against smoking in America.

□ 1615

Forty percent of white teenaged girls are smoking. Three thousand new kids are taking up smoking each day.

What are we are going to do about it? What is a commonsense rational policy for this Nation to avoid the consequences of 400,000 people dying each

year? How do we stop our kids from taking up smoking?

Now, the Durbin amendment is not a solution. We need some commonsense solutions, but it is a reasonable step that we ought to take.

I have listened to the discussions of the representatives from the tobacco growing areas. They say that we are treating their farmers like second-class citizens, we are saying that they are criminals. No one is saying that. They have a legal right to grow those crops and to sell them.

But the fact of the matter is, why should taxpayers help them when we face this kind of consequence from this product? We ought to be talking about, if we really care about those farmers, how to make a transition to other crops as we, as a nation, try to discourage people from smoking. That is what we ought to be doing, and if the gentleman wanted to deal with the problem, we would try to come to terms with it.

We have enormous pressures to keep the status quo. Do not touch the subsidies going to tobacco farmers. People say, ''Well, let's deal with alcohol.'' Well, let us deal with alcohol, but let us recognize the disproportionate deaths from tobacco. They say, ''Well, let's do something about kids smoking,'' but those same people that said that on the House floor object to the Food and Drug Administration promulgating regulations. They are in favor of some voluntary effort by the tobacco industry which, as an industry, has a conflict of interest. The industry does not want to discourage kids from smoking because those kids that take up smoking as 13-, 14-year-olds are their customers when they are adults. They are the ones who get hooked on nicotine.

I urge that we support this amendment. It is a good first step. We ought to do it. There is no reason not to do it.

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

Mr. WAXMAN. I yield to the gentleman from Texas.

Mr. DOGGETT. Now, the gentleman from California mentioned that there are other measures besides this amendment which only keeps us from wasting a certain amount of public moneys in support of death that ought to be taken. Are there going to be any of those measures coming out of the subcommittee that the gentleman from California has served on and focused so much attention in prior Congresses to this tremendous tobacco epidemic in the country?

Mr. WAXMAN. Mr. Chairman, as the gentleman from Texas well knows, the most powerful special interest in this country is the tobacco industry. They have invariably gotten their way in the Congress of the United States. The inquiry that our subcommittee conducted about tobacco industry practices was stopped. The tobacco industry is a major campaign contributor.

Mr. DOGGETT. How does the gentleman from California mean it was stopped?

Mr. WAXMAN. The new leadership of the committee decided that there was no reason for this country and this Congress to look into tobacco industry practices.

Mr. DOGGETT. So even though tobacco is the No. 1 cause of preventable death in the United States, this Congress, this House under the Gingrich leadership, is not doing anything about it?

Mr. WAXMAN. The gentleman is absolutely correct. This Congress and the leadership of this Congress has done exactly what the tobacco industry has wanted it to do. It has stopped any investigation of the tobacco industry. It has condemned the Food and Drug Administration as it attempts to deal with the problems of children being seduced into smoking. It has supported the continued subsidies of the tobacco industry and its farmers. We are losing the war, and the people who have been elected to be responsible for the Nation are turning their backs on that whole effort.

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

Mr. DOGGETT. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. WAXMAN] be granted 3 additional minutes to respond.

Mr. ROGERS. Mr. Chairman, I object.

Mr. DOGGETT. Mr. Chairman, there have been no objections to anyone else getting unanimous-consent extensions on this.

The CHAIRMAN. Objection is heard.

Mr. DOGGETT. Mr. Chairman, I would like the gentleman identified under the rules because they may want to speak again and I may want to object.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROGERS] has objected.

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

It is impossible today in today's climate to discuss anything relating to tobacco without discussing the political correctness of the issue, and I think that all of us would agree with that, and I do not think there is anybody in this Chamber, or anybody that I know of, that wants young people to smoke any tobacco product, and every tobacco product today has on the package that it may be dangerous to one's health to smoke the product or to chew the product, and we all know that, and all of us know that there are many things in our society that it is harmful for us to engage in. Many things: drinking alcoholic beverages, drinking and driving, dropping out of school. But we also know that individuals make individual choices about what they do, and the same thing takes place on this issue of tobacco.

We know historically that prohibition did not work in the alcohol business, we know that it is illegal to sell and buy cocaine and heroin on the streets of America, and yet we know that it is done all over the streets of America, and we know that organized crime is involved in the selling of those products. But one thing that we also know is that tobacco is a legal product, and it is a regulated product. It is not regulated by FDA, as the President and other Members of this body would like it to be, but it is regulated by the Department of Agriculture, the Federal Trade Commission, HHS and other agencies of the Government, and it is a legal crop.

Now, over the past 8 years two agencies of the Federal Government have taken real reductions in appropriations. That has been Agriculture and Defense. And the farmers throughout America stepped up to the plate on this Freedom to Farm bill and volunteered that over the next 5 years all of their price support systems would be eliminated. And in tobacco there is no price support system today that is paid for by the Government. The tobacco farmers and the tobacco industry, manufacturers, pay for that price support system.

And this amendment simply discriminates against over 140,000 small farmers in 23 States, many of whom only have 1 or 2 acres of land to grow this legal product, and this amendment basically says that if someone grows this product, this crop, they cannot use the facilities of the U.S. Department of Agriculture to advise them on the pesticides or the insecticides that they should use on this product, and all of us recognize that there are some dangers in the chemicals being used today, and we need advice from the Department of Agriculture on those types of issues, and so this amendment would prohibit that.

And in addition, this amendment would also prohibit farmers from buying crop insurance. Now, up until this freedom to farm bill, it was required that farmers buy catastrophic crop insurance. Most of them really did not want to. And the gentleman from Illinois [Mr. DURBIN] mentioned awhile ago, he said that the Government will spend $97 million this year, but the estimate is that it will be $97 million, and most of that is on crop insurance that farmers themselves paid the premium, they paid the premium for it, and if anything happened to the crop, they will be reimbursed. And some things did happen. As the gentleman from Kentucky mentioned earlier, blue mold hit, and it about destroyed the crop this year, and so they paid for a premium to be covered. Blue mold hit the crop, and now they are going to be compensated. And this amendment would prohibit that from taking place in the future.

And so I would just say it is an amendment that discriminates against 140,000 small farmers in 23 States around this country.

Now, if my colleagues want to make tobacco illegal, then let us bring it up for a vote. Let us not try to harm these small farmers and let the big manufacturers get off. And furthermore, I would challenge my colleagues that Government cannot control the actions of people on everything that they do. We cannot control that somebody is going to smoke. We cannot control if somebody is going to contact AIDS through illicit sexual contact or kill themselves while driving intoxicated.

So that is what this amendment is all about, and I would urge all of us to vote against the Durbin amendment.

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

Mr. Chairman, I rise in opposition to the Durbin amendment. I feel that this amendment is unfair, it is discriminatory, and it will create a bureaucratic nightmare.

I represent tobacco growers. I represent tobacco warehouses, and I represent the largest cigarette manufacturing plant in the country. What I see this debate about is not whether to outlaw tobacco, which perhaps would be more of an appropriate debate, not whether to smoke or not to smoke, which perhaps would be an appropriate debate, but here we are talking about taking away crop insurance and the advice of extension agents from people who are scratching out a living from the soil in the hardest of possible ways to just to make ends meet.

It is not right, it is not fair, and I just think that we ought not be doing that.

What we are talking about here are jobs. What we are talking about are families. We are talking about college tuition. We are talking about hospital bills, doctor bills. We are talking about health insurance even, derived from the hard work that these families scratch out from the soil.

I had the good fortune to marry a young lady who grew up on a tobacco farm, and we spent hours and hours talking about what it was like growing up on that tobacco farm when her father would have to go and mortgage the land to plant his crop and how when the crop came in and after they got through curing it and they got through selling it, how he would go back to the bank, if they had a good year, and pay off the mortgage. And she talked about how many years they would have to go back and renew that mortgage and hope that they could make a better crop the next year, and in the meantime the land did not get foreclosed on.

Her father always said, ''I hope that life for our children won't be as bad on this tobacco farm as it has been for me.''

The advent of crop insurance improved that lot for that tobacco farm in North Carolina. I believe that we ought not to, as long as this product is legal, discriminate, be unfair and create a nightmare, as this amendment would do.

Mr. Chairman, I yield to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I rise in opposition to the Durbin amendment and say this really is not about whether one smokes or not. I am not in denial that smoking harms. I am not one who says that smoking should not be for children. I do not advocate. So it is difficult to follow Mr. WAXMAN's startling statistic.

But this is not about smoking. This is about discriminating against the poorest of the poor of that industry. Our colleagues are not attacking the big boy. They really are attacking the small farmer.

This is a vested interest. I represent the largest amount of farmers who grow flue-cured tobacco in the country.

□ 1630

Obviously, I feel for them. I also feel for those who may see this as a moral issue. I commend the gentleman from Illinois, who has consistently been about this.

However, Mr. Chairman, I want to tell the Members, this is not the way to go about it. We should not discriminate against farmers who happen to be growing tobacco, soybeans, cotton, and to say that they should not have the assistance of our Government, or we should not find a way where they cannot insure their crops. Go after it as a moral issue. This is not the way to do it.

Mr. Chairman, I urge our colleagues to understand, they are not making the decision around smoking or not smoking, they are really making the decision about whether they want to be fair to farmers, regardless of what legal crop they are growing. I urge the defeat of the Durbin amendment.

Mr. SKEEN. Mr. Chairman, I have a unanimous consent request. I would ask the gentleman from Illinois, we have been at this for about an hour and 15 minutes. I do not want to cut anybody off, but I think at least we ought to have some parameters. How about 80 minutes?

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

Mr. SKEEN. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I agree with the gentleman. If the gentleman would agree to 90 minutes, I think we might be able to wrap it up.

Mr. SKEEN. We will go 90 minutes.

Mr. DURBIN. Forty-five minutes on each side. Will the gentleman control those in opposition to the amendment?

Mr. SKEEN. Yes.

Mr. DURBIN. I will control those in favor of it.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 90 minutes and that the time be equally divided.

The CHAIRMAN. The Chair understands that the time will be divided, 45 minutes to be managed by the gentleman from Illinois [Mr. DURBIN] and 45 minutes to be managed by the gentleman from New Mexico [Mr. SKEEN].

Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. FUNDERBURK].

Mr. FUNDERBURK. Mr. Chairman, here we go again with the constant attack on tobacco in the form of another Durbin amendment. This amendment is being sold as an attempt to change smoking habits. As usual the label is misleading. It won't change smoking habits one bit. This legislation breaks a complex and time-honored agreement between the farmer, the Government, and the manufacturer. If this amendment passes, tobacco farmers would be the only farmers in America denied access to Government-funded research, education, and extension services for their crop. This amendment even denies tobacco farmers Federal crop insurance and sets up the taxpayers to absorb millions of dollars in defaulted farm loans. It imposes a politically correct gag rule on USDA officials by preventing southern farmers from accessing information which they paid for with their own tax dollars.

If the authors also intend to wound multinational corporations they are off the mark. The big companies won't be hurt by this amendment. They will simply pack their bags, move off shore, and sell us foreign tobacco. So, the people this amendment really hurts, live in the small towns in my State and across the country. These law-abiding citizens don't sit on corporate boards or drive big cars, they merely ask the Congress to treat them fairly and on that count the Durbin amendment fails miserably.

It is time for DURBIN, WAXMAN, Kessler, and Clinton to stop picking on small tobacco farmers. Where is their substitute for $15 billion to the Federal, State, and local governments in the form of sales and excise taxes? Six billion dollars in exports—that's a lot of jobs.

Over $30 million to the U.S. Treasury for deficit reduction.

Prohibition, crop diversification—it's simple to say but not to do.

This amendment is bad legislation. It does nothing the authors claim and punishes no one the authors want to punish. So, Mr. Chairman, the next time a Member of Congress, on either side of the aisle, talks about protecting the little man and small businesses take a look at how he voted on the Durbin amendment and see how his claim stands up.

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

Mr. FUNDERBURK. I yield to the gentleman from Georgia.

Mr. CHAMBLISS. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, none of us disagree with the gentleman from Illinois [Mr. DURBIN] that we ought not to encourage children from smoking. We ought to. This amendment will do nothing about that. All of us agree that smoking presents hazards to one's health. This amendment does nothing about that. This amendment is, pure and simple, about corporate America versus little farm family America.

Mr. Chairman, I have very few big farmers in my district. Most of my farmers are small farmers. The big farmers, the corporate farmers, do not depend on the county agent for advice. They depend on the experts, the high-priced experts from Lexington, from Raleigh, from Athens. They can afford that. The small family farmer depends on that extension service agent, the Gary Gloes, the Scott Browns, to come out and examine their fields, be it corn, be it peanuts, be it cotton, be it tobacco.

What you are doing is saying it is all right for you to look at your corn patch but I cannot look at your tobacco patch and tell you what is wrong or what you need to do. The gentleman and I know that the management of that will never work. It simply cannot work. I urge the defeat of this amendment.

Mr. DURBIN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I rise in support of the Durbin amendment to cut the tobacco subsidy and transfer the money saved into the rural development programs.

This is just one of the many steps this body needs to take to balance the budget. Members have a clear choice today. They can choose to subsidize tobacco growing or they can vote to give rural areas safe drinking water. We need to spend the taxpayers' money very, very carefully. I think if we took a poll of America today, we would find that 99 percent would not choose to subsidize tobacco.

Do not think for a minute this is about the small farmer. Last year when we took this vote, the three major tobacco lobbies cut 135 checks, half of them on top of the markup and the other half within 48 hours of the vote. The time for the vote came and it went down. These are business people. They had every intention of affecting the vote. I do not question each Member's vote, but a good businessman or woman does not give money to anything that they do not expect a return on.

Mr. Chairman, the big tobacco industries are a $45 billion industry. They are fighting this vote and they are fighting it because they do not want to lose one toehold they have on this place, or at least they believe they have on this place, because they are major, major contributors to campaigns, and mostly right around the votes.

Last year, we even had tobacco checks, as we read in the news a couple of weeks ago, passed out on the floor of this Chamber. This is serious, Mr. Chairman. Tobacco companies know that they are in trouble. Why not give the $23 million to clean water? Does that not make more sense? I think it makes more sense. I think the American people think it makes more sense.

We have had conflicting stories on the floor today about how lucrative it is or not, and how in jeopardy the small farmers are. I have looked. You can grow a little tobacco, for a lot of money, practically in your backyard. I understand that that is a good way for some families to make their living, but it also costs America very dearly.

Mr. Chairman, the argument of corn, let us talk about the argument of corn. Why do we continue with crop insurance for corn? By the way, I am for getting rid of all agriculture and all corporate subsidies eventually. If we Republicans believe in getting rid of the debt, we have to stop subsidizing a lot of things we have been subsidizing over the years; by the way, started by the Democrats.

But I believe that starting with tobacco makes a whale of a lot of sense, whether it is $20, $21, or $90 million, because the difference between corn and tobacco is very simple. My grandkids need corn to eat. Tobacco is going to kill them. It killed my mother. It has killed my relatives. It could kill my grandchildren. That is a lot of difference there—400,000 deaths each year. Corn does not cause emphysema or lung cancer. It might make you fat, but in general you can only eat so much of it, and 3,000 children a day do not become addicted to corn.

Mr. Chairman, I certainly do not want to be in a position with my constituents of going home and saying ''I subsidized tobacco, but I did not have any money for clean water for your communities.'' I have 27 pending applications for water and sewer grants. We need that money. That is good, healthy money. It could be used for that. Mr. Chairman, let us vote today to free up that money for clean water. This is just one of several farm and corporate subsidies we need to get rid of to balance the budget.

The main cry we came in with, in fact, I waved a flag at the Contract With America that said ''I am going to balance the budget. I am going to clean up the corruption.'' We stood there together and we said that. We have to do it even to things that are in our backyard, folks. I have done them to things in my backyard. You have to, too.

The argument that tobacco is legal makes little sense to me. There are a lot of legal things, but we do not subsidize them. Especially we do not subsidize those things that are destroying Americans and costing the Medicare system enough to bankrupt it. Today, I ask Members to think very carefully about where they have their priorities in this body. We all have to have their priorities, but this one has a lot of problems. I ask today that Members support the Durbin amendment.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. EWING].

Mr. EWING. Mr. Chairman, I will try not to use all that time so others can.

First of all, Mr. Chairman, this amendment, I would say to my colleague, the gentleman from Illinois [Mr. DURBIN], is somewhat confusing. If we were to adopt it, I am not sure exactly how it would be administered or what would be carried out. I am somewhat confused between crop insurance and rural utilities. I would have thought, and I have many of these same co-ops in my district that the gentleman has, but I would have thought if the gentleman really wanted to fund this, he would have cut crop insurance for corn and soybeans, corn and soybeans in the gentleman's district. Then we would have probably all come to the floor and discussed that. I do not see the connection between taking crop insurance from one crop and not from another.

It is about small farmers. The debate here is totally off what we are talking about, what this amendment does. This amendment takes from the Crop Insurance Program and puts it into another area; maybe a very deserving area, but one the Committee on Appropriations has already decided has been adequately funded. Now we are going to take it away.

Mr. Chairman, I believe that a lot of this is very self-serving and political. The debate is not about tobacco. Yes, it is about small farmers that will be hurt, in this case, tobacco farmers; not corn and soybean farmers, tobacco farmers, because that is who the amendment is aimed at. Yet, we continue just to ignore the fact that these same farmers are paying their way, paying their way, and then we are going to take away what little government is left for them, and we are not going to take away the assessment that they pay, it is going to continue to be there, that tax on them.

Mr. Chairman, let me just, in closing, say that this amendment is confusing. I do not think it is easy to enforce. I think it is time to vote it down. But the issue of smoking, not one person has gotten up and said, ''I like to smoke.'' I am not going to, either. I am a reformed smoker. I do not think we should smoke. My children do not smoke. I did not want them to smoke. But the point is, if you want to legislate on that issue, the appropriation process is not the place for the debate and not the place to decide that. We should do that in the substantive committee. That is where it ought to go.

We ought to decide what we can do to address this problem in America. We ought to remember that we only should put into law what we can do and what we can afford to do, because we put into law an awful lot of things that we do an awful poor job of enforcing, and then we wonder why.

Mr. Chairman, I suggest that this amendment is ill-advised, terribly hard

to follow, unable to be enforced, and should be voted down. If we want to debate this issue, do it in the proper form.

Mr. DURBIN. Mr. Chairman, I yield 5½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, I thank the gentleman for his leadership. I join him today in offering this amendment, because it is time for our Government to stop subsidizing death. That is really what this is all about. A government subsidy to promote the growth of tobacco makes as little sense as a government subsidy to promote the production of the plants and the seeds from which strychnine is derived. In either case, it uses public money to deliver poison to the American people.

□ 1645

The only difference is that the tobacco kills a little more slowly and a little more painfully than the strychnine. And tobacco ultimately costs our American taxpayers literally billions of dollars in additional health and disability claims that we end up having to pay rather than a swift strychnine death.

Tobacco is the leading cause of preventable death in this country. Yet there are people on this floor today opposing this amendment who are at this moment expending public money to promote the production of even more tobacco.

Some 80 percent of adult smokers begin as children in their smoking habits. That is why it has been described as a pediatric disease by the American Academy of Pediatrics. Every day more than 3,000 young people take up smoking. The average age, according to one study in Texas, was a little under 13 years old to begin this terrible situation that ultimately leads to death for so many. But the opponents of this amendment say, ''Keep the Government in the driver's seat. That's the only way to make it fair.''

Well, the Government is in the driver's seat all right. It is in the driver's seat of a hearse. That hearse is carrying and transporting 400,000 Americans directly who are smokers and about another 50,000 every year who die from the indirect consequences of secondhand smoke.

This amendment eliminates the public funding of tobacco-related extension services and it eliminates Federal funding for tobacco crop insurance subsidies.

But this amendment is more than just one of fiscal responsibility. It is more than just one of saving lives. It is about breaking the stranglehold that one of the most powerful lobbies in the country has on this Congress.

As always, the purveyors of poison are hiding behind the small farmer. They picture some fellow with a big plug of chewing tobacco in his cheek in an old beat-up pickup truck rumbling down some back road.

This is not about that guy. This is about the most pernicious lobby in this country today. If our citizens could vote directly on this issue, they would see right through this sham. They recognize that the tobacco companies are going to continue to peddle this poison as long as they can pay for the right to do so.

And my how they have been paying. For while I recognize that they have exerted tremendous influence over both parties in the past and while I applaud my Republican colleagues like the last gentlewoman who rose to support this amendment, I think we have got to be clear that the Republican National Committee these days is like a giant cigarette vending machine. The tobacco companies put in their money and they pull out the influence they want.

In the first 6 months of 1995 alone, the tobacco companies poured more than $1.5 million into the national treasury of the Republican Party in so-called soft money. By the end of the year they had gotten up to almost $2.5 million. Who knows, now that we are finally in an election year, how much money they have been able to dump over there.

With those kinds of dollars, you can bet that when a tobacco lobbyist calls the National Republican Party that they do not get put on hold or get forwarded to voice mail.

No, they get Haley to pick up the phone as he did and call the Governor of Texas. They get him to call all over. As far as the soft money is concerned, then there is the hard money. Of course the tobacco lobby does not make it too hard on Members of Congress to get their largesse. Indeed, they had the head of the Republican conference running around here on the floor of this body, on this very floor, acting as an errand boy for them so that the Members of Congress that want that tobacco money will not even have to walk across the street to get it.

All during 1995, tobacco interests gave a total to people of all parties associated with Congress in soft money and PAC money over $4 million. That is a pretty good harvest. I would say it is a very bountiful harvest.

It was Mark Twain who said, ''It's easy to give up smoking. I know so because I have done it a hundred times.'' Well, we only need to give up this public largesse in return for the favors from the tobacco lobby one time.

Let us do it today. Let us get out of the hearse and get this program revised and the public out of the business of promoting death.

Mr. SKEEN. Mr. Chairman, I yield 7 minutes to the gentleman from North Carolina [Mr. BURR].

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

Mr. BURR. I thank the gentleman from New Mexico for yielding time.

Mr. Chairman, I have sat here for an hour and a half, maybe a little bit longer. Thank goodness we have a time frame on it. I have waited for the merits of why this bill, a bill that puts a gag order on extension agents in this country, is good. I have heard about smoking and I have heard about this and I have heard about that, and now we have heard about PAC money and we have heard about influence. We still have not heard any merits on why extension agent gag is an appropriate method.

In fact, tobacco is an attractive target these days. The administration is on it. We have got the Durbin-Waxman two shoe again. It is consistent. In due respect to them, they are consistent. They continue to do it. Why do they do it? For the same reason my colleague from Texas was just up here. Because it is profitable for them. Because they do not talk about the money they raise from the people that fight this industry day in and day out.

Congress has the jurisdiction on what the legal status of it is. If the American people want it changed, I will assure my colleagues they are a much more powerful lobby than is any single interest group here in Washington or the whole interest groups here in Washington combined. We give the American people the wrong impression when we say that they do not have a voice here.

Well, they do have a voice in the Fifth District of North Carolina and they elected me to be here. They elected me to protect their livelihood. The fact is that this amendment is not about tobacco and it is not about smoking. This is about killing the livelihoods of families. It is about destroying communities throughout the South because we will drive farmers out of business.

My colleagues are offering to kill programs from which tobacco farmers in my district benefit, while they are proposing to maintain, as my other colleagues have mentioned, their own programs.

I would say this to the gentlewoman from Maryland [Mrs. MORELLA], and I am sorry she is not here, if she believes that doing away with the extension agents for tobacco is in fact that profitable, then why does she not propose that we do away with extension agents, period?

It is very simple. It is because the assault here is tobacco. It is under assault under the auspices of Federal spending. There is not a crop in this country that has done more to be self-sufficient than has tobacco. They have reached out every time that this body has suggested that in fact the Federal Government had too great a share and they have cleaned it up. They have a no net cost program for the stabilization side of it.

And yes, there is some Federal money that is there for extension agents to talk to farmers, to help them move from a one-crop farm to a multi-crop farm. As a matter of fact, North Carolina used to be a one-crop State. Today we are the third most diverse State in this country behind California

and Texas. Why? Because extension agents have helped us to make that transition. Without them, our farmers are dead, and you can bet on it.

It is unbelievable to think that we would in fact sit here and pass a law that would say to extension agents, ''You can talk to a farmer about the azalea bushes and when to clip them, about the grass and how to make it green, you can talk about cotton and pigs and everything else, but you can't talk about tobacco.'' How insane we would be to even consider something like this.

As a matter of fact, if I were a farmer in Illinois today, as my deal colleague Mr. EWING said, I would be scared to death of what the gentleman from Illinois, Mr. DURBIN may do.

The reality is that, as in the past, this amendment amounts to plain discrimination against our farmers who depend on tobacco to put food on their tables. In fact, earlier, the gentleman from Illinois [Mr. DURBIN] said, look at the kids visiting us today. My only regret at that time, I was sorry that the children of tobacco farmers were not here today, because they are just as important. Are their lives not as important for us to protect as everybody's in this country?

We will solve the smoking issue. We will do it responsibly. We will debate the issue. But we do not do it by disguising an attack on the industry and by destroying people who in fact are just plain farmers.

Mr. Chairman, if Congress were to say today that tobacco could not be grown anymore, it would take at least 3 growing seasons to prime soil for new crops, notwithstanding the fact that most tobacco farmers have neither the acreage or the proper soil to prosper with different crops.

As a matter of fact, the average tobacco farm in my district is 3 acres. Three acres is not enough to even take a good-sized tractor and get it going before you have got to turn it around. Needless to say, they do not have the up-front capital to start raising chickens or hogs. Given the same circumstances, I am sure that most other farmers would face a similar situation.

But Congressman DURBIN would eliminate crop insurance for tobacco. He may not like tobacco, but it is downright cruel to pull the rug out from under farmers whose crops fall victim to such plagues as blue mold which has wiped out hundreds of acres of burley tobacco.

Will we not cause a nightmare for extension agents when they cannot control disease in one crop and all of a sudden it begins to affect others? Will we not do a terrible thing to our environment in this country if we do not have agricultural agents who are working with farmers as it relates to pesticides and to other things that they use on their crops, and farmers do it out of ignorance versus out of education? Do we not do an injustice by not allowing the latest in research and technology to drive what they do? How can it be good policy to put agricultural extension agents under a gag order?

Good policy would be to control disease, to monitor pesticide usage, to protect workers and the environment. The Durbin amendment is bad legislation. It threatens the environment, it threatens the livelihood of thousands of families, and it threatens American jobs.

Mr. Chairman, I am here today to defeat the Durbin amendment. I am here to defeat the Durbin amendment for one primary reason, because it is what is right.

Mr. DURBIN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Utah [Ms. GREENE], who is in support of this bipartisan amendment.

Ms. GREENE of Utah. Mr. Chairman, I rise in strong support of the Durbin-Hansen amendment. This amendment would prohibit the use of funds for tobacco-related extension services and for tobacco crop insurance.

Mr. Chairman, we have had to make many difficult choices in the appropriations process in this Congress, but this amendment should be offering us an easy choice. We simply have to ask ourselves the following question: Why is the Federal Government subsidizing the tobacco industry?

We now have incontrovertible evidence regarding the catastrophic damage tobacco use does to our citizens, to our economy, and to our Federal budget. More than 400,000 Americans die every year because of cancer, heart disease, and other smoking-related illnesses. Smoking costs our economy approximately $50 billion a year in direct health care costs and another $50 billion in indirect costs such as lost productivity through sickness and premature deaths. It is estimated that Medicare will be forced to spend approximately 800 billion taxpayer dollars over the next 20 years to care for people with smoking-related illnesses. Given these profoundly troubling facts, how can we ask this House to appropriate another dime for the tobacco industry?

Setting aside the individual health concerns for a moment, let us look at this issue from a purely economic perspective. How can this House ever justify subsidizing a product that directly increases our Federal health expenditures so dramatically, let alone during such challenging budgetary times?

Mr. Chairman, this amendment takes another critical step toward bringing our budget priorities in line with the realities of the danger and the expense of tobacco. Previous Congresses have already prohibited USDA funding for tobacco-related research and export assistance. This amendment is the overdue next step.

The $25 million that the Durbin-Hansen amendment will save will be used to restore cuts in funding for rural development and health programs. For example, this amendment will increase rural water and sewer assistance by $22.5 million. Mr. Chairman, the USDA has estimated that over 400,000 rural households are still without safe and affordable water. Addressing that problem should take priority over subsidizing one of America's most lucrative industries.

□ 1700

This year the Federal Government is spending $98 million on a variety of taxpayer-supported programs for the tobacco industry. We have heard that this is discrimination, that this should be treated like any other crop, but unlike other crops, tobacco has no safe level of use, and of all the crops grown in this great country only tobacco has a body count. This crop should not enjoy the same Federal assistance and protection that other crops do.

Mr. Chairman, I urge my colleagues in the House to support the Durbin-Hansen amendment.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Chairman, I rise in opposition to the Durbin amendment, and I do so reluctantly because I admire the gentleman and have worked with him and have enjoyed getting to know him since I got here, but I think this amendment is really not aimed at the right folks, and I mean this sincerely.

This amendment is going to be aimed at the people who produce tobacco on farms, and those are not the people who are getting rich on tobacco; those are not the people who we hear about when we hear about the tobacco issue being discussed; rather; these are the people who are able to stay on their family farms because of the income they derive from their tobacco allotment, and these are not large farmers.

As we heard from the gentleman from Georgia [Mr. BURR], these are people who are farming, 2, 3, and 4 acres. The size of their acreage is comparable to home sites in some parts of this country. These are not big agribusiness folks, these are regular people, and it is these tobacco crops that are allowing them to keep these farms in the family.

The reason that I know that, Mr. Chairman, is that I know these people from my community. Mostly they do not live in Louisville, KY, but they work in Louisville, KY. And Members might say to me how do they work in Louisville if they farm tobacco? Well, the reason they work in Louisville is that the tobacco income is what keeps them on the farm, but what keeps their families going is their factory job income. They work in Louisville at United Parcel Service or General Electric or one of the other manufacturers in Louisville, one of the other large business enterprises, to keep their family farm and their way of life.

So as we have heard today, this amendment is not about attacking tobacco, this amendment is not about attacking the large tobacco companies;

the brunt of this amendment will land on the small farmers.

Mr. DURBIN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, I am very much in support of the amendment of the gentleman from Illinois, and I commend him for offering before the House.

Over and over this afternoon we have heard the opponents of this amendment attempt to equate tobacco with other products, with corn, wheat, and soybeans, but there is no equation of tobacco with those products. Those products provide the food and fiber which sustains our health and our lives.

Tobacco is fundamentally different. Tobacco promotes dependency, addiction and death. There is hardly a family in America that has not been affected by this addictive drug and the health consequences that it causes. In my own family we have been robbed of the counsel and comfort of members who have been taken prematurely as a result of the addiction to tobacco. That affects everyone and that is what this amendment is all about.

Tobacco costs us. It costs us billions of dollars, several hundred billions of dollars a year in health care costs related to the effects of tobacco.

We send a contradictory message. We tell people they should not smoke, but we are here subsidizing the essence of that smoking. Cigarettes and smokeless tobacco, which is the basis of this amendment, causes addiction and causes death. We say to our kids, do not smoke. And they say to us: ''If smoking is so bad, why is the Government paying people to help them grow tobacco? Why is the Government paying people to go out and help them grow better crops and grow more tobacco? Why is the Government subsidizing insurance if it is so bad? I do not understand what is going on here,'' they say to us. ''You are telling me two different things.''

If we are sincere about dealing with the problems of tobacco in our society, which are costing us so much, robbing us of productive people, causing enormous expenditures in our health care delivery system, which affects our budget deficit on a daily and yearly basis, then we need to be consistent in the message we are sending and we need to support this amendment which will help us bring about that consistency.

Mr. DURBIN. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of his amendment.

Mr. Chairman, the Federal Government, as has been stated earlier today, spends roughly $98 billion on a variety of subsidies for tobacco. Tobacco use is responsible for one out of every five deaths in America. Tobacco products are responsible for more than 400,000 deaths each year due to cancer, respiratory illness, heart disease, and other health problems.

Cigarettes kill more Americans each year than AIDS, alcohol, car accidents, murders, suicides, illegal drugs, and fires combined. Smokers who die as a result of smoking would have lived on average 12 to 15 years longer if they had not smoked. Smokers are 50 percent more likely to bear mentally retarded children, and on an economic basis smoking costs our economy over $50 billion a year in direct medical costs.

Then there are the young people. Smoking is also a major issue for our young people. An estimated one out of every six American teenagers are regular smokers. Every day approximately 3,000 people begin smoking and over half of them have become addicted. Over 70 percent, it has been said 80 percent on this floor, of adults who smoke started smoking daily before age 18. One quarter of these new smokers will eventually be among the more than 400,000 who die of tobacco-related illnesses each year.

One day in Delaware I was going through a pharmaceutical supply house and they had a room called the smokers room, and it was all liquid food, basically for people who had smoked and no longer could eat regular food as a result of that smoking.

Given these facts, the amendment we are considering today is a very modest one. It would simply reprogram $25 million of tobacco subsidies from tobacco-related extension services and tobacco crop insurance to rural development and health programs, a very good cause, by the way, giving rural areas safe drinking water.

Mr. Chairman, it is difficult to justify using scarce taxpayer dollars on a product which literally kills those who use it as directed. I strongly urge my colleagues to support the Durbin amendment.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for yielding me this time and I rise in opposition to the Durbin amendment.

Mr. Chairman, we have heard a number of good arguments today on both sides. I know the gentleman from Illinois [Mr. DURBIN] is very sincere in his beliefs, as are the other folks who have spoken with their various issues. We have heard debate, though, that I think should be categorized in two areas, one is philosophical and one is specific to the amendment.

Philosophically, we do have a debate of the U.S. role in the tobacco industry. What is the proper Government role? The Government, for example, spends millions of dollars on the ASSIST program and on the DARE program, which are, among other things, tobacco-oriented education programs that teach people, students, not to get involved with illegal drugs and then some of the legal, I do not know if they are drugs, but alcohol and tobacco and other habits that young people can, all people can fall into.

We spend lots of money on these programs and we do spend money in an indirect fashion on tobacco, yet we also have heard many times that that program brings in $1.4 billion in revenue. So it is certainly not a perfect program the way it is handled right now, and yet, as we look at farm programs in general, none of them are perfect and often we do have some inconsistencies in what we are trying to do in the big picture.

But if we get away from the philosophical debate, and I think we should have the philosophical debate, for example, one of the things that has not been brought up, in my opinion, is the freedom argument. I think that people in America do have a freedom to engage in smoking or not to engage in smoking, a freedom to overeat or not to overeat, a freedom to exercise or not to exercise. And I would also submit to my colleagues that the statistics that I read, which are often attributed to smoking in terms of illnesses, often the person who is that statistic is not eating right and is not exercising right as well, but it is the cigarette industry that always gets blamed for it.

But let us move away from the philosophical debate, because what we are arguing here is not philosophy, what we are debating here is the Durbin amendment. And the Durbin amendment says that farmers cannot participate in the Federal crop insurance program and they cannot have communication with the extension service folks.

Now, as long as tobacco is a legal crop, does it make sense to say the farmers in America cannot do what other farmers are doing who farm cotton, wheat, corn, soybeans, peanuts, sugar, and so forth; they cannot participate in a subsidized crop insurance program?

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

Mr. KINGSTON. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I would note one fact that was brought up early in the debate, there are 1,500 legal crops in the United States, only 60 of the 1,500 are covered by crop insurance. There are many things the gentleman and I could grow that would not even qualify for crop insurance, and that is the basis for this amendment.

Mr. KINGSTON. Mr. Chairman, reclaiming my time, that is correct, but I believe the ones that are subsidized are ones that have Federal Government programs, and so the ones I have named are the ones where there is a Federal Government program.

My point is, as long as it is legal, is it right to tell a farmer that he cannot participate in it? I am not sure that it is right. I think it is a tad punitive, although I certainly know that the gentleman's target is not the farmer.

The other thing is this communication with the extension service agents. These are the agents who tell folks how to apply pesticides and fertilizers and so forth, and often, as the gentleman knows, because he is a gentleman who likes to protect the environment, misuse of pesticides and fertilizers can lead to environmental impairment, and yet tobacco farmers would be unable to get the needed expertise from the extension service agents.

There are also ramifications on the loan program and so forth. So I would say that what the Durbin amendment does is, while philosophically this is not its intent, in reality it has the effect of hurting farmers and I think is somewhat punitive. I believe that a better approach would be the general philosophical debate on tobacco at the proper time and also continuation of programs like the DARE Program, the ASSIST Program, possibly looking into the outlawing of cigarette vending machines, because they are readily available to minors, and maybe having some tricky debate about first amendment rights in terms of advertising that entices young children to get involved in cigarette smoking, and so forth.

These things the gentleman and I have talked informally on. We are not really on the proper committee of authorization for it, but I think it is something this House should hold a debate on. But on the current amendment that is pending I believe the proper vote, Mr. Chairman, is ''no.''

Mr. DURBIN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I thank the gentleman for his leadership, and I rise in support of the Durbin-Hansen amendment because it is time to stop spending the taxpayers' hard-earned money to subsidize a product that kills over 1,000 Americans every single day.

Each year more than 400,000 people die prematurely of tobacco use. As my colleague from Delaware pointed out, cigarettes kill more Americans each year than AIDS, alcohol, car accidents, murders, suicide, illegal drugs, and fires combined. Fifty billion dollars is spent on health care related to tobacco use.

Despite all that we know about the health hazards of tobacco, too many of our young people, especially the young ones, continue to light up. In my own State of Connecticut, one out of three 9th through 12th graders have smoked a cigarette in the past month. About one out of five 9th through 12th graders smoke regularly.

□ 1715

More preschoolers in this country recognize Joe Camel than they do Mickey Mouse. We have a problem in this country. And industry, like big tobacco, that can find the money to run ads so convincing to appeal especially to young people about the glamour of tobacco surely does not need taxpayers' money.

About 3,000 young people across the Nation under age 18 become regular smokers every day. On average, they start smoking at age 14. Tragically, one out of three of these teenagers will die of a tobacco-related illness. We must stop this killing of our family members and our friends.

I am doing all I can to prevent these tragic deaths. At home I started a campaign called Kick Butts Connecticut, targeted at middle and elementary school kids to prevent them from ever starting to smoke.

More than 80 percent of all adult tobacco smokers had tried smoking before their 18th birthday and more than half of them had already become regular smokers by that age. Studies show that if people do not begin smoking as teenagers or as children, it is very unlikely that they ever will do so.

I think public education campaigns are vital to the war that we are waging against cancer in this country. We truly do need to do more if we are to cut the number of tobacco-related deaths in this country.

And despite the deadly impact of tobacco, some have argued that we cannot simply abandon our Nation's tobacco farmers. This amendment does not abandon them. It takes the $25 million in savings from the elimination of the tobacco subsidy and puts it into productive uses in agricultural regions all over this country. The money saved would be used to improve water and wastewater for development purposes, expand the use of technology and advance education and medicine in rural areas.

These funds would create great alternatives for struggling areas of our country, without relying on taxpayer-funded subsidies to promote an industry that kills. This appropriations bill, like all appropriations bills, is really about out Nation's priorities, and I do not understand how we can support the tobacco subsidies in this bill and at the same time are proposing in other areas to gut and decimate Medicare.

Mr. Chairman, we have the opportunity today to send a very clear message to the cigarette industry and to the grim reaper, big tobacco. Let us stop wasting taxpayers' money to promote an industry that has been truly so costly to this Nation. It is time that big tobacco learned to get along in this business without the taxpayers' hard-earned dollars. It is time that we get the tobacco industry off of the Federal Treasury, and I urge my colleagues to vote ''yes'' on this amendment.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, I always hesitate to enter this debate, but I think it is an important one. I always put out my caveats to begin with. First of all, I do not smoke; I do not counsel anybody to smoke.

Second, I support the basic thrust of the FDA regulations that would prevent young people or seek to prevent young people from smoking or having accessibility to cigarettes.

And, third, so that this issue of who gets what campaign contributions is off the table, I have declined to accept tobacco contributions so that when I argue this no one can charge any kind of financial motivation.

But, Mr. Chairman, I rise in opposition to this amendment because this is not about big tobacco, No. 1. Big tobacco is the tobacco company that makes the product. This is about a lot of small farmers, of which there are hundreds in West Virginia. We are pale in comparison to the Kentuckys and North and South Carolinas of the world, but yet we do have a large number of small tobacco farmers that are making this as a part-time living.

But I simply do not understand what is gained by kicking a lot of small tobacco farmers in the teeth. I guess I resent the fact that this would say to them, ''You are not going to be able to derive the services of the agricultural extension service who can drive by your place, stop off and see this person raising this crop, and this one raising that one, but you, who also pay taxes, you who are trying to send your kids to school, you who are probably working some regular job in addition to trying to work nights to get this crop in, you do not get the benefit of that agricultural extension agent. You do not get to learn about the latest pesticides or fertilization or whatever it is. You do not get any of the assistance that everybody else that raises a crop does.''

If, indeed, as many of us predict, that we drive this production overseas, that is that now we are buying more and more foreign tobacco, tell me what assurance that we have got that the farmer in the developing nation is using the latest scientific techniques that we would want to have our farmer using?

Mr. Chairman, what concerns me most about this is that I do not see where this stops one cigarette from being produced. There are going to be the same number of cigarettes come rolling off the lines. There is going to be one difference: There is not going to be any American content in there. It is going to be foreign content. And so what that means is that we are supporting a whole host of foreign nations.

My understanding, and I have no reason to doubt it, is that if we pass this, this is actually in some way a big-tobacco amendment because what it does is it permits without any hesitation, it permits the large tobacco company to go buy what they would like to do, the cheaper foreign tobacco.

And so what we have done here is to not prevent one cigarette, not decreased one cigarette from being produced, but added greatly to the foreign balance-of-trade deficit.

Restore $25 million. Boy, I would love to have additional money for rural water and sewer. I would love to have that money. The reality is it has been

cut far too much; $25 million over the country is not going to go very far. But I have a question: Who is that rural water going to serve in a lot of areas if we, indeed, pass this amendment and make in many parts of our country the rural tobacco farmer and the small tobacco farmer that much poorer?

There is a final point. Here I got real conservative. At some point people choose. And we are not stopping the tobacco extension agent from visiting the person who raises grain or other products that might eventually find their way into the alcohol consumption chain? Perhaps we ought to require them to sign a certificate that it will not be used for any alcohol products so at some point people choose what it is they are going to do.

So by passing this, we perhaps go and get a bunch of small tobacco farmers but have not made it illegal, we have not reduced one cigarette, all we have done is to grant a large number of people who are eking out relatively small livings have that much more difficult time to do of it and we have not reduced cigarette consumption one bit. I do not understand it.

I appreciate the motivation that the gentleman and other supporters of it have. I support education, every kind of effort possible so that people, when they make choice, make it on an informed basis. But going after the small tobacco farmer and saying that we have done something, I just do not think that is what this amendment does, and I would urge defeat of it.

Mr. DURBIN. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. RIGGS], who is a Republican cosponsor of this amendment, and I thank him for his patience.

Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding and for his very strong leadership on this particular issue.

Mr. Chairman, I feel this is a very important initiative, and at the outset of my remarks, in the spirit of full disclosure, I have an admission to make. I was born and raised in Louisville, KY, and I have never used these a day of my life. Yet, as I listen to this debate, I realize that there is a tremendous contradiction, a dissonance that surrounds this debate, because right on the side of this packet of cigarette it says: ''The Surgeon General's warning: Quitting smoking now greatly reduces serious risks to your health.''

So the Government already warns citizens of the harmful effects of tobacco, yet the Government, or more accurately the taxpayers, partially subsidize the production of tobacco. The Government gives a tacit acceptance to the production of this crop even though on the other hand it warns against its use.

Now, colleagues, we should be consistent here. This is not a discriminatory or hypocritical or mean-spirited amendment. This is about right and wrong.

Mr. Chairman, the other thing that I want to add to this debate, we have heard speaker after speaker come down to this well, on both sides of the aisle, and remind us of what we already know, which is that smoking is the leading cause of avoidable premature death in this country today. Using this product, which may well have been produced or made at least through partial subsidies from Federal taxpayers, is the leading cause of avoidable premature death in our country today.

And it is taking an enormous and growing and deadly toll each year. Tobacco products are responsible for more than 400,000 deaths each year in America due to cancer, respiratory illness, heart disease, and other health problems. Cigarette use and use of other tobacco products kill more Americans each year than AIDS, alcohol, car accidents, murders, suicides, illegal drugs, and fires combined.

Smokers who die as a result of smoking would have lived on an average 12 to 15 years longer if they had not smoked. And that results in a loss to society of roughly $40.3 billion in lost productivity.

Now, I mentioned the health care costs associated with the tobacco use are rising. Hence, good reason for the warning on this packet of cigarettes. The Centers for Disease Control estimate that the health care cost associated with smoking, and this is just for the year 1993, total $50 billion. $26.9, or $30 billion for hospital costs, $15.5 billion for doctors, $4.9 billion in nursing home costs, $1.8 billion for prescription drugs, and $900 million for home health care expenditures.

So, Mr. Chairman and colleagues, I think we should be concerned about helping tobacco farmers make a transition to other crops, but right now we have a fundamental choice that involves right or wrong and, I believe, a responsibility to be accountable to the people who elected us, the people we represent, and the American citizens who overwhelmingly favor elimination of Federal taxpayer subsidies for tobacco farmers.

So while I empathize with my colleagues who represent tobacco districts and tobacco States, let us work together, let us pass this amendment, then we can work perhaps to help the farmers that we represent make a transition to good alternative crops that do not require Government warnings and are not inherently injurious to the public health.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida [Mrs. MEEK].

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Chairman, this is an issue that whenever it comes to the floor, I always speak out. And my reasoning is quite a bit different from any of my colleagues. I have a tremendous respect for the gentleman from Illinois [Mr. DURBIN], and whatever he says is correct. I do not disagree with him, nor do I disagree with any of the others who spoke for this amendment. But I am against this amendment. Mr. Chairman, I must ask my colleagues not to support it, and I will tell them why.

First of all, if I thought the Durbin amendment would reduce or stop smoking, I would vote for it and get other people to vote for it. But the Durbin amendment will not stop smoking and it will not reduce smoking at all.

Philosophically or morally, it is excellent. I wish we could legislate morals and keep people from doing things that would kill them. I wish we had that power. If we had the power in this Congress to legislate initiatives that would stop people from doing things which kill them, we would do a marvelous job, and I appreciate anyone trying to do it.

Mr. Chairman, I remember when my father used to pull tobacco over there in Quincy in Monticello, FL. That is the only place my daddy could get a job. I am from Tallahassee, FL. During those days, black Americans could not get a job in north Florida doing anything, but he was able to go on to this farmer industry and get a job. They did not ask him if he came from Carroll's Quarters. They did not ask him anything. I will never forget that. These small farmers, I think many of us do not understand what it means to be economically viable by using the farm. And this country was built on the farming industry. It helps to keep us all going. I will vote against anything. If Members go against peanuts, I will vote against them there. If Members go against tobacco, I will vote against them there.

But, Mr. Chairman, if I thought this amendment were doing anything good, I would vote with my colleagues in favor of it. This Durbin amendment should be defeated because it discriminates against these small farmers and the small communities. If my colleagues think it is going to do anything with the big tobacco industry, then they are wrong. They may be thinking that we can legislate it, but we cannot. If we do not let them consult with their extension service people, we are leaving a big educational void out there. They can help prevent some of the things that we are talking about. Education is the key.

I heard my colleague, the gentlewoman from Connecticut [Ms. DELAURO] talk about what she has done in prevention programs in her community. That is it.

□ 1730

She did not need any legislation to do those things. She knows that what turns this country around is to turn the mindset around. The mindset has to be turned around. You cannot turn that mindset around through legislation. We think we can but we cannot.

Now, the program that we are talking about has its merit. It does not cost this Congress or this Nation anything.

We are watching the budget as much as we can. We all are watching our health, and we must continue to do that, Mr. Chairman. Government cannot do this for us. You can cut the subsidy if you want to. But it will make no changes in the people who smoke cigarettes. Vote against this amendment.

Mr. DURBIN. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding time to me. I certainly commend him for his leadership on this issue in all the years that we have served together.

Since so many Members here have given their own little personal disclosures, I will give one, too. I was born and brought up on a farm in Pennsylvania. At a particular time in my life, I found some cigarettes in the dairy barn. My father, I believe, had carefully soaked those in horse urine, and I did not find much further temptation in the matter. In any case, so much for the disclosure.

Mr. Chairman, the issue today is not a question of the number of dollars, the $15 billion of revenues that are lost by the Federal or State governments in relation to the tobacco industry, although it is easy to show that the health care costs to the public as a whole are at least $100 billion a year, taking the direct and the indirect costs. At least half of that comes directly out of the public treasuries of the same Federal Government and the State government. So it is many times the tax revenues that are gained in the process.

Nor is the question the one of political correctness. The question really is that we are using Federal dollars, Federal expenditures to assist in the production of tobacco, which is the product with the greatest threat to the public health. One other previous speaker pointed out that this is a legal product, tobacco is, that every farmer has a legal right to grow as well as they have the right to grow corn and wheat as soybeans. He was right. There is no question he was right.

The difference is that none of those, neither corn nor wheat nor soybeans has the effect that tobacco has. Only tobacco ends up representing the greatest threat to the public health in this country. The difference is that we are using Federal dollars to continue that assistance to the tobacco industry to continue this crop which represents the greatest threat to our public health.

I really wanted to dwell for a moment on what these funds would be used for it we switched the fund to a legitimate purpose. Within this last decade, all over this country, in at least 1000 communities in this decade alone, communities with fewer than 10,000 people have had public safe drinking water supplies and wastewater disposal facilities and solid waste disposal facilities subsidized with the help of moneys. Most of the money that would be saved from, if we passed this amendment as we should, most of that money would go to helping other small communities to build those public safe drinking water supplies and waste disposal supplies.

In my district alone, in my State alone, over $100 million has gone into those. We desperately need, there are hundreds of other communities that are looking for that sort of assistance, both in grants for the poorer communities and in loans at low interest for the less poor communities of small size to be able to build those public facilities for safe drinking water and for wastewater disposal.

What I am asking here is that we vote for this amendment and use these moneys for the public health in rural communities all over this country, rather than for the assistance to the production of the product which is so devastating the public health in this country.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. LEWIS].

Mr. LEWIS of Kentucky. Mr. Chairman, I thank the chairman for yielding time to me.

I would just like to take a minute and talk about my colleague from California that spoke a little while ago on the floor. He held up a package of cigarettes and talked about the warning label. He asked why should the Government support the tobacco farmer with the fact that there is a warning, a health warning on the side of that cigarette package. I wish that he would have brought along a wine bottle also because on the side of the wine bottle there is a warning label concerning that person's health.

Since the gentleman represents a district where there are grape growers and he represents the wine industry, I wonder why it is different that there is support for the wine industry. I noticed he voted for the Kennedy amendment. Why should there be a difference in that and the tobacco farmer? I just thought that would be a good question to ask.

Mr. DURBIN. Mr. Chairman, I yield 4 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to address the gentleman, Mr. DURBIN, directly, because I would like to thank him for his leadership. Frankly, I think it is important that this debate be noted, that you have actually been very kind, fair minded, and balanced. I am somewhat dismayed as I listen to this debate, the accusations about those who would be put in harm's way because of this amendment. Maybe I need to just for a moment detail what we are talking about.

First of all, I think we have noted that this amendment dealing with this particular industry responds to just a small corner of the tobacco industry, which happens to be one of the fastest growing and most lucrative industries in the nation. Might I say that, in addition to being lucrative, it has a worldwide market. We can find in Asia and in India and Africa, in the European continent that tobacco is doing quite well. So this is really a kind amendment. It is a sensible amendment, and it is a fair-minded amendment.

What it does for those who are whining on the other side, it does nothing to deal with Federal price supports. The industry still has that. Being very lucrative, I would argue very vigorously for the amount of costs that it costs us in health care costs, we really should take away Federal price supports. But this amendment does not do that. It simply takes away from a very prosperous industry those Government subsidies that help in the administration of crop insurance, which by the way it does not hinder a farmer from going into the private sector for that. It also takes away certain extension services as well as certain promotion services. Do you not understand how kind we are being to an industry that promotes death and devastation in our community?

Again, this is a first step in saying that we recognize that we have a problem with tobacco. It is addictive. What it does do, it provides for us good results. I thank the gentleman from Illinois [Mr. DURBIN] for it because he comes from a State such as Illinois, like Texas, that combines rural and urban centers. Time after time I have heard from our rural communities coming from Texas how they are at a disadvantage for educational resources and health resources.

In fact, I have spent a number of years on an indigent health care task force in the State of Texas. We were trying to prevent hospitals in rural areas from closing. Unfortunately, we were not all that successful. This legislation will allow moneys to be used to help communities obtain the facilities and equipment to link rural education and medical facilities with more urban centers and other facilities. These telecommunications linkages provide rural residents access to increasing educational opportunities and to access better health care.

I hope that my colleagues will really look at what the gentleman from Illinois, [Mr. DURBIN] and his colleagues have done in this legislation, for they have given the tobacco industry a real break, unfortunately. They have allowed them to keep Federal support systems, price support systems, but in fact they have begun to make the statement in a fair and balanced way that enough is enough.

This is a lucrative industry. This is an industry that can support itself. Why should we promote the devastation that this creates? Why not help end the 400,000 deaths that we have every year from cancer and heart disease and other illnesses? Why not begin the diminishing of the promotion that already exists in this industry?

I would simply say, if all of us would be fair and balanced and, yes, a little kind today, we would support the Durbin amendment, for the Durbin amendment stands for where we need to go in this country. That is for good health. It does not in any way diminish the opportunities for those small farmers who insist on and must stay in this business. What it does say to America is that we believe that it is time now to end the promotion of something that causes 400,000 deaths every year in this Nation.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. GORDON].

Mr. GORDON. Mr. Chairman, today's debate is a classic example of the cliche that everything has been said, it is just everyone has not had a chance to say it. In that tradition, let me give my quick synopsis of how I view this debate, what it is about and what it is not about. It certainly is not about smoking. It certainly has nothing to do with reducing the size of Government. It has nothing to do with tobacco company products. What does it have to do with?

Well, if the Durbin amendment passes, it has to do a lot with American jobs, the loss of American jobs. If the Durbin amendment passes, then there is going to be a lot of small tobacco farmers that are going to go out of business. Now, how does this affect the tobacco companies; fine with them, foreign tobacco is cheaper anyway. So their profit goes up. As a matter of fact, it is cheaper to produce cigarettes offshore, so let us just go offshore and produce them and you save even more money. There are more American jobs that go offshore.

Let us make no mistake about this debate today. It has nothing to do with smoking. It has nothing to do with reducing the size of Government. It has to do with jobs, American jobs. A vote for the Durbin amendment means shipping American farming jobs overseas, American manufacturing jobs overseas. A vote against the amendment means keeping those jobs here in America. That is what this debate is all about.

Mr. DURBIN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me thank my colleagues, particularly the gentleman from New Mexico, for his patience. I think this has been an important debate. It has gone on longer than any other debate on this bill, but, frankly, I think the issue at hand is one of the most important facing us today.

I wanted to acknowledge two people: one who is not here and one who is. The one I would like to acknowledge who is here is my staff assistant, Tom Faletti. Tom Faletti has been standing by my side on this tobacco issue for 10 years. He has covered me with glory in those rare moments when we have defied the tobacco lobby. He has stood by me loyally and forgiven me my defeats and my failings in the course of this experience, taking on the most powerful lobby in Washington.

I know the results of the vote last year. We were defeated with the same amendment. I sense today that it might be better, I hope it is. But let me just say this: One of the reasons I am involved in this debate is because another person I served with is not here today. His name was Mike Synar of Oklahoma.

Mike Synar was a tiger on this issue. He paid for it dearly in terms of losing his congressional seat when the tobacco companies turned on him and managed to defeat him. Mike gave up one of the most precious things to him, next to his family, his congressional career, because he believed so intensely in this issue. Those of us who come to this side of the table have that same passion.

□ 1745

I respect those on the other side, too, because they speak with conviction and passion as well.

I listened to this debate today and jotted down a few of the words that have been used to describe either me or my amendment. I say to my colleagues: You have to have a pretty tough mental hide to be in politics, to hear people get up on the floor and call you or your amendment, in full view of the C–SPAN audience and the people here, ''mean-spirited, punitive, misdirected, hypocrisy at the highest level, self serving, political and cruel,'' and I think they were warming up to some stronger words before they finally had to sit down. I understand that the emotions really run high on this issue. They certainly run high on this side of the issue, those of us who have fought the tobacco companies for so long.

First, let me say a word about tobacco farmers and growers. For as long as I have been involved in this debate, from the very beginning, I have made known to every congressman and congresswoman from a tobacco-producing State: ''I will join you at the table to find transitions for these tobacco growers to go into some other crop. I will work with you, I'll subsidize it.'' I do not have any battle with these poor men and women who are struggling to make a living, but I can tell my colleagues honestly no one ever takes me up on my invitation. The reason they do not take me up on the invitation: there is no crop that one can legally grow in America that is as profitable as tobacco; not one.

For example, the gross receipts per acre, on tobacco, are $4,000; the net receipts from $1,400 to $800. In my part of the world we grow a lot of corn and soybeans. Corn, gross receipts per acre will run $400 to $800. A farmer might take half of that away.

So look at the difference here. It is anywhere from 3 to 10 times as lucrative as growing some other crop. That is why the tobacco farmers do not want to leave it. They cannot make any kind of money close to that growing any another crop on their land. They just do not want to give it up.

But quite honestly, I think it is time for the Federal Government to say to them, ''You're on your own,'' and that is what this amendment starts to do. It takes away the subsidy for crop insurance and the subsidy for the extension service for these tobacco farmers.

Let me also mention this argument about jobs. The previous speaker, my friend from Tennessee, stood up and said the Durbin amendment will cost jobs. It will. It will. Because if we can diminish the use of tobacco in this country, we will have fewer respiratory therapists, we will have fewer cancer specialists, we will have fewer surgeons operating on people who are devastated by the diseases attached to tobacco. Make no mistake about it. The jobs associated with tobacco in this country, the best-paying jobs, are associated with the victims of tobacco in this country, and we have to be sensitive to that fact as well.

I feel sorry for those working in tobacco companies, but let me tell my colleagues: The product they are selling is killing people every single day.

The gentlewoman from Utah said earlier there are a lot of agricultural products. There is only one agricultural product in America that has a body count, and it is tobacco. That is why it is different, and that is why it should be treated differently.

Forty-seven of my colleagues from both parties have joined me in a task force taking on the tobacco industry. Let me say to my colleagues when I first got to Congress, that was unthinkable. No one came out publicly against the tobacco lobby. Now there are 47 of us, and occasionally we can put a majority together on the floor.

For those who argue, and one of my colleagues did, well, these folks who oppose tobacco, they get a lot of big political contributions too. Let me tell my colleagues I am still waiting in my office for my first PAC check from the American Cancer Society, the American Heart Association, the American Lung Association, the Coalition on Smoking and Health. These health groups give away a lot of psychic income, they do not write the checks like the tobacco lobby will for the people who vote against the Durbin amendment today. On the political ledger all the money is on the other side. We have to struggle and put this battle up because it is something we believe in.

Now let me close by saying this. I certainly hope that my colleagues will take this amendment very seriously. I do. This has been a 10-year battle that this Congressman has waged on this floor of the House. We started off with a victory banning smoking on airplanes. We extended it to flights all across the United States. The tobacco companies said it was the end of the world; try to stop smoking on airplanes, they are going to be beating up the flight attendants and smoking in the restrooms. It never happened. It never happened. People knew that sensible regulation of smoking is something that this country ought to be

doing, and now it is time for us to get out of the business of subsidizing tobacco.

Mr. Chairman, this Durbin amendment will give to my colleagues the right answer to the question: Congressman, if this product kills so many Americans, why in God's name does the Federal Treasury subsidize it?

By voting for the Durbin amendment, my colleagues who support me will be able to say to those colleagues we ended it, and we ended it in the right way, saying to tobacco growers; find another line of work, or at least support your production of tobacco on your own dollar, not on the dollar of taxpayers.

Mr. SKEEN. Mr. Chairman, I yield the balance of my time to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, I thank the gentleman for yielding this time to me and thank him for his work on the bill to which this amendment has been attached.

Mr. Chairman, I hope not to consume the entire time because I think we have had a good debate and we have heard practically every point that conceivably could be made on both sides of the issue.

Mr. Chairman, one could have thought by listening to this debate that there was an amendment on the floor to abolish smoking or an amendment that would have declared smoking to be the most dangerous thing one can do or an amendment that would have prohibited the big cigarette companies from deducting the advertising costs, or some such thing, because we have heard all of these arguments about whether or not smoking is good for us, which has nothing to do with the amendment.

We have heard all of the attacks on big tobacco as if it was one big monolithic thing, and if we attack one part of it, we are attacking the whole thing. The gentleman maybe does not understand, that offered the amendment, what tobacco is, the industry, if we want to call it that; there is big tobacco, the cigarette companies, perhaps big cigar companies, perhaps big chewing tobacco companies and the like. They are big worldwide. Philip Morris is a huge corporation.

Then there is little tobacco that is grown in the districts of these Members who have spoken. They are not big. It is a family. The average acreage is probably 2 acres on red clay on a 35-degree-angle farm, and they cannot grow anything else. They are trying; believe me they are trying. There are experiments on aquaculture, growing fish, and they are trying to grow other types of crops all over tobacco land. But right now these are poor dirt farmers.

My colleagues are not attacking Philip Morris here with your amendment. They are not attacking big tobacco. They are attacking little tobacco. These are the most vulnerable people that we could possibly talk about when we talk about tobacco.

I grew up on a hillside farm. We grew rocks on a very small farm. We also have a small patch of tobacco, and that was the only way that my father could raise this family, and send us to school, and buy the food on which we lived. That story is repeated 100,000 times around this country every year. We are not Philip Morris. We are not big tobacco. We are little. And we are poor. And we are scrapping, just trying to earn a living on 2 acres or 1 acre of tobacco. That is the average crop. We do not grow tobacco like they grow corn in Illinois, by the thousands of acres. There is no way to conceive of a scale when growing crops on that scale with a 2-acre patch of tobacco on a hillside in the hills of Kentucky or Tennessee or North Carolina or Georgia or wherever, 23 States.

Yet, Mr. Chairman, the gentleman's amendment does not try to outlaw smoking. Perhaps he should try that. It does not try to outlaw the Tobacco Price Support Program which protects big growers as well as small growers. No, the gentleman just singles out the most vulnerable people that we have, the little tobacco people, and, yes, we are emotional about it; yes, that is the reason for encountering people who are fighting fiercely because we are trying to defend people who are defenseless but for us.

Mr. Chairman, the gentleman from Illinois does away with this program for these small farmers, and ironically and paradoxically he is helping big tobacco. Only then will tobacco be grown by big tobacco, and they would love that. They have been trying to do that for years. But for us here, tobacco would be grown by the big companies, most of it imported, grown on patches or fields or plantations across the sea where they do not regulate what they can spray on the crop, and we will be bringing in poisoned tobacco for people to smoke here.

People are going to smoke, they are going to smoke something for the time being. Maybe it is not good for them; that is not the question here. They are going to smoke. Question is: Who is going to grow it; the small growers or Philip Morris? The gentleman's amendment says Philip Morris. He may not intend that, but that is exactly what he is doing, believe me.

The gentleman from North Carolina [Mr. ROSE] said it better than I do. Other speakers have said it better than I did. But that is precisely where the gentleman from Illinois [Mr. DURBIN] is headed with this amendment.

His amendment does not deny deductibility of advertising expenses to big tobacco, does not try to abolish the Tobacco Price Support Program which protects big growers as well as small, it does not deny crop insurance or agricultural advice to Philip Morris. No, it denies crop insurance to the poorest people, and the gentleman is allowing them to become the victims of the elements.

Does not hurt Philip Morris. In fact, it probably helps them because they would grow what we cannot if the gentleman from Illinois knocks us out of the business.

So I think the amendment is misdirected, Mr. DURBIN. The gentleman ignores all the questions I have just asked, and he picks out the least among us, he tackles the poorest. He would cripple those who cannot help themselves by this amendment. He jerks away the only safety net, the crop insurance, for families, kids, children, and leave them to the mercy of the elements.

The large corporate growers do not need crop insurance. The large corporate growers do not need expert agricultural advice which this amendment would deny. They do not need it. The only people that need it are the small growers, and those are the ones that would be impacted the most severely by the gentleman's amendment. By driving out small growers, as this amendment would do, putting them on welfare in the name of trying to harm big tobacco, ironically will help big tobacco because when the small growers are gone, big tobacco will do what they have long wanted to do, and that is grow and import tobacco.

Last year the House realized this very point. We argued these types of things just last year on the floor of the House, and our colleagues wisely said, ''No, we will not do the Durbin amendment, it harms the people who we do not want to harm. It is misdirected.''

Last week the full Committee on Appropriations denied the gentleman from Illinois [Mr. DURBIN] his amendment in full committee, voted it down 29 to 19 in committee.

I ask our colleagues again on the House floor, ''When you vote in a few minutes, think about who you are harming.''

□ 1800

Think about the question that is not being addressed by this amendment. This is not a smoking issue. It is not a health issue. It is not a question of whether we are harming big tobacco. We are not. We are harming little tobacco. We are harming the people that none of us, I think, want to hurt. I urge Members when they vote again in a few minutes, vote ''no,'' and help the people who cannot help themselves.

Mr. HEINEMAN. Mr. Chairman, I rise in strong opposition to the Durbin amendment. This is nothing more than a punitive attack on hard working farmers. North Carolina is the leading producer of tobacco, and if the Durbin amendment passes it will drastically hurt farmers in my State. This amendment is misguided and unfairly attacks small family tobacco farmers by denying them important services that are available to every other family farmer who produces agricultural commodities. I urge my colleagues to stand up for farmers and oppose this draconian amendment.

Mr. PAYNE of Virginia. Mr. Chairman, I rise in strong opposition to the Durbin amendment to H.R. 3603.

This amendment would eliminate all support services provided to tobacco farmers by the USDA and its county agents.

It would prohibit the USDA from using funds to provide extension services, market news, and analysis to tobacco farmers.

It would not allow farmers to call upon the guidance of their local USDA agent about how to distribute fertilizer without causing damage to the soil or water or how to apply insecticides safely or how to combat agricultural plagues such as blue mold.

It would also strip from the farmer his right to purchase Federal crop insurance.

Eliminating tobacco crop insurance is simply unfair.

In 1994, Congress mandated the purchase of crop insurance for farmers participating in the Tobacco Program.

Denying tobacco farmers is unfair because they, like other farmers, rely on this insurance when their crops fall victim to droughts, floods, hail, and winds.

Mr. Chairman, this amendment is simply a mean-spirited, direct assault on the hard working farmers and their families who grow tobacco in rural America.

Even worse, some would have you believe this amendment eliminates a Federal subsidy to tobacco farmers.

Let me set the record straight—there is no direct Government subsidy for tobacco.

Since 1982, when Congress passed the No Net Cost Tobacco Act, all costs, except USDA administrative costs, shifted from the Government and taxpayers directed to farmers and tobacco companies.

Since that time, the program has been one of the more efficient agricultural programs, especially compared to similar price support programs for other crops.

Not only does the Tobacco Program take care of itself—it is doing more than its fair share to reduce the Federal deficit. Each year, growers and companies pay assessments that goes directly to the U.S. Treasury for deficit reduction.

Annually, this deficit reduction assessment returns almost $30 million to the U.S. Treasury.

That's right, almost $30 million directly going to deficit reduction.

Tobacco's importance to our Federal, State, and local governments can be summed up in one impressive figure—$62,000; $62,000 is the amount of money per acre tobacco generates for the public sector.

It generates almost $15 billion to Federal, State, and local governments in the form of excise and sales taxes.

It contributes $6 billion in exports.

By any measure, tobacco makes a huge economic contribution to our Nation's economy.

I believe the numbers and facts speak for themselves.

The Federal Government does not subsidize farmers or the tobacco program.

And tobacco contributes very positively to the U.S. Treasury and that of State and localities.

However, this amendment would allow every farmer in America—except tobacco farmers—the right to use USDA extension service agents and guidance.

And this amendment would allow every farmer in America—except tobacco farmers—the right to purchase Federal crop insurance.

Do not be fooled by this amendment.

It is not about punishing the tobacco companies or stopping smoking.

It is about blatant discrimination against tobacco farmers.

Simply put, the amendment is not fair, it is punitive, and it should be defeated.

As a Member of Congress who is proud to represent almost 5,000 honest hard working tobacco farmers I urge my colleagues to defeat the Durbin amendment.

Ms. FURSE. Mr. Chairman, I rise today in support of the Durbin amendment. It defies common sense that our Government supports tobacco while simulatenously spending billions of dollars to combat the public health problems it creates. Tobacco use causes 400,000 deaths in America each year—and every single death is preventable.

Last year, a remarkable young woman in my district. Sarah Weller, got together with her friend Jessica Harding and created an action plan to spread the word about the dangers of smoking and tobacco use. Sarah knows that tobacco use causes massive health problems in America, and she has been working to create a healthier, more productive future. Sarah and her friends know what the entire Congress should know: we should stop supporting tobacco at taxpayer expense.

The Durbin amendment will take the savings from tobacco subsidies and increase funding for sorely needed rural water and sewer projects, as well as rural medical access programs. I strongly support this amendment, and urge my colleagues to support it.

JUNE 26, 1995.

Rep. ELIZABETH FURSE,
Cannon Office Building,
Washington, DC.

DEAR REPRESENTATIVE FURSE: Thank you for meeting with me recently about tobacco prevention issues. All 102 Smoke-Free Ambassadors worked at the Forum in Washington, DC to develop a national Smoke-Free Contract With America. I have enclosed a copy of this document. Most of what we believe in the Contract requires support from our Senators and Representatives. I realize the difficulty of passing these ideas into law.

Jessica Harding and I, the two Smoke Free ambassadors from Oregon, will be doing our best to alert other students and media about what happens to tobacco prevention bills in Congress. It is hard for students to understand why it is so difficult to pass law which would save tens of thousands of lives.

Jessica and I also have developed a state plan of action which is enclosed. Our main concern is with illegal sales of tobacco to children. We will be working hard locally to reduce sales of tobacco to kids.

Thanks again for meeting with us. Maybe when you are in Oregon we could meet to update each other on Congressional and local tobacco activities.

Sincerely,

SARAH WELLER.

STATE PLAN OF ACTION, SMOKE-FREE CLASS OF 2000, JUNE 1995

STATE OF OREGON

The Smoke-Free Class of 2000 are all 8th graders in the United States who will graduate in the year 2000 who have learned about the dangers of smoking and tobacco use since 1st grade. The students of the Smoke-Free Class OF 2000 have pledged their commitment to lead the younger graduating classes and future generations into a healthier, more productive and informed 21st century.

We, of the State of Oregon Smoke-Free Class of 2000, consider the most important tobacco issues in our state to be: accessibility to teens.

As advocates for all 8th graders and all students in the future graduating classes, we are asking: heavier fines and penalties to stores that sell tobacco to minors.

The way we plan to accomplish our goals is to: Start petitions, do sting operations, testimonies, letter writing.

Thank you for helping us make our state a healthier place for children!!

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DURBIN].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 210, noes 212, not voting 12, as follows:

[Roll No. 233]

AYES—210

Ackerman
Andrews
Archer
Armey
Bachus
Baldacci
Barrett (WI)
Bartlett
Bass
Becerra
Beilenson
Bereuter
Berman
Bilbray
Blumenauer
Blute
Borski
Brownback
Bryant (TX)
Bunn
Burton
Campbell
Canady
Cardin
Castle
Christensen
Coburn
Coleman
Collins (IL)
Conyers
Costello
Cox
Coyne
Cummings
Davis
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Doggett
Dornan
Dunn
Durbin
Ehlers
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fawell
Fields (LA)
Foglietta
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Furse
Gallegly
Ganske
Gejdenson
Gibbons
Gilchrest
Gilman
Goodling
Goss
Greene (UT)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hayworth
Hefley
Hinchey
Hobson
Hoekstra
Holden
Horn
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (CT)
Johnson (SD)
Johnston
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kildee
King
Kleczka
Klug
Kolbe
LaFalce
Largent
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manzullo
Markey
Martini
Mascara
McCarthy
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Moakley
Molinari
Moran
Morella
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Orton
Owens
Pallone
Payne (NJ)
Pelosi
Petri
Porter
Poshard
Pryce
Quinn
Ramstad
Rangel
Reed
Riggs
Rivers
Roemer
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sawyer
Scarborough
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stark
Stokes
Studds
Stupak
Talent
Taylor (MS)
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Velazquez
Vento
Visclosky
Wamp
Waters
Waxman
Weldon (FL)
Weldon (PA)
White
Wilson
Wolf
Woolsey
Yates
Young (FL)
Zeliff
Zimmer

NOES—212

Abercrombie
Allard
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Barton
Bateman
Bentsen
Bevill
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Bryant (TN)
Bunning
Burr
Buyer
Callahan
Camp
Chabot
Chambliss
Chapman
Chenoweth
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehrlich
Emerson
English
Everett
Ewing
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Franks (CT)
Frisa
Frost
Funderburk
Gekas
Gephardt
Geren
Gonzalez
Goodlatte
Gordon
Graham
Green (TX)
Gunderson
Hall (TX)
Hamilton
Hancock
Hastert
Hastings (FL)
Hastings (WA)
Hefner
Heineman
Herger
Hilleary
Hilliard
Hostettler
Houghton
Hoyer
Hunter
Inglis
Istook
Jefferson
Johnson, E.B.
Johnson, Sam
Jones
Kaptur
Kennedy (RI)
Kennelly
Kim
Kingston
Klink
Knollenberg
LaHood
Latham
LaTourette
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manton
Martinez
Matsui
McCollum
McCrery
McIntosh
Meek
Mink
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Ortiz
Oxley
Packard
Parker
Pastor
Paxon
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Portman
Quillen
Radanovich
Rahall
Regula
Richardson
Roberts
Rogers
Rose
Sanford
Saxton
Schaefer
Scott
Serrano
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Solomon
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Tanner
Tauzin
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torres
Towns
Volkmer
Vucanovich
Walker
Walsh
Watt (NC)
Watts (OK)
Weller
Whitfield
Wicker
Williams
Wise
Wynn
Young (AK)

NOT VOTING—12

Brown (OH)
Calvert
Frelinghuysen
Gillmor
Hayes
Hoke
Lantos
Lincoln
McDade
Payne (VA)
Tate
Ward

□ 1819

The Clerk announced the following pairs:

On this vote:

Mr. Brown of Ohio for, with Mr. Payne of Virginia against.

Mr. Tate for, with Mr. Calvert against.

Mr. NEUMANN and Mr. HUTCHINSON changed their vote from ''no'' to ''aye.''

Mr. MATSUI changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. TATE. Mr. Chairman, on rollcall No. 233, I was inadvertently detained. Had I been present, I would have voted ''aye.''

PERSONAL EXPLANATION

Mr. WARD. Mr. Chairman, I would like the RECORD to reflect that while I was not recorded as voting on the Durbin amendment that was just considered, I would have voted ''no.'' I was in fact on the floor, working the door, to the extent that I neglected to vote.

Mr. PETERSON of Minnesota. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I call Members' attention to something that we just discovered this afternoon. Those of us that have been working on the Conservation Reserve Program, members of the Sportsmen's Caucus, the gentleman from Texas, Mr. PETE GEREN, the gentleman from Oklahoma, Mr. BREWSTER, and others are concerned about some language. I wanted to enter into a colloquy with the distinguished chairman.

Mr. Chairman, what we are concerned about is some report language that appeared in the bill that affects the conservation part of this bill, but it was not under that part of the report language. It was under the part that had to do with the farm service agencies. What it does is, it requires that they take a look at the criteria for the Conservation Reserve Program in a specific way.

The USDA is right at this time promulgating rules to extend this program. What this report language does is, it provides specific instructions to USDA as to how to proceed. What I am most concerned about is that it says in this report language that the committee directs that all acres are to be rebid and evaluated using the same criteria that was used during the 13th sign-up, a sign-up that was held last fall.

My district in northwestern Minnesota has the ninth most conservation reserve acres in the United States. Last year under the 13th sign-up, only 700 acres in my district qualified. If this language goes forward and if we reauthorize the program using this 13th sign-up, what we are going to do is we are going to eliminate all the big tracts of CRP, we are going to eliminate most of the wildlife benefits that we have seen in the Conservation Reserve Program, and I do not believe that that is what we want to do in this House.

Mr. Chairman, what I am asking is that the gentleman take another look at this and consider the possibility in conference committee of deleting this language. I do not think it makes any sense for us to be going in and prescribing to the Department what is going to be the criteria when they are in the middle of deciding that. They have not even at this point put forward the proposed rule. There has been no public comment. It just seems to me that we are jumping the gun. I would appreciate it if the gentleman would look at that.

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

Mr. PETERSON of Minnesota. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I certainly understand the gentleman's concern and his consternation over finding this kind of language and what it will do. We will be happy to try to address the gentleman's concern when we get to conference with the Senate.

Mr. PETE GEREN of Texas. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Minnesota. I yield to the gentleman from Texas.

Mr. PETE GEREN of Texas. Mr. Chairman, if I could comment on this briefly as well, I just want to express appreciation as a cochair of the Sportsmen's Caucus for your looking into this matter.

The Conservation Reserve Program is a top priority for the Sportsmen's Caucus, something we have worked on for the last 2 years in this reauthorization. It is so important to the development for habitat for wildlife in our country. It has been tremendously successful as a habitat development program. It is an issue that the caucus has worked on very hard, and we appreciate very much your interest in working to assure that the concerns are addressed.

Mr. SKEEN. I share the gentleman's concern. Certainly those programs are of great value to both of us. We will do our best to get something worked out.

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

Mr. PETERSON of Minnesota. I yield to the gentleman from North Dakota.

Mr. POMEROY. I thank the gentleman for yielding. I would just also ask the chairman to address this in conference committee. This is an extraordinarily consequential policy change to try and be moved forward in report language. That just is not right. It ought to come back to the authorization committee if this is going to be tackled head-on.

I trust that, therefore, this record will establish that there is not clear legislative intent following the report language. I hope we finally get it worked out in a more appropriate way in the conference report.

Mr. SKEEN. Once again, we share the gentleman's concern. We are certainly going to work with him every way we can to come to some resolution of this problem. I will include a table that have the Committee's bill totals,

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1997 (H.R. 3603)

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	10,227,000	10,336,000	2,836,000	-7,391,000	-7,500,000
Executive Operations:					
Chief Economist	3,948,000	4,292,000	4,231,000	+283,000	-61,000
National Appeals Division	11,846,000	13,363,000	11,718,000	-128,000	-1,645,000
Office of Budget and Program Analysis	5,899,000	5,986,000	5,986,000	+87,000	.....
Office of Small and Disadvantaged Business Utilization	.....	804,000	.....	.....	-804,000
Total, Executive Operations	21,693,000	24,445,000	21,935,000	+242,000	-2,510,000
Chief Financial Officer	4,133,000	4,437,000	4,283,000	+150,000	-154,000
Office of the Assistant Secretary for Administration	596,000	613,000	613,000	+17,000	.....
Agriculture buildings and facilities (USDA)	135,774,000	149,635,000	125,548,000	-10,226,000	-24,087,000
Payments to GSA	(89,971,000)	(103,754,000)	(103,754,000)	(+13,783,000)	.....
Building operations and maintenance	(20,216,000)	(20,294,000)	(16,794,000)	(-3,422,000)	(-3,500,000)
Repairs, renovations, and construction	(25,587,000)	(25,587,000)	(5,000,000)	(-20,587,000)	(-20,587,000)
Advisory committees (USDA)	650,000	856,000	.....	-650,000	-856,000
Hazardous waste management	15,700,000	15,700,000	15,700,000	.....	.....
Departmental administration	27,986,000	29,137,000	28,304,000	+318,000	-833,000
Office of the Assistant Secretary for Congressional Relations	3,797,000	3,842,000	3,728,000	-69,000	-114,000
Office of Communications	8,198,000	8,317,000	8,138,000	-60,000	-179,000
Office of the Inspector General	63,639,000	64,523,000	63,028,000	-611,000	-1,495,000
Office of the General Counsel	27,860,000	29,249,000	27,749,000	-111,000	-1,500,000
Office of the Under Secretary for Research, Education and Economics	520,000	540,000	540,000	+20,000	.....
Economic Research Service	53,131,000	54,947,000	54,176,000	+1,045,000	-771,000
National Agricultural Statistics Service	81,107,000	102,624,000	100,221,000	+19,114,000	-2,403,000
Agricultural Research Service	710,000,000	728,853,000	702,831,000	-7,169,000	-26,022,000
Buildings and facilities	30,200,000	80,100,000	59,600,000	+29,400,000	-20,500,000
Total, Agricultural Research Service	740,200,000	808,953,000	762,431,000	+22,231,000	-46,522,000
Cooperative State Research, Education, and Extension Service:					
Research and education activities	421,929,000	418,572,000	411,849,000	-10,080,000	-6,723,000
Native Americans Institutions Endowment Fund	(4,600,000)	(4,600,000)	(4,600,000)	.....	.....
Buildings and facilities	57,838,000	.....	30,449,000	-27,389,000	+30,449,000
Extension Activities	427,750,000	423,488,000	409,670,000	-18,080,000	-13,818,000
Total, Cooperative State Research, Education, and Extension Service	907,517,000	842,060,000	851,968,000	-55,549,000	+9,908,000
Office of the Assistant Secretary for Marketing and Regulatory Programs	605,000	618,000	618,000	+13,000	.....
Animal and Plant Health Inspection Service:					
Salaries and expenses	431,921,000	439,033,000	435,428,000	+3,507,000	-3,605,000
AQI user fees 1/	(100,254,000)	(100,000,000)	(98,000,000)	(-2,254,000)	(-2,000,000)
Buildings and facilities	8,757,000	3,200,000	3,200,000	-5,557,000	.....
Total, Animal and Plant Health Inspection Service	440,678,000	442,233,000	438,628,000	-2,050,000	-3,605,000
Agricultural Marketing Service:					
Marketing Services	46,517,000	48,311,000	37,592,000	-8,925,000	-10,719,000
New user fees	(3,887,000)	.....	(3,887,000)	.....	(+3,887,000)
(Limitation on administrative expenses, from fees collected)	(58,461,000)	(59,012,000)	(59,012,000)	(+551,000)	.....
Funds for strengthening markets, income, and supply (transfer from section 32)	10,451,000	10,576,000	10,576,000	+125,000	.....
Payments to states and possessions	1,200,000	1,200,000	1,200,000	.....	.....
Total, Agricultural Marketing Service	58,168,000	60,087,000	49,368,000	-8,800,000	-10,719,000
Grain Inspection, Packers and Stockyards Administration	23,058,000	24,595,000	22,728,000	-330,000	-1,867,000
Inspection and Weighing Services (limitation on administrative expenses, from fees collected)	(42,784,000)	(43,207,000)	(43,207,000)	(+423,000)	.....
Office of the Under Secretary for Food Safety	440,000	576,000	446,000	+6,000	-130,000
Food Safety and Inspection Service	544,906,000	574,000,000	574,000,000	+29,094,000	.....
Lab accreditation fees 2/	(1,000,000)	(1,000,000)	(1,000,000)	.....	.....
Total, Production, Processing, and Marketing	3,170,583,000	3,252,323,000	3,156,986,000	-13,597,000	-95,337,000
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	549,000	572,000	572,000	+23,000	.....
Farm Service Agency:					
Salaries and expenses	795,000,000	820,495,000	746,440,000	-48,560,000	-74,055,000
(Transfer from export loans)	(589,000)	(623,000)	(589,000)	.....	(-34,000)
(Transfer from P.L. 480)	(745,000)	(783,000)	(745,000)	.....	(-38,000)
(Transfer from ACIF)	(208,446,000)	(209,485,000)	(208,446,000)	.....	(-1,039,000)
Total, salaries and expenses	(1,004,780,000)	(1,031,386,000)	(956,220,000)	(-48,560,000)	(-75,166,000)

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1997 (H.R. 3603)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
State mediation grants	2,000,000	3,000,000	.....	-2,000,000	-3,000,000
Dairy indemnity program	100,000	100,000	100,000	.....	.....
Outreach for socially disadvantaged farmers and ranchers	1,000,000	3,000,000	1,000,000	.....	-2,000,000
Total, Farm Service Agency	798,100,000	826,595,000	747,540,000	-50,560,000	-79,055,000
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(60,000,000)	(50,000,000)	(50,000,000)	(-10,000,000)	.....
Guaranteed	(550,000,000)	(650,000,000)	(550,000,000)	.....	(-100,000,000)
Subtotal	(610,000,000)	(700,000,000)	(600,000,000)	(-10,000,000)	(-100,000,000)
Operating loans:					
Direct	(550,000,000)	(445,071,000)	(445,071,000)	(-104,929,000)	.....
Guaranteed unsubsidized	(1,700,000,000)	(1,750,000,000)	(1,700,000,000)	.....	(-50,000,000)
Guaranteed subsidized	(200,000,000)	(250,000,000)	(200,000,000)	.....	(-50,000,000)
Subtotal	(2,450,000,000)	(2,445,071,000)	(2,345,071,000)	(-104,929,000)	(-100,000,000)
Indian tribe land acquisition loans	(750,000)	(1,000,000)	(1,000,000)	(+250,000)	.....
Emergency disaster loans	(100,000,000)	.....	(25,000,000)	(-75,000,000)	(+25,000,000)
Credit sales of acquired property	.....	(50,000,000)	(25,000,000)	(+25,000,000)	(-25,000,000)
Total, Loan authorizations	(3,160,750,000)	(3,196,071,000)	(2,996,071,000)	(-164,679,000)	(-200,000,000)
Loan subsidies:					
Farm ownership:					
Direct	14,034,000	5,920,000	5,920,000	-8,114,000	.....
Guaranteed	20,019,000	26,065,000	22,055,000	+2,036,000	-4,010,000
Subtotal	34,053,000	31,985,000	27,975,000	-6,078,000	-4,010,000
Farm operating:					
Direct	75,185,000	59,150,000	59,150,000	-16,035,000	.....
Guaranteed unsubsidized	18,360,000	19,775,000	19,210,000	+850,000	-565,000
Guaranteed subsidized	17,960,000	23,100,000	18,480,000	+520,000	-4,620,000
Subtotal	111,505,000	102,025,000	96,840,000	-14,665,000	-5,185,000
Indian tribe land acquisition	206,000	54,000	54,000	-152,000	.....
Emergency disaster	32,080,000	.....	6,365,000	-25,715,000	+6,365,000
Credit sales of acquired property	.....	5,060,000	2,530,000	+2,530,000	-2,530,000
Total, Loan subsidies	177,844,000	139,124,000	133,764,000	-44,080,000	-5,360,000
ACIF expenses:					
Salaries and expenses	208,935,000	209,485,000	208,446,000	-489,000	-1,039,000
Administrative expenses	12,606,000	12,606,000	12,600,000	-6,000	-6,000
Total, ACIF expenses	221,541,000	222,091,000	221,046,000	-495,000	-1,045,000
Total, Agricultural Credit Insurance Fund	399,385,000	361,215,000	354,810,000	-44,575,000	-6,405,000
(Loan authorization)	(3,160,750,000)	(3,196,071,000)	(2,996,071,000)	(-164,679,000)	(-200,000,000)
Office of Risk Management	.....	.....	62,198,000	+62,198,000	+62,198,000
Total, Farm Assistance Programs	1,198,034,000	1,188,382,000	1,165,120,000	-32,914,000	-23,262,000
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund	1,263,708,000	1,591,000,000	1,591,000,000	+327,292,000	.....
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	10,400,000,000	1,500,000,000	1,500,000,000	-8,900,000,000	.....
Hazardous waste (limitation on administrative expenses)	(5,000,000)	(15,750,000)	(5,000,000)	.....	(-10,750,000)
Total, Corporations	11,663,708,000	3,091,000,000	3,091,000,000	-8,572,708,000	.....
Total, title I, Agricultural Programs	16,032,325,000	7,531,705,000	7,413,106,000	-8,619,219,000	-118,599,000
(By transfer)	(209,780,000)	(210,891,000)	(209,780,000)	.....	(-1,111,000)
(Loan authorization)	(3,160,750,000)	(3,196,071,000)	(2,996,071,000)	(-164,679,000)	(-200,000,000)
(Limitation on administrative expenses)	(106,245,000)	(117,969,000)	(107,219,000)	(+974,000)	(-10,750,000)
TITLE II - CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	677,000	693,000	693,000	+16,000	.....
Natural Resources Conservation Service:					
Conservation operations	629,986,000	662,910,000	619,392,000	-10,594,000	-43,518,000
Watershed surveys and planning	14,000,000	19,188,000	10,762,000	-3,238,000	-8,426,000
Watershed and flood prevention operations	100,000,000	116,036,000	101,036,000	+1,036,000	-15,000,000
Emergency appropriations (P.L. 104-134)	80,514,000	.....	.....	-80,514,000	.....
Resource conservation and development	29,000,000	29,377,000	29,377,000	+377,000	.....
Forestry incentives program	6,325,000	6,325,000	6,325,000	.....	.....

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1997 (H.R. 3603)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Colorado River Basin salinity control program	2,681,000			-2,681,000	
Wetlands reserve program	77,000,000	188,000,000		-77,000,000	-188,000,000
National Natural Resources Conservation Service Foundation		500,000			-500,000
Total, Natural Resources Conservation Service	939,506,000	1,022,336,000	766,892,000	-172,614,000	-255,444,000
Farm Service Agency:					
Agricultural conservation program	75,000,000			-75,000,000	
Water quality incentives program	(11,000,000)	(15,000,000)		(-11,000,000)	(-15,000,000)
Conservation reserve program	1,781,785,000	1,924,850,000		-1,781,785,000	-1,924,850,000
Emergency appropriations (P.L. 104-134)	30,000,000			-30,000,000	
Total, Farm Service Agency	1,886,785,000	1,924,850,000		-1,886,785,000	-1,924,850,000
Total, title II, Conservation Programs	2,826,968,000	2,947,879,000	767,585,000	-2,059,383,000	-2,180,294,000
TITLE III - RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS					
Office of the Under Secretary for Rural Development	568,000	588,000	588,000	+20,000	
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Low-income housing (sec. 502)	(1,000,000,000)	(1,320,000,000)	(1,000,000,000)		(-320,000,000)
Unsubsidized guaranteed	(1,700,000,000)	(2,300,000,000)	(2,300,000,000)	(+600,000,000)	
Housing repair (sec. 504)	(35,000,000)	(35,000,000)	(35,000,000)		
Farm labor (sec. 514)	(15,000,000)	(16,482,000)	(15,000,000)		(-1,482,000)
Rental housing (sec. 515)	(150,000,000)	(58,654,000)	(58,654,000)	(-91,346,000)	
Site loans (sec. 524)	(600,000)	(600,000)	(600,000)		
Self-help housing land development fund	(603,000)	(600,000)	(600,000)	(-3,000)	
Credit sales of acquired property		(75,000,000)	(50,000,000)	(+50,000,000)	(-25,000,000)
Emergency appropriations (P.L. 104-134)	(38,960,000)			(-38,960,000)	
Total, Loan authorizations	(2,940,163,000)	(3,806,336,000)	(3,459,854,000)	(+519,691,000)	(-346,482,000)
Loan subsidies:					
Single family (sec. 502):					
Direct	145,833,000	109,560,000	83,000,000	-62,833,000	-26,560,000
Unsubsidized guaranteed	2,890,000	6,210,000	6,210,000	+3,320,000	
Housing repair (sec. 504)	14,193,000	11,081,000	11,081,000	-3,112,000	
Farm labor (sec. 514)	8,629,000	7,565,000	6,885,000	-1,744,000	-680,000
Rental housing (sec. 515):					
Direct	82,035,000	28,987,000	28,987,000	-53,048,000	
Unsubsidized guaranteed	(1,000,000)		(1,000,000)		(+1,000,000)
Self-help housing land development fund	31,000	17,000	17,000	-14,000	
Credit sales of acquired property		6,098,000	4,050,000	+4,050,000	-2,048,000
Emergency appropriations (P.L. 104-134)	6,500,000			-6,500,000	
Total, Loan subsidies	260,111,000	169,518,000	140,230,000	-119,881,000	-29,288,000
RHIF administrative expenses	385,889,000	366,205,000	366,205,000	-19,684,000	
Rental assistance program:					
(Sec. 521)	535,000,000	487,970,000	487,970,000	-47,030,000	
(Sec. 502(c)(5)(D))	5,900,000	5,900,000	5,900,000		
Total, Rental assistance program	540,900,000	493,870,000	493,870,000	-47,030,000	
Total, Rural Housing Insurance Fund	1,186,900,000	1,029,593,000	1,000,305,000	-186,595,000	-29,288,000
(Loan authorization)	(2,940,163,000)	(3,806,336,000)	(3,459,854,000)	(+519,691,000)	(-346,482,000)
Community Facility Loans Program Account:					
Loan authorizations:					
Direct	(200,000,000)			(-200,000,000)	
Guaranteed	(75,000,000)			(-75,000,000)	
Total, Loan authorizations	(275,000,000)			(-275,000,000)	
Loan subsidies:					
Direct	34,880,000			-34,880,000	
Guaranteed	3,555,000			-3,555,000	
Total, Loan subsidies	38,435,000			-38,435,000	
Administrative expenses	8,836,000			-8,836,000	
Very low-income housing repair grants	24,900,000	24,900,000		-24,900,000	-24,900,000
Emergency appropriations (P.L. 104-134)	1,100,000			-1,100,000	
Rural housing for domestic farm labor	10,000,000	10,000,000		-10,000,000	-10,000,000
Mutual and self-help housing grants	12,650,000	26,000,000	26,000,000	+13,350,000	
Rural community fire protection grants	2,000,000			-2,000,000	
Compensation for construction defects	495,000			-495,000	
Rural housing preservation grants	11,000,000	11,000,000		-11,000,000	-11,000,000
Rural housing assistance program 3/		136,435,000	73,190,000	+73,190,000	-63,245,000
Subtotal, grants and payments	62,145,000	208,335,000	99,190,000	+37,045,000	-109,145,000

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1997 (H.R. 3603)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
RHS expenses:					
Administrative expenses	46,583,000	89,660,000	53,889,000	+7,306,000	-35,771,000
(Transfer from RHIF)	(377,074,000)	(366,205,000)	(366,205,000)	(-10,869,000)	.....
(Transfer from ACIF)	(171,000)	.....	.....	(-171,000)	.....
(Transfer from CFLP)	(8,731,000)	.....	.....	(-8,731,000)	.....
Total, RHS expenses	(432,559,000)	(455,865,000)	(420,094,000)	(-12,465,000)	(-35,771,000)
Total, Rural Housing Service	1,342,899,000	1,327,588,000	1,153,384,000	-189,515,000	-174,204,000
(Loan authorization)	(3,215,163,000)	(3,806,336,000)	(3,459,854,000)	(+244,691,000)	(-346,482,000)
Rural Business-Cooperative Service:					
Rural Business and Industry Loans Program Account:					
Loan authorization: Guaranteed	(500,000,000)	.....	.....	(-500,000,000)	.....
Loan subsidy: Guaranteed	6,437,000	.....	.....	-6,437,000	.....
Administrative expenses	14,868,000	.....	.....	-14,868,000	.....
Rural Development Loan Fund Program Account:					
(Loan authorization)	(37,544,000)	(80,000,000)	(40,000,000)	(+2,456,000)	(-40,000,000)
Loan subsidy	22,395,000	36,928,000	18,400,000	-3,995,000	-18,528,000
Administrative expenses	1,476,000	.....	.....	-1,476,000	.....
Rural Economic Development Loans Program Account:					
Direct loans (limitation on obligations)	(12,865,000)	(14,000,000)	(12,865,000)	.....	(-1,135,000)
Direct subsidy	3,729,000	3,095,000	2,830,000	-899,000	-265,000
Administrative expenses	654,000	699,000	654,000	.....	-45,000
Alternative Agricultural Research and Commercialization Revolving Fund	6,500,000	6,975,000	6,000,000	-500,000	-975,000
Rural business enterprise grants	45,000,000	.....	.....	-45,000,000	.....
Appropriate technology transfer for rural areas	2,300,000	1,300,000	.....	-2,300,000	-1,300,000
Rural business-cooperative assistance 3/	.....	53,750,000	51,400,000	+51,400,000	-2,350,000
RBCS expenses:					
Salaries and expenses	9,013,000	27,068,000	25,680,000	+16,667,000	-1,388,000
(Transfer from RBILP)	(14,747,000)	.....	.....	(-14,747,000)	.....
(Transfer from RDLFP)	(1,476,000)	.....	.....	(-1,476,000)	.....
(Transfer from REDLP)	(654,000)	(699,000)	(654,000)	.....	(-45,000)
Total, RBCS expenses	(25,890,000)	(27,767,000)	(26,334,000)	(+444,000)	(-1,433,000)
Total, Rural Business-Cooperative Service	112,372,000	129,815,000	104,964,000	-7,408,000	-24,851,000
(By transfer)	(16,877,000)	(699,000)	(654,000)	(-16,223,000)	(-45,000)
(Loan authorization)	(537,544,000)	(80,000,000)	(40,000,000)	(-497,544,000)	(-40,000,000)
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Direct loans:					
Electric 5%	(90,000,000)	(125,000,000)	(125,000,000)	(+35,000,000)	.....
Telephone 5%	(70,000,000)	(75,000,000)	(75,000,000)	(+5,000,000)	.....
Subtotal	(160,000,000)	(200,000,000)	(200,000,000)	(+40,000,000)	.....
Treasury rate: Telephone	(300,000,000)	(300,000,000)	(300,000,000)	.....	.....
Muni-rate: Electric	(525,000,000)	(600,000,000)	(525,000,000)	.....	(-75,000,000)
FFB loans:					
Electric, regular	(300,000,000)	(400,000,000)	(300,000,000)	.....	(-100,000,000)
Telephone	(120,000,000)	(120,000,000)	(120,000,000)	.....	.....
Subtotal	(420,000,000)	(520,000,000)	(420,000,000)	.....	(-100,000,000)
Total, Loan authorizations	(1,405,000,000)	(1,620,000,000)	(1,445,000,000)	(+40,000,000)	(-175,000,000)
Loan subsidies:					
Direct loans:					
Electric 5%	21,168,000	3,625,000	3,625,000	-17,543,000	.....
Telephone 5%	13,958,000	1,193,000	1,193,000	-12,765,000	.....
Subtotal	35,126,000	4,818,000	4,818,000	-30,308,000	.....
Treasury rate: Telephone	60,000	60,000	60,000	.....	.....
Muni-rate, electric	56,858,000	32,280,000	28,245,000	-28,613,000	-4,035,000
FFB loans: Electric, regular	2,520,000	3,720,000	2,790,000	+270,000	-930,000
Total, Loan subsidies	94,564,000	40,878,000	35,913,000	-58,651,000	-4,965,000
RETLP administrative expenses	29,982,000	33,070,000	29,982,000	.....	-3,088,000
Total, Rural Electrification and Telecommunications Loans Program Account	124,546,000	73,948,000	65,895,000	-58,651,000	-8,053,000
(Loan authorization)	(1,405,000,000)	(1,620,000,000)	(1,445,000,000)	(+40,000,000)	(-175,000,000)

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1997 (H.R. 3603)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Rural Telephone Bank Program Account:					
Direct loans (limitation on obligations)	(175,000,000)	(175,000,000)	(175,000,000)		
Direct loan subsidy	5,023,000	2,328,000	2,328,000	-2,695,000	
RTB administrative expenses	3,541,000	3,500,000	3,500,000	-41,000	
Distance learning and medical link grants and loans	7,500,000	20,261,000	7,500,000		-12,761,000
Solid waste management grants, rural water and waste disposal grants, and water and waste disposal facility loans (administrative expenses)	12,740,000			-12,740,000	
Rural utilities assistance program 3/	487,868,000	661,560,000	496,868,000	+9,000,000	-164,692,000
Emergency appropriations (P.L. 104-134)	11,000,000			-11,000,000	
RUS expenses:					
Salaries and expenses	18,449,000	33,873,000	33,195,000	+14,746,000	-678,000
Electric and telephone loans (by transfer)	(29,982,000)	(33,070,000)	(29,982,000)		(-3,088,000)
Rural telephone bank (by transfer)	(3,541,000)	(3,500,000)	(3,500,000)	(-41,000)	
Agricultural Credit Insurance Fund Program Account (by transfer)	(318,000)			(-318,000)	
Rural partnership (by transfer)	(12,623,000)			(-12,623,000)	
Total, RUS expenses	(64,913,000)	(70,443,000)	(66,677,000)	(+1,764,000)	(-3,766,000)
Total, Rural Utilities Service	670,667,000	795,470,000	609,286,000	-61,381,000	-186,184,000
(By transfer)	(46,464,000)	(36,570,000)	(33,482,000)	(-12,982,000)	(-3,088,000)
(Loan authorization)	(1,405,000,000)	(1,620,000,000)	(1,445,000,000)	(+40,000,000)	(-175,000,000)
(Limitation on obligations)	(175,000,000)	(175,000,000)	(175,000,000)		
Total, title III, Rural Economic and Community Development Programs	2,126,506,000	2,253,461,000	1,868,222,000	-258,284,000	-385,239,000
(By transfer)	(449,317,000)	(403,474,000)	(400,341,000)	(-48,976,000)	(-3,133,000)
(Loan authorization)	(5,157,707,000)	(5,506,336,000)	(4,944,854,000)	(-212,853,000)	(-561,482,000)
(Limitation on obligations)	(187,865,000)	(189,000,000)	(187,865,000)		(-1,135,000)
TITLE IV - DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services	440,000	554,000	454,000	+14,000	-100,000
Food and Consumer Service:					
Child nutrition programs	2,348,166,000	3,251,215,000	3,218,844,000	+870,678,000	-32,371,000
Discretionary spending		4,000,000			-4,000,000
Transfer from section 32	5,597,858,000	5,413,453,000	5,433,753,000	-164,105,000	+20,300,000
Total, Child nutrition programs	7,946,024,000	8,668,668,000	8,652,597,000	+706,573,000	-16,071,000
Special supplemental nutrition program for women, infants, and children (WIC)	3,729,807,000	3,780,000,000	3,729,807,000		-50,193,000
Reserve		100,000,000			-100,000,000
(By transfer)	(4,000,000)			(-4,000,000)	
Food stamp program:					
Expenses	25,954,828,000	26,353,555,000	26,341,029,000	+386,201,000	-12,526,000
Reserve	500,000,000	2,461,200,000	100,000,000	-400,000,000	-2,361,200,000
Nutrition assistance for Puerto Rico	1,143,000,000	1,174,000,000	1,174,000,000	+31,000,000	
Total, Food stamp program	27,597,828,000	29,988,755,000	27,615,029,000	+17,201,000	-2,373,726,000
Commodity assistance program	166,000,000	172,000,000	166,000,000		-6,000,000
Food donations programs for selected groups:					
Needy family program	65,000,000	65,000,000	65,000,000		
Elderly feeding program	150,000,000	150,000,000	140,000,000	-10,000,000	-10,000,000
Total, Food donations programs	215,000,000	215,000,000	205,000,000	-10,000,000	-10,000,000
Food program administration	107,769,000	110,982,000	104,487,000	-3,282,000	-6,495,000
The Center for Nutrition Policy and Promotion		4,470,000			-4,470,000
Total, Food and Consumer Service	39,762,428,000	43,039,875,000	40,472,920,000	+710,492,000	-2,566,955,000
Total, title IV, Domestic Food Programs	39,762,868,000	43,040,429,000	40,473,374,000	+710,506,000	-2,567,055,000
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service:					
Direct appropriation	115,802,000	132,875,000	124,208,000	+8,406,000	-8,667,000
(Transfer from Commodity Credit Corporation)	(5,176,000)			(-5,176,000)	
(Transfer from export loans)	(2,792,000)	(3,231,000)	(2,792,000)		(-439,000)
(Transfer from P.L. 480)	(1,005,000)	(1,035,000)	(1,005,000)		(-30,000)
Total, Program level	(124,775,000)	(137,141,000)	(128,005,000)	(+3,230,000)	(-9,136,000)
Public Law 480 Program Account:					
Title I - Credit sales:					
Program level	(316,342,000)	(232,849,000)	(230,305,000)	(-86,037,000)	(-2,544,000)
Direct loans	(291,342,000)	(218,944,000)	(216,400,000)	(-74,942,000)	(-2,544,000)
Ocean freight differential	25,000,000	13,905,000	13,905,000	-11,095,000	

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1997 (H.R. 3603)—Continued

	FY 1996 Enacted	FY 1997 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Title II - Commodities for disposition abroad:					
Program level	(821,100,000)	(837,000,000)	(837,000,000)	(+15,900,000)	.....
Appropriation	821,100,000	837,000,000	837,000,000	+15,900,000	.....
Title III - Commodity grants:					
Program level	(50,000,000)	(40,000,000)	(29,500,000)	(-20,500,000)	(-10,500,000)
Appropriation	50,000,000	40,000,000	29,500,000	-20,500,000	-10,500,000
Loan subsidies	236,162,000	179,082,000	177,000,000	-59,162,000	-2,082,000
Salaries and expenses:					
General Sales Manager	1,005,000	1,035,000	1,005,000	.....	-30,000
Farm Service Agency	745,000	783,000	745,000	.....	-38,000
Subtotal	1,750,000	1,818,000	1,750,000	.....	-68,000
Total, Public Law 480:					
Program level	(1,187,442,000)	(1,109,849,000)	(1,096,805,000)	(-90,637,000)	(-13,044,000)
Appropriation	1,134,012,000	1,071,805,000	1,059,155,000	-74,857,000	-12,650,000
CCC Export Loans Program Account:					
Loan guarantees:					
Short-term export credit	(5,200,000,000)	(5,000,000,000)	(5,500,000,000)	(+300,000,000)	(+500,000,000)
Intermediate-term export credit	(500,000,000)	(500,000,000)	.....	(-500,000,000)	(-500,000,000)
Loan subsidy	374,347,000	390,000,000	390,000,000	+15,653,000	.....
Salaries and expenses (Export Loans):					
General Sales Manager	2,792,000	3,231,000	2,792,000	.....	-439,000
ASCS	589,000	623,000	589,000	.....	-34,000
Total, CCC Export Loans Program Account	377,728,000	393,854,000	393,381,000	+15,653,000	-473,000
Total, title V, Foreign assistance and related programs	1,627,542,000	1,598,534,000	1,576,744,000	-50,798,000	-21,790,000
(By transfer)	(8,973,000)	(4,266,000)	(3,797,000)	(-5,176,000)	(-469,000)
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation	819,971,000	823,771,000	819,971,000	.....	-3,800,000
Prescription drug user fee act	(84,723,000)	(87,528,000)	(87,528,000)	(+2,805,000)	.....
Mammography clinics user fee	(13,000,000)	(13,403,000)	(13,403,000)	(+403,000)	.....
Total, Program level	(917,694,000)	(924,702,000)	(920,902,000)	(+3,208,000)	(-3,800,000)
Buildings and facilities	12,150,000	8,350,000	21,350,000	+9,200,000	+13,000,000
Rental payments	46,294,000	46,294,000	46,294,000	.....	.....
Total, Food and Drug Administration	878,415,000	878,415,000	887,615,000	+9,200,000	+9,200,000
DEPARTMENT OF THE TREASURY					
Financial Management Service: Payments to the Farm Credit System Financial Assistance Corporation	15,453,000	10,290,000	10,290,000	-5,163,000	.....
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	53,601,000	56,601,000	55,101,000	+1,500,000	-1,500,000
Farm Credit Administration (limitation on administrative expenses)	.....	(37,478,000)	(37,478,000)	(+37,478,000)	.....
Total, title VI, Related Agencies and Food and Drug Administration	947,469,000	945,306,000	953,006,000	+5,537,000	+7,700,000
Scorekeeping adjustments	-235,780,000	127,050,000	-368,000,000	-132,220,000	-495,050,000
Grand total:					
New budget (obligational) authority	63,087,898,000	58,444,364,000	52,684,037,000	-10,403,861,000	-5,760,327,000
(By transfer)	(672,070,000)	(618,631,000)	(613,918,000)	(-58,152,000)	(-4,713,000)
(Loan authorization)	(14,018,457,000)	(14,202,407,000)	(13,440,925,000)	(-577,532,000)	(-761,482,000)
(Limitation on administrative expenses)	(106,245,000)	(155,447,000)	(144,697,000)	(+38,452,000)	(-10,750,000)
(Limitation on obligations)	(187,865,000)	(189,000,000)	(187,865,000)	.....	(-1,135,000)

1/ Such sums as available from AQI user fee account for FY 1996. In addition, $24,857,000 is anticipated from farm bill direct appropriations.
2/ In addition to appropriation.
3/ The Administration proposed funding for this account under the name "Rural performance partnership program".

(By unanimous consent, Mr. ARMEY was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. ARMEY. Mr. Chairman, it is our hope that we can complete this bill by 7 p.m. tonight, at which time we would intend to take up the budget. After the budget we would intend to take up the rule on the shipbuilding bill.

□ 1830

It is our hope and our belief that we could, under those circumstances, complete our work on shipbuilding and DOD tomorrow and avoid the need for us to be here in session on Friday.

In consideration of these opportunities that would make themselves available in the schedule, I am going to be asking the managers of the bill and those who have amendments to offer, if it would be possible, perhaps, for them to work out a time agreement to complete any consideration of amendments on this bill and move us to final passage by 7 o'clock.

Obviously, it is within their prerogatives to work out such an arrangement, but I would encourage them to do so. I would like to remind the Chairman and Members that I do have, under the rule, the option to rise and report. I would, of course, prefer not to exercise that option and, for that reason, would, to the maximum of my ability, encourage the bill managers and perhaps those with amendments, if at all possible, if they could work out this time arrangement so we can complete work on this bill and move on to the rest of the schedule.

Mr. Chairman, I yield back to the gentleman from New Mexico to see if perhaps he might want to explore that opportunity.

Mr. SKEEN. Mr. Chairman, certainly we would be willing to do that, and I assure the leader that we would get it done.

Mr. Chairman, I ask unanimous consent that debate on all amendments close at 7 p.m. and that the time from this point on be equally divided.

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

Mr. VOLKMER. Mr. Chairman, reserving the right to object, I want to discuss that. That is a problem. We have an amendment that is ready to be offered that, to me, is more important than the tobacco amendment that took up over an hour and a half or 2 hours, or the previous amendment that took a long time, because it has to do with rural America.

My district is rural. Rural water and sewer is very important to my district. The amendment is to be able to restore some of the money that we need in rural water and sewer, and to say to that we are not going to even get to speak on it unless we do it in, say, a half-hour, means 15 minutes on each side. There are any number of Members who wanted to speak on it because it is important to their district and we are being told we cannot do that.

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

Mr. VOLKMER. Further reserving the right to object, I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, we are not saying the gentleman cannot do something. What we are telling him is something he can do, and what he can do is this: We want to give the other side every opportunity. How many amendments is the gentleman talking about?

Mr. VOLKMER. One amendment that I know of at the present time.

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

Mr. VOLKMER. Under my reservation, I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Chairman, I thank my colleague for yielding to me. There is one amendment left from the distinguished gentleman from South Carolina, and all we ask is that we have assurances from the other side of the aisle that we have a proper amount of time to debate that amendment.

If I am wrong, I would ask my colleague from Wisconsin to correct me, but as I understand it, that is the only pending amendment that remains for the evening.

Mr. SKEEN. Mr. Chairman, if the gentleman will continue to yield, we are talking 30 minutes. Can we do it in 30 minutes?

Mr. BONIOR. We would prefer to have a half-hour on each side.

Mr. SKEEN. Let us go 40 minutes.

Mr. VOLKMER. Would the gentleman give us 30 minutes and you take 10? That is 40 minutes.

Mr. SKEEN. Mr. Chairman, this is not a hog swap.

Mr. VOLKMER. That is 40 minutes.

Mr. SKEEN. How about 45 minutes:

Mr. BONIOR. Why do we not split 45 minutes?

Mr. VOLKMER. Make it 46.

Mr. SKEEN. Forty-five equally divided.

Mr. VOLKMER. Make it 46, 23 on each side.

Mr. Chairman, I ask the gentleman to repeat his unanimous-consent request.

Mr. Chairman, I withdraw my reservation of objection.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto occur within 45 minutes and that the time be equally divided.

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

There was no objection.

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

Mr. Chairman, I have an amendment at the desk, but I have decided not to ask for the amendment to be considered. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. Are there other amendments to the bill?

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

Mr. Chairman, I think that it would be worthwhile for some of the Members to know why many of us on this side of the aisle are not going to vote for this bill. I know that the gentleman from New Mexico, who I very strongly support in all the work that he has tried to do, is working under constraints not of his own making. It is the budget, which we are going to take up next, or sometime this evening, that is causing all the problems, but that budget cuts back severely on agriculture programs that will impact adversely, severely, on many rural districts, including my own.

We need more money in here for rural water and sewer, for economic development in the rural areas. That all is possible and would have been possible under the coalition or the blue dog budget. But, no, we had to do the Republican budget, and it makes these severe cuts in agriculture. It is not only in the rural water and sewer areas, but it is also in rural housing that is cut back.

I do not know why the Republican majority wants to devastate rural America, but it seems that they are bound and determined to do so.

If we look at another area of that budget, at the Medicare area, we will find what the cuts in Medicare and Medicaid will mean. In my district, in rural areas, we are going to have hospitals close. So I am going to have hospitals closing down. I will not be able to provide housing for many of my people, and I am going to continue to have communities that do not have adequate sewer systems, do not have any sewer system at the present time, cannot afford it on their own, and yet they do not want to provide the funds that would be necessary.

I had hoped that the gentleman from South Carolina [Mr. SPRATT] would have offered his amendment to restore $27 million; $27 million is vitally needed in this program but we do not have it.

I do not have any alternative, Mr. Chairman, but to vote in protest against this bill. I recognize that the gentleman from New Mexico and the gentleman from Illinois have done their best within the framework of what the budget of the Republican majority has given them, but I say to them that that is not enough.

I do not blame the gentleman from New Mexico, I blame his leadership, not only for coming down on agriculture, but later on education and other programs as well. I do not plan to vote on those types of things either.

Mr. Chairman, I think it is ill-conceived that they are trying to devastate rural America rather than helping it to grow, at the same time they say what they are doing is good for the country. I tell my colleagues this bill is not good for rural America. I believe that we have no alternative but to defeat the bill. I wish we could, but I know we will not be able to because we do not have the votes, the votes are

over there to do it, but I want the people to know, the people of this House to know, that the gentleman from Missouri, HAROLD VOLKMER, is not going to vote for a bill that devastates rural America.

Mr. POMEROY. Mr. Chairman, I rise today in reluctant opposition to the fiscal year 1997 Agricultural Appropriations Act. I would like to commend the Agriculture Appropriations Subcommittee chairman, Mr. SKEEN, for doing a tremendous job in balancing the many demands for funds in this bill with a severe reduction in discretionary authority. I am especially pleased with the attention given to projects and programs which benefit producers in North Dakota and the upper Great Plains. The support given to all aspects of agricultural research and the funding of conservation programs certainly represent significant achievements in this bill. Finally I am relieved the committee restored funding to the market transitions payments the Agriculture Appropriations Subcommittee had cut.

In the final analysis, however, I find that I cannot support final passage for a few reasons. The main reason is the severe and unwarranted modifications made to the sugar program. Language inserted in the appropriations bill would cap the price of raw sugar at 21 cents per pound, a cent lower than the current domestic market price. Mandating what amounts to a price control on sugar at a time when in all other industries we continually call for free and open markets makes no sense. This provision will actually increase the amount of foreign sugar imported into the United States. Why we would want to increase sugar imports at the expense of our domestic sugar producers defies comprehension.

During the farm bill debate Congress passed a 7-year sugar reform program that raised import levels, removed marketing allotments, and assigned penalties for forfeiture of sugar. These reforms withstood tough votes on both the House and Senate floor. Now, less than 2 months after passage of those reforms, the Appropriations Committee has—at least in the language before us—decided to abandon the reform and make further modifications to the sugar program. If this action represents the commitment of Congress to the 7-year farm bill I truly fear for the rest of the guarantees in that law. Modification of complex and critical programs such as the sugar program in the closed rooms of the Appropriations Committee represents a dangerous precedent that should not be upheld. This attack on the sugar producers and sugar industry workers in the United States must not stand.

Additionally, the elimination of $2 million in funding for the agricultural mediation program is particularly troublesome. In North Dakota the mediation program has helped hundreds of farmers work through difficult credit problems, usually allowing them to service their loans without resorting to bankruptcy. With this elimination of the mediation grants these producers will have nowhere else to turn. This highly successful program certainly deserves continuing funding.

Finally, the Appropriations Committee, in report language, instructed the Secretary of Agriculture on how to conduct signups for the Conservation Reserve Program. The Secretary currently is preparing regulations for the next signup for CRP. To specify in this bill what the rule will be for the next signup could throw the process into a tailspin.

For these reasons I must oppose this bill. Despite the many good things in this bill, I cannot support such a brazen attack on the hard-working sugarbeet farmers in North Dakota and the thousands of North Dakotans employed in the sugar industry, and I cannot support the elimination of the highly successful North Dakota Ag Mediation Program. I hope these problems and the CRP provisions can be corrected in the Senate and in conference so I can support the necessary funding of the Nation's No. 1 industry—agriculture.

Mr. GOSS. Mr. Chairman, I ask that this summary of the U.S. AID's Inspector General's report be included in the RECORD. This summary deals exclusively with the Public Law 480 program and details some of the title III failures as well as title II successes.

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT, OFFICE OF THE INSPECTOR GENERAL, JUNE 11, 1996, TO DARREN WILLCOX, FROM PAUL ARMSTRONG, ACTING AIG/A

REQUESTED EXAMPLES OF PL-480 AUDITS

As requested, I'm sending you some write-ups on recent PL-480 audits which were included in our most recent Semiannual Reports to the Congress. The audits are listed below:

Report No.	Date issued	Report title
5–286–94–014	8–10–95	Audit of USAID/India's Monitoring of the PL–480 Title II Program
3–650–95–18	9–8–95	Audit of REDSO/ESA's PL–480 Title II Program in Southern Sudan
1–521–95–008	6–23–95	Survey Report on Losses of PL–480 Title II Commodities in Haiti During the Political Transition Period September 15, 1994 to January 13, 1995
3–656–96–003	2–9–96	Audit of USAID/Mozambique's Management of PL–480 Title III Program.

I hope this information is helpful.

P.L. 480 TITLE III PROGRAM IN MOZAMBIQUE

In an effort to help alleviate poverty and liberalize commodity markets in Mozambique, the United States donated over 458,000 metric tons of commodities under the P.L. 480 Title III Program. These commodities (mostly grain), valued at $88 million, were donated to the Government of Mozambique between 1991 and 1994 on the condition that the commodities be used to generate local currency for the purpose of funding various governmental ministries, as well as supporting private voluntary organization activities.

An audit of this program found that USAID had established a system to monitor the receipt, storage, and sale of commodities as required by Agency policies and procedures; however, the following problems were reported: poor quality commodities, subsequently determined by USAID management to be ''unfit for human consumption,'' arrived in Mozambique, resulting in a loss of $8 million for purchase, transport and disposal costs; and pilferage of $1,376,378 worth of commodities occurred at Mozambique ports during the unloading of shipments—often in plain view of port security guards.

USAID in Mozambique had complained about the poor quality of commodities being received and the U.S. Ambassador had reported that the shipments had 1) a higher moisture content than allowed under regulations and 2) insect infestation so bad that the entire cargo and ship had to be fumigated several times. A response from USAID and the U.S. Department of Agriculture in Washington stated that the cause for this problem as the floods of the Mississippi watershed and suggested that the Mission upgrade its standard specifications for corn transports to Mozambique. The Mission did so and the quality of commodities has since improved. The audit made no recommendations in this area.

Regarding the commodity thefts, the audit recommended that USAID condition future shipments of P.L. 480 Title III commodities on improvements in port security, warehouse facilities, and operating procedures for the handling of bulk grain commodities in order to minimize the opportunity to future thefts. The Mission agreed and has suspended a shipment of 18,000 tons of corn (and all future shipments) until such improvements are made. The Mission is also requesting that the Government of Mozambique compensate the U.S. government for the loss.

The audit could not assess whether local currency generated from the sale of commodities was used for its intended purposes because the Mission had not assessed the reliability of the Mozambique government's accounting systems, nor had audits been performed on local currency expenditures. The Mission stated that a previously scheduled assessment had been postponed due to the signing of Mozambique's UN–brokered peace accord in 1992 and the first multi-party elections in October 1994. In addition, the Government of Mozambique's principal audit agency was considered incapable of conducting the audits. The OIG recommended that the Mission conduct an accountability assessment and financial audits as required. If the local audit agency cannot be relied upon, the independent public accounting firms or other alternative means should be pursued. USAID concurred with all the recommendations and initiated corrective actions. *(Audit Report No. 3–656–96–003)*

MONITORING OF THE P.L. 480 TITLE II PROGRAM IN INDIA

A recent audit of the Food for Peace Program in India showed that USAID/India has corrected problems previously identified by a prior audit, and has taken additional steps to improve the program. The Agricultural Trade Development Assistance Act of 1990, Public Law 480 (P.L. 480), is the statutory authority for the Food for Peace Program. During fiscal years 1993 and 1994, $135 million in food aid was delivered to 8.3 million poverty-stricken people in India. This food was mainly administered through two private voluntary organizations (PVOs)—Cooperative for Assistance and Relief Everywhere (CARE) and Catholic Relief Services (CRS).

The audit found that USAID/India generally ensured that the objective of the P.L. 480 Title II program was being achieved, losses were being reported, that claims were submitted on time, and claims were eventually being resolved. (A prior audit had found problems with one of the PVOs failing to report food losses or resolving claims). Finally, the Mission ensured that losses were held to reasonable levels, although improvements could be made in monitoring the ordering and allocating of food by one of the two PVOs.

The audit report recognized USAID/India's efforts to correct problem areas previously reported and the Mission's ongoing efforts to improve the P.L. 480 Program. One recommendation was made for USAID/India to improve its monitoring over the PVO's ordering and allocation of food. Mission officials generally concurred with the report's conclusions and the recommendation was closed upon report issuance. *(Audit Report No. 5–386–95–014)*

REDSO/ESA'S P.L. 480 TITLE II PROGRAM IN SOUTHERN SUDAN

USAID's Title II Emergency Relief program in Sudan is an ongoing effort to alleviate the suffering of the southern Sudanese people following the war between the Christian South and the Islamic government in

Khartoum. An audit of this program found that USAID made a significant impact in its effort through the delivery of large amounts of food aid to the needy. Considering the war conditions, the Regional Economic Development Support Office (REDSO/ESA) had been successful in minimizing the food losses, although some food diversions did occur. For instance, financial difficulties forced a small non-governmental organization (NGO) to withdraw from the relief effort, putting war victims of two displacement camps at risk of starvation. The OIG brought this matter to the attention of REDSO/ESA and food aid was immediately delivered to the camps. In another instance, inadequate transport funding by the Bureau for Humanitarian Response had forced another NGO to suspend food aid distribution, putting 150,000 war victims at risk of hunger. Again, REDSO promptly resumed the delivery of emergency supplies. Finally, the audit found inaccuracies in recipient population estimates. Without accurate estimates, excess food aid deliveries to areas with over-stated populations would lead to the diversion of food to military personnel or market profiteers, while a shortage to areas with under-stated populations would deny starving people.

The audit recommended that REDSO/ESA take steps to ensure the NGOs obtain reasonable population estimates, recover claims for losses of food aid commodities, and improve on the system for reporting and recovering losses. REDSO/ESA management concurred with the audit findings and promptly took action to close the recommendations. All recommendations had been closed upon report issuance. (Audit Report No. 3–650–95–018)

LOSSES OF PUBLIC LAW 480 TITLE II COMMODITIES IN HAITI

The OIG conducted an audit survey of alleged losses of Public Law (P.L.) 480 Title II commodities in Haiti. The survey included a review of the physical security environment and control structure of the feeding program and a partial assessment of whether USAID/Haiti can provide reasonable assurances that program commodities are adequately safeguarded and used for intended purposes. The survey was conducted between September 1994 and January 1995, when Haiti was in transition from a military to a civilian government.

The survey found that the P.L. 480 Title II food program incurred substantial commodity losses due to theft during the political transition period. Three Title II cooperating sponsors reported 2,732 metric tons of commodity losses valued at $1.1 million or 16 percent of the total commodities while reporting 14,259 metric tons of commodities distributed during the first quarter of fiscal year 1995.

Although civil unrest has subsided and general stability has returned to Haiti, the situation remains somewhat volatile and uncertain. The OIG believes that a normal P.L. 480 Title II control structure is not designed to function under the absence of civil authority and the type of civil instability that occurred; therefore, the report recommended that USAID/Haiti establish procedures for determining the extent and causes of commodity losses in order to formalize alternatives for providing additional security measures to prevent future losses. USAID/Haiti generally agreed with our report findings. (Audit Report No. 1–521–95–008)

Mr. EMERSON. Mr. Chairman, I rise in support of this appropriations bill, which provides funding for many of the important agricultural programs that have helped to make our Nation's farming industry strong. While the funding that is provided in this bill is reduced from last year for many programs, I am also supportive of the effort to reign in Federal spending and balance the Federal budget. I urge my colleagues to join with me in support of the tough fiscal decisions the Appropriations Committee has made.

Particularly important for Missouri agriculture is the inclusion of funding for soybean cyst nematode research. This funding supports research which is conducted at the University of Missouri's Delta Area Agricultural Research Center in Portageville. Last year, American soybean farmers lost hundreds of millions of dollar of farm income because of soybean yield losses. Fortunately, the Delta Center has made significant advances in order to help the many U.S. soybean farmers fighting this profit destroying cyst nematode.

I am also particularly supportive of the aspects of this bill which will facilitate a growing export market for agricultural goods. Without a doubt, world trade is the key to the future of American Agriculture. Within our borders, U.S. consumers enjoy an abundant supply of food at a price lower than nearly anywhere else on earth. Therefore, in order to expand, American agriculture must look to foreign populations and consumers that are anxious to obtain a higher quality and a wider variety of foodstuffs.

Agricultural exports are expected to grow rapidly in the near future in certain markets, especially in the Pacific Rim. However, in other markets that are developing less rapidly, assistance through PL–480, or Food for Peace, will pave the way to greater U.S. exports in the long term. I have a longstanding interest in food aid and have observed many examples of countries that successfully have made the transition from a concessional to a cash buyer. And, as we help these countries meet their basic food needs, we also help U.S. farmers who grow the commodities and those who process, bag, can, rail, and ship the food to developing countries.

Accordingly, I am especially supportive of the funding that H.R. 3603 provides for the Food for Peace program and urge my colleagues to vote in favor of this bill.

Mr. BARRETT of Nebraska. Mr. Chairman, I rise in support of this bill. But, while I do support this bill, due to the full committee's correction of a major flaw in the measure originally reported by the subcommittee, I'm still very concerned that agriculture, year after year, is asked to do more than its fair share to help balance the budget.

Balancing the budget must remain a priority, and I'm a strong supporter of balancing the budget. However, the bill before us reduces spending for USDA, FDA, and related agencies by 16 percent—over $10 billion!

Unfortunately, not only are the spending reductions in this bill excessive, the appropriations subcommittee on agriculture attempted to revisit many of the issues we debated and voted on during the farm bill debate. For example, the House has spoken on the sugar program, which I remind you is mandated to operate at no net cost to the Government, and on granting farmers true freedom to manage their land. I'm afraid some in this urban-dominated Congress do not understand the nature of farming or agriculture programs.

The Federal Agricultural Improvement and Reform Act of 1996, the FAIR Act, was the first real reform of Federal farm programs in 60 years, and the only entitlement reform bill to be signed into law during the 104th Congress. I'm proud to have joined with Agriculture Chairman Roberts in this historic legislation that transitions farmers from dependence on Government subsidies to independent planting and marketing decisions. Enactment of the FAIR Act was a great accomplishment for this Congress, and the final vote reflected true bipartisan support.

However, it's time to move on. With the farm bill signed into law and with the passage of the fiscal year 1997 agriculture appropriations bill, I believe we must rebuild the partnership of all rural districts in support of agriculture—the largest single sector of the economy. I look forward to working with my colleagues as this Congress comes to an end and into the future to raise the voice of rural America.

The appropriations subcommittee on agriculture was put in a difficult position with its low budget allocation. I respect your work and thank you for making the best of a bad situation.

I urge my colleagues to support this bill.

Mr. FAZIO of California. Mr. Chairman, I rise in support of H.R. 3603, the Agriculture Appropriations bill for fiscal year 1997.

First, I need to thank my chairman, JOE SKEEN, and the ranking Democrat, DICK DURBIN, for their assistance during the last few weeks. I only recently became a member of this subcommittee, although it is one I have admired for many years. My admiration stems from the bipartisanship traditionally displayed by this subcommittee, and exemplified by the Skeen-Durbin team, and it is truly a model for the House, so I am proud to join the subcommittee's ranks.

H.R. 3603 is not a perfect bill. In fact, our bill continues an alarming trend in providing the absolute minimum resources to USDA to accomplish their important missions in the areas of agriculture research, animal and plant inspection, food safety and inspection, conservation programs, and rural housing and development.

The Agriculture Appropriations Subcommittee is a victim of our budget-balancing efforts, which, of course, we all support. But the implications of our balanced budget efforts have manifested themselves in several disagreeable ways:

First, we had perhaps an unnecessary confrontation with our brethren on the Agriculture Committee when our subcommittee acted in a manner which I thought appropriate under the circumstances, to ask farmers to share some of the burden demanded by our budget allocation—which was nearly $1 billion below last year.

Second, our budget allocation has been changed at least twice—the first in response to complaints abut our action which cut just 1.5 percent from the farm transition payments, and second, the result of a scoring problem pointed out by the Congressional Budget Office.

But these problems point to the overall difficulty with the Republican budget resolution, and the inadequate domestic budget allocations, and the real impact it has on our agriculture programs and other important functions of Government.

Despite some of these reservations, I support the bill and I think JOE SKEEN and DICK DURBIN have done a good job under demanding circumstances.

I have particular praise for several items of importance to California agriculture and to my district.

First, funds have been included for buildings and facilities construction within the Cooperative State Research Service, including funds for an important integrated pest management research facility at the University of California at Davis.

A new pest is introduced into California every 60 days, and it is imperative that we have the up-to-date facilities to develop effective methods to deal with them. This facility will support and accelerate research needed for environmentally compatible pest management strategies.

These institutions—such as the University of California at Davis—are required to provide a specific and verifiable cost-share. So this program represents a real commitment by State governments and the Federal Government to developing the successful agriculture strategies of the future.

Second, the bill provides funds mandated by the Agriculture Committee for the Market Access Program [MAP].

I anticipate that this program will come under attack again this year by an amendment seeking to eliminate it.

But there is probably no more important tool for export promotion than MAP. In California, where specialty crop agriculture is the rule, export promotion is extremely important.

Agriculture exports, projected to exceed $50 billion again this year—up from $43.5 billion fiscal year 1994—are vital to the United States.

Agriculture exports strengthen farm income.

Agriculture exports provide jobs for nearly a million Americans.

Agriculture exports generate nearly $100 billion in related economic activity.

Agriculture exports produce a positive trade balance of nearly $20 billion.

If U.S. agriculture is to remain competitive under GATT, we must have policies and programs that allow us to remain competitive with our competitors abroad.

GATT did not eliminate export subsidies, it only reduced them.

The European Union spent, over the last 5 years, an average of $10.6 billion in annual export susidies—the United States spent less than $2 billion.

The EU spends more on wine exports—$89 million—than the U.S. currently spends for almost all commodities under the Market Promotion Program.

MAP is critical to U.S. agriculture's ability to develop, maintain and expand export market in the new post-GATT environment, and MAP is a proven success.

In California, MAP has been tremendously successful in helping promote exports of California citrus, raisins, walnuts, almonds, peaches, and other specialty crops.

We have to remember that an increase in agriculture exports means jobs: a 10 percent increase in agricultural exports creates over 13,000 new jobs in agriculture and related industries like manufacturing, processing, marketing, and distribution.

For every $1 we invest in MAP, we reap a $16 return in additional agriculture exports. In short, the Market Promotion Program is a program that performs for American taxpayers.

Third, the committee has continued to provide the greatest possible funding for research in two main forms: through the agricultural research stations of the Agricultural Research Service, and through the special grants and competitive grants in the Cooperative State Research Education and Extension Service.

I am concerned that formula funding for our land-grant colleges and universities has been affected by our low budget allocation—requiring about a three-percent reduction from last year's levels. All of us who represent land-grant institutions know that State governments are having the same difficulties as the Federal Government in providing the resources these institutions deserve.

Our future success in agriculture, especially market-oriented agriculture as envisioned by the Farm Bill enacted just a few months ago, will require an on-going commitment to research if we are to maintain the U.S. lead.

Nevertheless, the committee has done a good job in keeping those resources as generous as possible under the circumstances. And I'm especially pleased that the committee was able to provide an increase for research into alternatives to methyl bromide and has initiated a special research grant to develop alternatives to rice-straw burning.

In summary, this is not a perfect bill, but it is a fair bill given the many needs and many issues within the committee's jurisdiction. I commend Chairman JOE SKEEN and ranking member DICK DURBIN for their efforts in support of American agriculture, and I urge my colleagues to support H.R. 3603, the Agriculture Appropriations bill for fiscal year 1997.

The CHAIRMAN. If there are no other amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DREIER) having assumed the chair, Mr. GOODLATTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes, pursuant to House Resolution 451, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

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

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 351, nays 74, not voting 9, as follows:

[Roll No. 234]

YEAS—351

Ackerman
Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
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
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Chapman
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Costello
Cox
Cramer
Crane
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meek
Metcalf
Meyers
Mica
Millender-McDonald
Miller (FL)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Sabo
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Seastrand
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon

Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Stump
Stupak
Talent
Tanner
Tate
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Towns
Traficant
Upton
Vento
Visclosky
Vucanovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—74

Abercrombie
Andrews
Barrett (WI)
Becerra
Beilenson
Berman
Blute
Chabot
Chenoweth
Clay
Collins (IL)
Conyers
Cooley
Coyne
Crapo
DeFazio
Dellums
Doggett
Engel
Eshoo
Fattah
Foglietta
Ford
Frank (MA)
Franks (NJ)
Gephardt
Gibbons
Green (TX)
Hancock
Hoke
Jacobs
Johnson (SD)
Johnston
Kleczka
LoBiondo
Lofgren
Markey
Martini
McDermott
Meehan
Menendez
Miller (CA)
Minge
Mink
Moran
Neumann
Owens
Payne (NJ)
Peterson (MN)
Petri
Pombo
Pomeroy
Roberts
Rohrabacher
Roybal-Allard
Royce
Rush
Sanders
Scarborough
Schroeder
Sensenbrenner
Serrano
Stark
Stockman
Studds
Tauzin
Taylor (MS)
Torkildsen
Torricelli
Velazquez
Volkmer
Waters
Waxman
Yates

NOT VOTING—9

Calvert
Frelinghuysen
Gillmor
Hayes
Horn
Lincoln
McDade
Roukema
Wilson

□ 1901

Messrs. COOLEY of Oregon, MINGE, and FATTAH changed their vote from ''yea'' to ''nay.''

Mr. BONILLA changed his vote from ''nay'' to ''yea.''

So 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. HORN. Mr. Speaker, on rollcall No. 234, I was unavoidably detained on official business and unable to vote for the agricultural appropriations bill. Had I been present, I would have voted ''aye.''

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3610, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, FISCAL YEAR 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–619) on the resolution (H. Res. 453) providing for consideration of the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, which was referred to the House Calendar and ordered to be printed.

AUTHORIZING RUNNING OF 1996 SUMMER OLYMPIC TORCH RELAY THROUGH CAPITOL GROUNDS

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 172) authorizing the 1996 Summer Olympic Torch Relay to be run through the Capitol Grounds, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Page 2, line 8, strike out all after ''Grounds'' down to and including ''overnight,'' in line 9.

The SPEAKER (Mr. DREIER). Is there objection to the request of the gentleman from Maryland?

Mr. OBERSTAR. Mr. Speaker, reserving the right to object, I do so for the purpose of asking the gentleman for an explanation of the proceeding.

I yield to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Speaker, we would like to expedite this bill. There is only a minor change between what we did in the House and what they did in the Senate. The torch is going to move on. It will not spend the night here so the Senate bill did not reflect the House bill in that way. So we would like to expedite the process and agree with the Senate version of the bill.

Mr. OBERSTAR. Mr. Speaker, I have no objection to the changes in the legislation.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. JACKSON-LEE of Texas. Mr. Speaker, during rollcall vote No. 211 on H.R. 3540, the foreign operations appropriations bill, I was absent due to the death of my father.

Had I been present, I would have voted ''no.''

Mr. Speaker, during rollcall vote No. 212 on H.R. 3540, the foreign operations appropriations bill, I was absent, due to the death of my father. Had I been present, I would have voted ''no.''

Mr. Speaker, during rollcall vote No. 214 on H.R. 3540, the foreign operations appropriations bill, due to the death of my father, I was absent. If I had been present, I would have voted ''yes.''

Mr. Speaker, during rollcall vote No. 216 on H.R. 3540, the foreign operations appropriations bill, due to the death of my father, I was absent. Had I been present, I would have voted ''yes''.

Mr. Speaker, during rollcall vote No. 217 on H.R. 3540, the foreign operations appropriations bill, I was absent due to the death of my father. Had I been present, I would have voted ''yes''.

Mr. Speaker, during rollcall vote No. 218 on H.R. 3540, the foreign operations appropriations bill, I was absent due to the death of my father. Had I been present, I would have voted ''no''.

Mr. Speaker, during rollcall vote No. 219 on H.R. 3562, I was absent due to the death of my father. Had I been present, I would have voted ''yes''.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 178, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 450 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 450

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read. The conference report shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

The SPEAKER pro tempore (Mr. EWING). The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my very good friend, the gentleman from South Boston, MA [Mr. MOAKLEY], pending which I yield myself such time as I may consume. All time yielded is for the purposes of debate only.

(Mr. DREIER asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. DREIER. Mr. Speaker, this rule provides for consideration of the conference report on House Concurrent Resolution 178, the concurrent resolution on the budget for fiscal year 1997, which sets out a fiscally sound and responsible path to a balanced budget in 6 years. The rule waives all points of order against the conference report and its consideration. The rule provides that the conference report will be considered as read and provides 1 hour of general debate divided equally between the chairman and ranking minority member of the Committee on the Budget.

Mr. Speaker, one of the most important things we can do for future generations of Americans is balance the Federal budget. Big government liberals controlled Congress for decades

leaving two legacies that plague America's children. One is a welfare state that impoverishes millions, trapping them in lives of despair, dependent on ineffective bureaucratic institutions. The second is a $5 trillion Federal debt that drags down our private sector economy and forces scarce resources—scarce Federal resources—to be used to pay interest on debt rather than to solve problems.

Last year, Congress passed the first balanced budget in a generation. It was designed to address these critical problems. That balanced budget let the President meet his two major campaign promises from 1992, providing a middle class tax cut and ending welfare as we know it.

Finally, it is worth noting that the balanced budget saved Medicare from the bankruptcy that the Medicare trustees now foresee as being just 5 years away, just 5 years away.

Mr. Speaker, the President lobbied to kill the balanced budget amendment to the Constitution over in the Senate. President Clinton vetoed the balanced budget that was passed last year by this Congress. He vetoed the middle class tax cut. He vetoed the welfare reform plan twice. He vetoed legislation to protect Medicare. In the words of our dear friends at the Washington Post, he encouraged Medagogues to ''scare America's senior citizens for political gain.''

Now, Mr. Speaker, some might say it is unfair to claim that this veto pattern reflects the President's views on these issues. He claims to support a balanced budget. At least two of the eight Clinton budgets released at assorted times over the last year and a half were balanced, at least in a technical sense.

The President claims to support tax cuts and has announced a dozen or so ideas for tax cuts over the past 2 years, even some of them in the past 2 weeks, as we have all seen. Of course, the only tax bill that the President has actually implemented and signed is the largest tax increase in American history.

He says he wants to reform the welfare system. The President spoke at length recently in support of the Wisconsin welfare reform plan. Regrettably, the administration has failed to approve the implementation of even that same Wisconsin reform plan.

Mr. Speaker, if nothing else, this budget process is showing the American people who is serious about the issues of balanced budgets, tax cuts, and welfare reform. While the President down there at 1600 Pennsylvania Avenue talks, the Congress delivers serious, thoughtful, responsible proposals.

This budget conference report sets out a 6-year budget plan that results in a balanced budget by the year 2002. It accomplishes this in a responsible manner that results in lower deficits each year than those proposed by the President.

The President's version of a balanced budget is just the opposite. It is a budget fiction that proposes to dramatically increase spending for 5 years and then slash spending in the last year to balance the budget.

That proposal is a joke that mocks the efforts of those who are serious about addressing our chronic budget deficits to save the future of our children.

Recent testimony before the House and Senate Appropriations Committees on discretionary spending illustrates the budget games being played by the Clinton administration. In short, the administration budget proposes to increase spending for 1 year in areas such as veterans and space programs, putting off all the cuts to the following years. The administration's own representatives claim that these budget numbers are not serious, that the President only cares about the first year's spending proposal and that cuts in the coming years will be abandoned each year as the time comes. In this way, the budget is scored as reaching balance in 6 years, but the administration's own officials say it will never come to pass.

Clearly, the balanced budget proposal offered in the conference report on House Concurrent Resolution 178 is the only serious balanced budget offered to the American people. Of course, the American people deserve more from the Federal Government than a balanced budget. We must address the fact that American families now pay a higher percentage of their income in taxes, 34.2 percent, than at any time in American history. This balanced budget cuts the tax burden on American families by $122.4 billion.

This budget also solves the problem of the impending bankruptcy of Medicare which, as I said, the administration has indicated is just 5 years away. It does this by updating a Federal health care program largely unchanged since its creation over three decades ago. By bringing Medicare into the 21st century, America's seniors will be offered increased choices and the potential to add new areas of coverage.

□ 1915

Medicare spending grows by 6.2 percent per year, increasing spending per beneficiary from $5,200 in 1996 to $7,000 in 2002. By addressing this problem in a serious manner, rather than following the Washington status quo band-aid method, Medicare will be healthy for at least 10 years.

Mr. Speaker, it is a cliche to say Talk is cheap. The President has proven time and again that talking about balancing the budget, cutting taxes and reforming welfare is easy to do. However, he has also proven that getting the job done is very hard. He has had both Democrat and Republican Congresses to work with, and he has failed miserably with both. There is no other option.

On the other hand, the failure to match talk of balanced budgets with action is very expensive; it is very difficult. We are passing a massive debt burden on to the children of this country, and we are not preparing them to pay the bill. Mr. Speaker, I urge my colleagues to support this rule and to support the conference report so that we can move forward and proceed with the concrete actions needed to match words with deeds.

Mr. Speaker, I submit for the RECORD the following:

[The Budget Conference Report for Fiscal Year 1997, June 12, 1996]

MAKING LIFE BETTR FOR ALL AMERICANS

(Prepared by the House Budget Committee, John R. Kasich, Chairman)

BALANCES THE BUDGET BY 2002

Reverses the trend of heaping debt on our children and grandchildren.

Will save the average family $2,200 on the cost of a student loan, $900 on an auto loan, and $37,000 on the mortgage of a small home.

PROVIDES MUCH-NEEDED TAX RELIEF

Provides desperately needed tax relief for middle-income, working families with children, who are paying more in Federal, State, and local taxes than they spend on food, clothing, and shelter combined.

Puts an extra $1,000 in the hands of a family of four.

Helps improve the standard of living and savings rate for American families, who for years have seen their real incomes decline.

MAINTAINS A STRONG NATIONAL DEFENSE

Stabilizes national security while reversing the administration's damaging defense cuts.

Makes funds available for a cost-effective and reliable missile defense to protect the American people.

Provides funding for a 3-percent military pay raise, increased construction of family housing and child development centers for dependent children of the military, and full funding of readiness objectives.

EXPANDS VETERANS' BENEFITS

Provides $10.6 billion more than the President over 6 years to provide veterans' medical care, to conduct prosthetic research, to run the National Cemetery system.

Improves other services for veterans: raising disabled veterans' auto allowance; improving compensation for surviving spouses; extending back benefit payment limits; providing scholarships for college seniors; converting certain education benefits to the GI Bill; making permanent the Alternative Teacher Certification Program; and funding the Pro Bono Program; at the Court of Veterans Appeals.

PRESERVES AND IMPROVES MEDICARE

Ensures that hospital care will be available to seniors and disabled beneficiaries by saving the Medicare Hospital Insurance Trust Fund from imminent bankruptcy, extending its life for 10 years.

Increases Medicare spending per beneficiary from an $5,200 in 1996 to $7,000 in 2002, without raising deductibles or copayments.

Keeps the Medicare Part B premium at the current 25 percent of program costs.

Expands the health care options Medicare beneficiaries can choose from: remaining in traditional Medicare or choosing HMOs, point of service plans, provider service organization, medical savings accounts, and fee-for-service plans.

Opens the potential for new benefits, such as preventive services, prescriptions or eyeglasses.

IMPROVES EDUCATION

Protects loans for college, allowing growth in total volume from $26 billion this year to $37 billion in 2002.

Saves taxpayers money by capping the government-run direct lending program and achieving modest savings from lenders in the guaranteed lending program—but no student will be denied access to a loan because of this.

Protects education for disadvantaged students (Title I), Special Education, Head Start, Pell Grants, and Impact Aid.

Delivers more job training with fewer dollars by consolidating 70 separate programs.

ENHANCES LAW ENFORCEMENT

Increases the Violent Crime Reduction Trust Fund in 1997 by almost $600 million compared with this year.

Fully funds the Antiterrorism and Effective Death Penalty Act of 1996, giving the Federal Government significant new resources to fight domestic and international terrorism.

Protects the Nation's borders by supporting the Immigration in the National Interest Act.

PROTECTING OUR PARKS AND NATURAL RESOURCES

Provides additional funds each year to improve the National Parks.

Recommends safe drinking water and strong clean water programs.

Calls for Superfund reforms and provides funding to facilitate hazardous waste cleanup.

REFORMS WELFARE AND MEDICAID

Encourages States to move families off of welfare and into the workforce.

Provides $4.5 billion more than current law to assist persons on welfare in obtaining child care so they can enter the workforce.

Allows States to consolidate 12 separate child protection programs to better address the problem of child abuse and neglect.

Improves the collection of delinquent child support by establishing uniform State tracking procedures to find and crack down on deadbeat non-custodial parents.

Improves the system for establishing paternity in cases of out-of-wedlock birth to increase the likelihood that fathers of illegitimate children will contribute to their children's well-being.

Allows States to offer health insurance to millions uninsured people.

Eliminates Federal micromanagement of Medicaid.

Allows States greater flexibility to tailor health programs to their needs while protecting vulnerable populations.

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

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

Mr. Speaker, I thank my colleague and my dear friend, the gentleman from California [Mr. DREIER], for yielding me the customary half hour.

Mr. Speaker, I am very sorry to see that, for the second year in a row, the Republicans in this Congress are proposing Medicare cuts to pay for tax breaks for the very rich.

Although these cuts are much better disguised this year than they were last year, they nevertheless are still there.

And, make no mistake about it: this $168 billion Medicare cut is to pay for at least $122 billion in tax breaks for the very rich, just like last year, and that is too bad, Mr. Speaker. It is too bad that, after this country responded to last year's bad ideas with a resounding ''No,'' my Republican colleagues are still determined to cut billions from Medicare to help pay for billions in tax breaks for the richest Americans.

Mr. Speaker, this was a terrible idea last year, and it is an even worse idea this year.

This Republican budget plan will cut Medicare by $1,100 per senior by the year 2002, all to pay for those same tax breaks for that same very rich group. Seniors will get fewer services for their money; doctors will be allowed to overcharge; low-income children could be denied health care; and many hospitals could close.

Mr. Speaker, I, and the rest of the country, want to ask my Republican colleagues to stop this horrible budget. It will have very bad consequences for the most needy Americans, especially children and senior citizens, and no tax cut for the rich, Mr. Speaker, is worth that price.

I would also like to ask my Republican colleagues to please talk to Speaker GINGRICH and ask him not to rob Medicare for seniors and pass out tax breaks again to that very elite group, the very richest Americans, particularly when working Americans earning less than $28,000 are going to see their taxes rise under this bill.

For all their talk of reversing the deficit, Mr. Speaker, my Republican colleagues have come up with a budget that will actually raise the deficit — now listen very closely—the budget that we have before us now will actually raise the deficit $40 billion over the next 2 years. This budget will reverse the remarkable progress that President Clinton has made in lowering the deficit from $290 billion to $130 billion.

Mr. Speaker, it is irresponsible, it is shortsighted.

And that is not all this bill does, Mr. Speaker. The Republican budget will limit student loans. Now please listen to this figure: forcing 700,000 students out of the student loan program this year alone. It will freeze Superfund cleanups, leaving dangerous toxic waste in our land and our water. And I am disappointed to see that my Republican colleagues are including that same poison pill of Medicare cuts they did in last year's budget. They are going down the exact same road that they did last year, a road that ended up in unprecedented Government shutdowns and unprecedented wastes of taxpayer money. In fact, my Republican colleagues have even added a section to the budget just in case they cannot get their work done. They would actually add $1.3 billion to the deficit in this budget to govern themselves in case they decide to shut down the Government again.

So make no mistake about it, Mr. Speaker. Any Member who votes for this conference report is voting to increase the deficit by $40 billion over the next 2 years.

Now I want to repeat that so nobody has any false ideas. Any Member who votes for this conference report is voting to increase the deficit by $40 billion over the next 2 years.

Mr. Speaker, I urge my colleagues to oppose this budget. We should protect our Medicare. We should protect our student loans. We should not raid them for tax cuts for the rich.

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

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

Let me just say it is very interesting that the term ''rich'' has been used, and I understand that momentarily we will be getting a report on the number of times it was used, but I would like to say that in looking at this budget proposal there is nothing in here for a tax cut for the rich. We have the family tax credit, per child tax credit, $500 in here, and I do not know that that is a great big windfall for the rich. It is for the working American out there.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. DREIER. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I just want to read from the record before the Committee on Rules. The gentleman from Massachusetts [Mr. SOLOMON] says:

> Any other questions of the witness?
>
> Mr. Linder (questioning): ''Will capital gains cuts come in next?''
>
> Mr. Kasich: ''It will be in the loophole-closing section.''

So do not say there is no tax break for the very rich in here.

Mr. DREIER. So it is completely paid for.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Glens Falls, NY [Mr. SOLOMON], chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank my colleague from Claremont, CA, and the vice chairman of our Committee on Rules, for his excellent opening statement, and I guess I should not be taken aback by the speech I have just heard by my good friend, the ranking democrat from Boston, MA [Mr. MOAKLEY], but, yes, he mentioned that we are helping the very rich, he says that six times, and he says we are cutting Medicare six times.

Mr. Speaker, I ask my colleagues, isn't that funny?, because the liberal New York Times says that is not so. The liberal Washington Post says that is not so. The liberal Los Angeles Times says that is not so. And editorials all across this country say that is not so and it is not.

Now I also want my colleagues to keep track of those that are going to get up and speak tonight on that side of the aisle accusing us Republicans of raising a deficit, because my good friend, Mr. MOAKLEY, appears on the list of the biggest spenders in the Congress, according to the National Taxpayers Union, and so will just about every other speaker that rises against our budget today. Keep that in mind, my colleagues.

Now, Mr. Speaker, let me begin by first commending the Committee on

the Budget and particularly its chairman, the gentleman from Ohio [Mr. KASICH], for making the very tough choices necessary to balance this budget. While this conference report does allow the deficit to go up from $145 billion this year to $153 billion next year, it does get us to a balanced budget by strictly adhering to the balanced budget glidepath that we adopted last year, and that is why I am such a strong supporter of this budget here today. This predicted increase follows the extraordinary work at cutting spending done by the Committee on Appropriations last year, over $30 billion, the largest single-year reduction in spending since World War II. Cutting that spending early on in this glidepath actually reduced the deficit for last year more than was originally predicted.

Nevertheless, I believe any increase this year can be further reduced by cutting more spending during the appropriation process. That is what we did last year after we adopted the budget, by passing our entitlement reforms and by producing a stronger economy as a result of our continued dedication to a balanced budget. The result of that dedication, Mr. Speaker, has already brought about a deficit that is the lowest percentage of the GDP since 1974. That is decades ago.

I would also note that the Committee on the Budget of the 104th Congress, under the leadership of the gentleman from Ohio [Mr. KASICH], has produced only budget resolutions with a glidepath to a balanced budget demonstrating their deep-rooted dedication to getting our fiscal house in order, and that is what this debate is all about today.

As we all know, this has not always been the case around here. In the past there have been efforts to reach a balanced budget by setting statutory deficit reduction levels, like the Gramm-Rudman statute in 1985, but the Democrat-controlled Congress proved unable to maintain the path to a balanced budget, and the quest for that goal was abandoned after just 2 years. This conference report before us today continues to press toward our balanced budget mark for the second consecutive year, and we will keep doing it for 5 more years in a row.

In March, the Congressional Budget Office projected that absent any substantive spending reform, the Federal budget will carry a deficit of $209 billion in the year 2002. However, under the budget blueprint before us today right here on this floor, in the year 2002 we will see the death of the deficit. In fact, this budget provides a $5 billion surplus in that year, and, as my colleagues know, I just can hardly wait for that to happen.

This budget also contrasts sharply with the Clinton administration's budget, which is being sold as leading to a balanced budget on this floor tonight. As we all know, the President's budget, when added up by the nonpartisan Congressional Budget Office, still falls short of that balanced budget. In fact, it leaves the budget $81 billion in deficit 7 years down the road.

So what did we gain after all this over 7 years? Nothing. A balanced budget is achieved only after adding in the President's contingency proposals, which call for $67 billion in unspecified spending cuts, and, my colleagues, that is a copout because, if we do not specify, we know we are never going to get them down the road. It also provides for a sunset of his tax proposal so that he raises taxes once again in the years 2001 and 2002, well after he leaves office. His budget is going to raise out taxes even after he is gone.

We are not going to let that happen, my colleagues. In stark contrast, this budget resolution is backed up by a series of assumptions showing with great specificity how it is possible to implement these numbers in the resolution.

For example, and my colleagues all ought to listen to this back in their offices or wherever they are tonight, this budget resolution calls for tax relief of $122.4 billion centered around, and not for the very rich now, not that term my good friend Mr. MOAKLEY likes to use, but it is centered around a permanent $500 per child tax credit for middle-class American families. Is that for the very rich? It sure is not in my district. It has teeth by calling for comprehensive, yet responsible reform of the Nation's failed welfare system, and we are going to get that, my colleagues. We are going to drive that through this year, slowing the growth of the Federal welfare spending by $53 billion.

I mean that is what we have been attempting to do here for the last 2 years. Tonight we are going to get it done.

□ 1930

Also with Medicaid for the poor, spending is growing at the unsustainable rate of 9 percent a year. This budget slows that growth of Medicaid spending by $72 billion over the next 7 years by allowing it to go from $96 billion in 1996 to $140 billion in 2002.

Mr. Speaker, this budget also ensures the provisions of quality medical care for senior citizens of this country by, listen to this now, because this is what the New York Times, the Washington Post, and all the editorials across the country say; not cutting Medicare, but by increasing Medicare spending per beneficiary from $5,200 in 1996 to over $7,000 in the year 2002. It preserves Medicare from its pending bankruptcy. That is what the media out there and what the American people are asking us to do, to preserve Medicare. This budget does it.

Furthermore, Mr. Speaker, this budget reflects Congress' emphasis on national priorities such as strengthening our national defense, enhancing veterans' benefits and medical care, boosting law enforcement and crime prevention, improving the quality of education, and preserving student loans, preserving it so we do not fund it by deficit spending, protecting the environment and the Nation's parks, advancing basic research to create new knowledge, and transitioning agriculture to a market-oriented system, something that has been long overdue; and we do it in this budget.

Finally, Mr. Speaker, I just feel compelled to answer the question, why are Republicans seeking to balance the budget and provide tax relief for middle-class Americans; why, why, why, are we doing this? Contrary to the claims of the Democrats, it is not because we oppose popular Government programs, not because we seek to pay off influential political friends, or not because we lack any compassion or care for those less fortunate. In fact, it is precisely because we are compassionate and because we favor increased economic opportunity and mobility for all Americans that we are doing this.

We firmly believe slowing the growth of spending, lowering taxes, increasing family responsibility and transferring portions of Government from Washington to the State capitals and local governments will create a better society for all. That is what we believe in.

To further demonstrate how the Republican vision provides this positive change, just consider some of the benefits of balancing the budget, as determined by not us, not the Republicans, but by the Federal Reserve and the Congressional Budget Office and the Joint Economic Committee. Listen to what they say. The Republican balanced budget, and the American people ought to listen to this, because sometimes we wonder what will a balanced budget do for the average American family, first of all, it lowers long-term interest rates by at least 2 percent on mortgages, auto loans, school loans, and credit cards. Think about that, Mr. and Mrs. America. It allows the private sector to create 4.25 million new jobs over 10 years. That is really what we ought to be about here in this Congress is helping the private sector create new jobs.

It increases per capita income by 16.1 percent. What American family cannot use that? It adds $235 billion more revenue to the Federal Government and $232 billion more revenue to State and local governments, both without raising taxes. That is the way Government ought to function, not raising taxes.

It adds an additional $32.1 billion in real disposable income to put in the pockets of the American people. It adds an additional $66.2 billion in consumer spending. That creates jobs by creating this spending. It adds an additional $88.2 billion in capital investment, so badly needed, especially by small business, which creates 75 percent of all the new jobs in America every year. It provides the average family with $2,300 economic bonus. It raises real incomes of American families by 10 percent due to permanent balanced budgets. It frees up crowded-out capital for private investment and job creation. It strengthens the American dollar. It accelerates long-term economic growth.

This is not me saying this, this is the Federal Reserve and the Congressional Budget Office saying this. It lowers inflation and unemployment. That is what we are all about. It increases productivity and exports of American goods. It strengthens financial markets, both stocks and bonds. It frees up our annual $200 billion in interest payments for other priority items in the budget, for those people that truly need help, because we are reducing that annual deficit dollar that we have to pay every year.

It expands the Federal tax base, thereby increasing Government revenues. It prevents future tax increases to finance a growing Government, because we are shrinking that Government and returning it back to the States. It strengthens U.S. credibility in international markets. It ensures the long-term ability of governments to be compassionate. It turns America around and stops our fiscal decline.

Mr. Speaker, let me just conclude by saying this budget restores the moral responsibility on fiscal issues. It saves our children and grandchildren from bankruptcy, and it strengthens the American family by preserving their future. Mr. Speaker, these benefits are not economic statistics or intellectual theories, they are basic kitchen table benefits for every American family in this country.

I commend my Republican colleagues for their resilience and dedication to their core principles, and the chairman, the gentleman from Ohio [Mr. KASICH], for his leadership, and for putting wheels onto the efforts to fulfill this vision that I have just outlined for America.

Mr. Speaker, every Member of this Congress ought to come over here and vote for this rule and vote for this bill. It is the right thing to do for our children and grandchildren. Please come over here and support it.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I simply want to note that one of the previous speakers mentioned the House passage of the Wisconsin welfare reform proposal last week. As Members know, what happened last week is the House passed the waiver request sent in by the State of Wisconsin, eliminating the 30-day public comment period.

The Milwaukee Journal carried a story yesterday that hidden in those waiver requests were provisions that allowed employers to scale back employment for regular workers, to cut their hours, to cut their benefits, to interfere with their scheduled promotions in order to hire welfare recipients. The main Wisconsin bureaucrat who was supposed to be in charge of administering the program said in the Milwaukee Journal, ''Gee, we had no idea why that provision is there.'' The main legislative sponsor in the proposal in the State assembly was quoted as saying that he did not know that that was in the waiver request until he read it for the first time over the weekend.

Today, Wisconsin announced that it was a big mistake and that they were going to have to change their waiver request. What this means is that the proposal which the House voted to bless just a week ago tells workers that we do not like the fact that welfare workers are going to be unnecessarily gobbling their tax dollars, but instead we are going to allow them to unnecessarily gobble their jobs. I do not think those workers are going to be very pleased about that.

I think what happened last week, in fact, showed the wisdom of those in the House who supported the substitute that we proposed, which asked to maintain the regular waiver process, and which allowed the public to continue to be able to comment for 30 days so just that kind of problem could be avoided.

Mr. Speaker, I would point out it was not any Wisconsin politician who discovered the problem, it was a member of the general public, a member of the press. So much for rubberstamping what we get sent by legislators these days.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I rise to oppose the rule. Once again, the Republican leadership is determined to make unnecessary cuts in the Medicare Program in the name of tax breaks for the wealthy. Incredibly, this Republican budget actually increases the deficit while making major changes in the Medicare and Medicaid Programs that will ultimately destroy their effectiveness. If there is any doubt about that, I would mention that one of my colleagues from the other side, the gentleman from Wisconsin [Mr. NEUMANN], actually passed out a Dear Colleague yesterday where he asked the Members, his colleagues, not to vote for the budget resolution, the conference report, because it increases the deficit from $145 billion in fiscal 1996 to $153 billion in fiscal 1997.

Mr. Speaker, I cannot support a budget that cuts Medicare and blatantly raises the deficit after so much progress has been made. We have been through 4 years now where the deficit has steadily been going down. Yet, at the same time now, our Republican colleagues are saying to us that is OK, we are going to raise it again for another year or possibly beyond, but at the same time we are going to make these drastic cuts in Medicare and Medicaid that primarily pay for tax breaks for the wealthy.

Mr. Speaker, let there be no doubt about it, these cuts go into a slush fund that will be used for tax breaks for the wealthy.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I rise in opposition to this budget proposal. First of all, I am not voting for a budget proposal that actually raises the deficit in the first 2 years, meaning that we are going to have to borrow more and put it on the national debt in order to pay for it over time.

Second, I am not voting for a proposal that cuts Medicare and Medicaid far more than is necessary, presumably to pay for tax cuts, and some of those tax cuts, if not many, are going to end up in the pockets of the wealthiest. In West Virginia we did an analysis. Three hundred twenty-five thousand senior citizens could see their Medicare premiums or other costs, out of pocket, increased somewhere between $800 and $1,000 by the year 2002. Three hundred sixty thousand West Virginians are on Medicaid, of which one-quarter of our children depend upon Medicaid, yet this program is being cut far more than is necessary, probably in order to pay for tax cuts for the wealthiest. The Tri-County Health Clinic in Rock Cave, WV, I think said it well, its administrator, when he said, ''This means a reduction in uncompensated care, a reduction in services and increased charges, a reduction in the community services.'' This is not a good budget.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this is a sad time to come to the floor of the House, primarily because I would like to say that we have done better than we did last year. Maybe we will entertain the opportunity for not closing the Government down, but it is like a second place finish; better than a third place finish, but not good enough.

This bill increases the deficit, this budget. It likewise says to seniors, the heck with you on being able to stay with your physician. The heck with you in terms of the Medicare costs that are increasing, for we are not going to provide you with the resources for good health care.

As millions of Americans are trying to educate their children, we begin to cut Medicaid so those families who need nursing home care for their parents have no help. Likewise, we say to throngs of children and pregnant women that ''Your health care is not at the cornerstone of our concerns.''

Then what the Republicans do is something quite interesting. It is called magic. They have a big pool of money that is unnamed, called tax breaks for the rich, the crown jewel of the contract, hidden and unseen. That is what the budget resolution is all about. I would ask my colleagues to vote it down.

Mr. Speaker, the conference report that we have before us is a lot like a second place finish in a race—it's better than third place finish of the House-passed bill, but its not good

enough. There is indeed more money in this conference report than the bill passed out of this body, but there are budget reductions and policy changes which I not only find objectionable but horrible. Seemingly in almost all areas, but especially the entitlement programs, this budget resolution directs policy changes which I can only believe will cause much greater harm to those it is supposed to help.

While Medicare is no longer slashed by $270 billion as it was last year, the CBO has projected that under the current Republican plan, not enough money is spent to maintain the current level of benefits. As common sense will tell any of us, that means this Nation's seniors will be shortchanged, and less care given. And while part B premiums will stay at 25 percent, this legislation will allow providers to engage in balance billing—the charging of seniors above what Medicare will pay.

Under these Medicaid provisions, the Federal Government will abdicate its responsibility, and millions of low-income children, pregnant women, disabled people and senior citizens will be denied access to the basic health care which we all take for granted. States will be allowed to reduce their maintenance of effort requirements and define who they consider to be ''disabled.''

May I remind my colleagues, that it is Medicaid which helps millions of American families pay for the nursing home care that their parents need. Without that help from this Government, those families will be saddled with these additional costs, just as they are trying to cope with the price of college education for their children, increased uncertainty about their jobs and ever increasing burdens that American families will face at the turn of the century.

VETERANS

And Mr. Speaker, may I say woe to our distinguished and honorable veterans, for this conference report provides small increases to several veterans' programs, including the Montgomery GI bill education benefits, the alternative teacher certification program, the pro bono legal program at the Court of Veterans Appeals, surviving spouse compensation, and the auto allowance for severely disabled veterans. But overall, it reduces veterans' programs by $5.3 billion over the next 6 years.

WELFARE

The most harmful provision of this bill is its welfare provision. This package will effectively eliminate the Federal guarantee of assistance for poor children in this country for the first time in 60 years.

The Republican budget folds 20 separate child protection programs into two block grants at a time when GAO and others report that current resources are failing to keep pace with the needs of a national child protection system in crisis. Under this plan, funds could be inadequate to respond to rapidly increasing reports of abuse and neglect, and insufficient to protect abused children and find them safe, loving and permanent homes. The plan potentially guts accountability for State child protection systems, over 20 of which are operating under court mandates for failing to provide adequate service to abused and neglected children.

Once again, the Republican majority has produced a budget that fails to provide adequate resources for work programs and child care which are critical to effectuate a transition from welfare to work. The Republican plan significantly increases the need for child care while reducing the resources for child care services as well as the funds available to States to improve the quality of care.

Mandatory welfare-to-work programs can get people off welfare and into jobs, but only if the program is well designed and is given the resources to be successful. The GOP plan is punitive and wrong-headed. It will not put people to work, it will put them on the street. Any restructuring of the welfare system must move people away from dependency and toward self-sufficiency. Facilitating the transition off welfare requires job training, guaranteed child care and health insurance at an affordable price.

Even though this resolution presents us with a balanced budget, it is the wrong balance of needs and responsibilities. I urge rejection of this Republican vision of America and ask my colleagues to reconsider our priorities and our future.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. WYNN].

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

Mr. WYNN. Mr. Speaker, I thank the ranking member for yielding time to me.

Mr. Speaker, we have just heard described a pie-in-the-sky budget that can do just about everything but leap tall buildings. The fact remains, Mr. Speaker, that the budget they are presenting increases the deficit. The people who claim to be deficit hawks, the people who claim to want to reduce the deficit and balance the budget, are in fact presenting us with a budget today which will increase the deficit by $40 billion in the course of the next 2 years. What they have done is front-loaded this budget with tax breaks for the wealthy. Those front-loaded tax breaks will kick in, and that will cause us to increase the deficit, also causing us to make deep cuts in Medicare.

Yes, Mr. Speaker, this budget contains cuts in Medicare far deeper than the President's budget and far deeper than the coalition budget, which 40 newspapers said is the only true budget. With these deep cuts in Medicare, seniors will experience a loss of choice of their doctors. Seniors will experience higher out-of-pocket costs. Seniors will experience a reduction in the quality of their medical care. They will also lose the benefits of Medicaid and the protection for nursing home care.

Mr. Speaker, this is a bad budget, a pie-in-the-sky budget that increases the deficit.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, I rise in opposition to this rule and in opposition to this budget.

Mr. Speaker, this budget, though the numbers may be a little better, actually the results are the same. It is more of the same all over again. In spite of the Republicans saying that they got it, that Medicare was a concern and they are trying to save it, I will have Members know that if the Medicare cuts persist, rural hospitals where I am from will more than likely go out of business, because over half of their revenues now are dependent on Medicare; so indeed, pushing this budget will see the demise of rural hospitals, where health care is already in a deficit.

□ 1945

In addition, Medicare is bad but Medicaid is even worse because we depend more on Medicaid for care for women and children. Three out of every five children in rural areas depend on Medicaid.

Moving toward this budget means that you deny poor children and mothers an opportunity to have health care. This is the wrong budget. In moves in the wrong direction. I urge defeat of the rule and also defeat of the budget.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. I thank the gentleman from yielding time.

Mr. Speaker, I am a little confused. I was listening to my colleagues on the other side talking about this budget and what it is going to do. We have just gone through 4 consecutive years of lowering the deficit. This began in 1993 with a very tough vote for some of us on this side of the aisle. Not one Republican voted for that budget back in 1993. In fact they stood up one after the other preaching doom and gloom, that the country was going to fall apart.

This is the first time since FDR and Harry Truman that we have had 4 straight years of deficit reduction. It was started by President Clinton. In fact, the budget today would be balanced if we were not paying the interest on the debt of 12 years of Reagan and Bush running up the debt, quadrupling the deficit in this country. If it were not for the interest on the Reagan and Bush debt, the budget indeed would be balanced.

Here come the Republicans. Not one vote did they give us in 1993, but they are telling us, ''If you allow us to increase the deficit next year, we'll balance the budget 6 years from now. If you allow us to increase the deficit the following year, we'll balance the budget.''

Mr. Speaker, I call this the wimpy budget: You will gladly pay us in 2002 if we give you a vote today.

Mr. MOAKLEY. Mr. Speaker, would the Chair inform my dear friend, Mr. DREIER, and myself how much time we have remaining?

The SPEAKER pro tempore (Mr. EWING). The gentleman from Massachusetts [Mr. MOAKLEY] has 17 minutes, and the gentleman from California [Mr. DREIER] has 9 minutes.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. I thank my friend from Massachusetts for the time to speak on this rule and to speak on the budget.

Mr. Speaker, after the Clinton administration has worked so hard to reduce the deficit by over 50 percent, this

budget actually raises the deficit a billion dollars. Instead of being fiscally responsible and reducing the deficit, the Republicans are cramming tax breaks into the first 3 years of their 6-year budget. The deep changes in the projected growth of Medicare will turn the balance against our seniors. Life will be different for our seniors when they must pay doctors and hospitals up to 40 percent of the cost of their medical procedure and when rural hospitals have to close because they rely on Federal funds.

I urge a ''no'' vote on this rule and a ''no'' vote on this budget.

Mr. DREIER. Mr. Speaker, I feel compelled to yield myself 10 seconds to respond to the statements of my dear friend from Kentucky and before that to the statements of my friend from Pennsylvania.

Mr. Speaker, the fact of the matter is that our colleagues on the other side of the aisle voted for budgets which increase, at an even higher level than this one, the deficits over the next 2 years. They are higher each of the next 2 years. We cannot forget that.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman for yielding time.

Mr. Speaker, actually the fact of the matter is a lot of us on this side of the aisle, and none of us on that side of the aisle, voted to cut the deficit in half in the first year of the Clinton administration by putting a gas tax on.

One of the reasons we got into all this trouble is somebody decided then they would lift it. Everybody wants to lift taxes and not cut programs. But the bottom line here for, I think, Americans is to hear this body talking about how we have to have a constitutional amendment to balance the budget, we have to do all of that, but we cannot balance the budget here.

Here we are considering a deficit that is going to be higher than the one we have this year. How can we have a higher one next year than the one we have this year and then stand there and say it passes the straight-faced test, to stand around and look at people and say, ''We're really for balancing the budget.'' This does not work.

The real issue is not whether you are for amendment, it is whether you can get the deficit under control. I urge a ''no'' on this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas, Mr. GENE GREEN.

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, I rise and thank my colleague from Massachusetts for yielding me the 1 minute, and oppose the resolution, for many reasons, including the unnecessary deep cuts in the Medicare needs totaling $168 billion.

I also oppose the resolution because it increases the budget deficit by enacting fiscally irresponsible tax cuts costing $176 billion. After 3 years of progress on deficit reduction in which the President kept his promise in cutting the deficit in half, the Republicans now want to reverse the trend and add $23 billion to the deficit next year.

Three years ago Republican after Republican came to this well to talk about the sky would fall if we passed the President's economic plan in 1993. Since then the deficit has been cut in half and millions of jobs created. Instead of continuing the work that was started in 1993, the Republicans want to give tax cuts and raise the deficit.

Mr. Speaker, I think the Republicans should listen to the majority leader now in the Senate, TRENT LOTT, who said that one solution to the budget problem is to reduce the tax cut. I would hope that we would remember that the budget is so important. We need to make sure we prioritize.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The membership should avoid references to Senators.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. VOLKMER].

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

Mr. VOLKMER. Mr. Speaker, I wish to echo the words of those that we have heard from this side. I, too, rise in opposition to this budget which unnecessarily makes deep cuts in Medicare, in agricultural programs—we just went through that bill—and others.

I say unnecessarily because it is not necessary to make these cuts in order to balance the budget by 2002. We have proven that through the coalition budget. You do not have to have the big tax cuts. All you have to do is forget the big tax cuts and then you do not have to make those cuts. But on the other hand, I see where Speaker GINGRICH and the Republican radical right, they not only want to make cuts in Medicare and agriculture and other things, but they also still insist on giving the big tax cut to the wealthy.

I rise strongly in opposition to the budget.

Mr. DREIER. Mr. Speaker, I yield 4 minutes to my friend, the gentleman from Sanibel, FL [Mr. GOSS], chairman of the Subcommittee on Legislative and Budget Process.

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

Mr. GOSS. I thank my distinguished colleague from greater metropolitan San Dimas, Claremont County, CA, for yielding me the time.

Mr. Speaker, I guess after listening to the commentary and the steady string and the balance of time, I am beginning to understand those polls that are coming out in the newspapers these days that show Americans trust Republicans a lot more to handle the budget and economic matters than they do others. I am not sure what the Boston Globe is showing but then again, they do not always get the word up there as I understand there is a lot of snow.

I think it is important to say, yes, we could have done a lot more, and we will. Yes, we could have gone a lot further in this budget resolution. But I am extremely proud of this budget resolution because it goes a very, very long way toward the goals that we have said we espouse. It shows that we will stick to our convictions and that we will stay on a glide path towards balancing the budget by 2002, even in the face of election-year politicking which is creeping into this conversation, and despite the very manifest intransigence from the White House and, some might say, from the President's party in the people's House.

The gentleman from Ohio [Mr. KASICH] and the members of this committee have demonstrated unending persistence, in my view, in presenting this budget. His hard work ensures that this Congress will keep faith with the American people, continuing on course for a balanced budget, something we started last year under the Contract With America and are moving forward in an orderly way.

Of course, we still hope the President will join us in this effort—it is not too late—taking the concrete action necessary to match his words of resolve that we hear so often and we fail to see the actions, as my good friend from California has pointed out.

Although President Clinton vetoed major components of our budget last year, we did make significant progress toward our goal of balance by our sheer staying power on this, enough so that this year we can still fulfill our promise that by 2002 we will no longer be adding annual deficits to the huge national debt we have and leave to our children and grandchildren and great grandchildren and their children.

This budget assumes the termination or privatization of 130 low-priority or unnecessary Federal programs, while outlining responsible reforms to preserve and strengthen Medicare. And, yes, I care about that because I am going to need it. I am getting close. And, yes, the people I represent are very interested in Medicare in my part of the world.

This is a crucial component needed to save that program from certain fiscal disaster, which is what will befall it if we stick with the status quo. In addition, this budget provides for revamping Medicaid and welfare to give greater flexibility and control to the States, shrinking the size and scope of the Federal bureaucracy so that people closer to home can implement programs to meet their unique needs. And this budget paves the way for tax relief for American families so that Americans can keep more of what they earn, a good idea.

Mr. Speaker, the rule providing for consideration of this budget is the

standard one for budget resolution conference reports and it deserves everybody's support. But while we are making progress—and we are making progress, I want to point out—just listen to our friends on the Democratic side of the aisle.

After 40 years of Democratic House rule and multi-trillions of tax dollars later, supporting even bigger bloated government, Republicans can report a major achievement to the American people. We now have the biggest spenders in the House publicly asking for lower deficits, and that is an achievement. We are proud that they have come around to that point of view. Now if we can just get them to ask for lower taxes, we will have indeed accomplished our mission.

I urge support of the rule.

Mr. MOAKLEY. Mr. Speaker, the gentleman has given a very trying speech, but the still has to admit that this budget package that he is pushing forward raises the deficit by $40 billion over the next 2 years after President Clinton has reduced it over the last 4 years.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise today in strong opposition to the rule, and I do this on behalf of the millions of seniors across this great country of ours that will be hurt by this budget and its sweeping cuts to Medicare and Medicaid.

The stakes in this debate are high, very high, because Medicare and Medicaid have provided essential support to our seniors so that they may live in some dignity. Today 37 million seniors depend on Medicare, and we in the Congress have a solemn obligation to make sure that they can count on it. People who work hard and save for a lifetime should have the chance for a dignified, a secure, a safe and a decent retirement, and Medicare must be protected.

Think about the difference that Medicare has made in the lives of seniors. In 1959 only 46 percent of Americas seniors had any health insurance in this country. Today 99 percent are covered. In 1966 the poverty rate for seniors was almost 30 percent. Today fewer than 10 percent of our Nation's elderly live in poverty.

Despite these great achievements, Medicare and Medicaid are one more time on that chopping block. The budget conference report that we consider tonight proposes $168 billion in cuts in Medicare over the next 6 years.

These cuts are not to be used for the solvency of the Medicare trust fund or to contribute to the needed deficit reduction that we have been talking about. In fact, by their own admission, the Republicans have said that this budget resolution will increase the deficit. A number of their members have said that it will increase the deficit.

□ 2000

These cuts are to be used to finance tax breaks, including those that are skewed, to help the most privileged people in our society. This is plain wrong.

Mr. Speaker, I urge my colleagues to reject this rule and to reject these cuts. It truly is unacceptable for us as a society to sacrifice America's seniors' security and their standard of living.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

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

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, this budget has a lot of problems, and they probably almost all stem from the fact that our friends on the other side of the aisle have tried to do it alone. There is no element of bipartisanship here and, as a result, the budget gets skewed. A small wing at the right end of the party has to be placated and, therefore, the budget drifts away from what the American people want.

Let me tell my friends we speak from experience. We tried to do a budget in 1993 without any Republicans, and while we were able to pass it and squeak it through, it ended up being, most people I think would say, a mistake to not do it in a more bipartisan way.

And so I would say to my colleagues on this side of the aisle, rip it up, start over, reach out to the many of us on this side who have voted for a balanced budget, who believe we must balance the budget, and if we can do it in a bipartisan way, we can get a lasting document rather than a political one.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Utah [Mr. ORTON].

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

Mr. ORTON. Mr. Speaker, I rise in opposition to this rule. A little over a year ago this battle was first joined as we began talking about cutting taxes, dramatically cutting taxes, even before we started locking in any sort of plan to balance the budget.

A promise was made at that time, because there were many people on both sides of the aisle who said the most critical thing to do is balance the budget, and the promise was made by the majority that we would not cut taxes unless, and until CBO certified that in fact we were obtaining a balanced budget; that we had everything locked in, all of the laws passed to get us to balance.

This budget plan not only increases the deficit by a net $27 billion over the next 3 years, but the very first part of three reconciliation bills that will be sent forward, which tag a $122 billion tax cut to the welfare and the Medicaid cut plan, according to the Republican numbers, will increase the deficit an additional $33 billion. That is $60 billion higher deficits through the first reconciliation plan. It is $30 billion over the baseline in the Republican budget. That is what CBO says.

And the Republican baseline budget actually increases in the first fiscal year, next year, from $130 to $153 billion; the year after that from $130 to $147 billion.

And so here we are, promises made, promises broken, is the actual theme of this Congress, because we promised the people we would not go forward cutting taxes without it being part of an overall plan to balanced the budget. Reject this rule and reject this bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts, the Honorable JOE KENNEDY.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I think when we look at what is contained in this budget bill perhaps what is the most onerous and difficult to accept, aside from the mean-spirited cuts on welfare, the tough spirit that we have toward the cleanup of toxic waste, the limitations on student loans, the tax increases on working families while providing tax breaks to the wealthy, underneath all of these provisions is probably the most devastating provision of all, and that is the terrible effect that this budget will have on the veterans of this country.

Having served for 10 years on the Committee on Veterans' Affairs and watching as we see a health care system for our Nation's veterans that has been chronically underfunded, seeing a $570 million cut, $100 million less in outlays, $700 million less in budget authority, when we recognize that we did not ask our veterans when they went off to war, when they stood up for America, how much it was going to cost in terms of their own lives, we just sent them into battle. But once they come back, what we are not doing is we are saying that their budget has to fit within the budgetary aspects of all of the considerations of the House of Representatives and the Congress of the United States.

What we say to them is a broken promise, a promise that said we will take care of your health care needs if you are willing to go off and fight for this country, but when you come back, what we are saying is we are no longer going to meet that obligation. What we are going to do is to see whether or not the health care budget of the VA fits within how much money we are willing to raise in taxes and fits into how much money we want to provide the wealthiest Americans in the form of a tax cut.

That is what is going on here. We will be sending veterans home, we will be raising the number of veterans that are not going to be served by this by 48,000 over the course of the next 10 years. Forty-eight thousand veterans are going to be cut as a result of the actions taken in this budget. It is an outrage.

We should reject this budget and we should send this budget back to the

budget cutters and tell them to cut somebody other than our Nations' veterans.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my friend the gentleman from Jonesville, WI [Mr. NEUMANN].

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

Mr. NEUMANN. Mr. Speaker, I rise to support the rule and commend the chairman for putting this out. I would also like to issue some praise for the chairman of the Committee on the Budget, the gentleman from Ohio, JOHN KASICH, tonight. I have the greatest respect for this man, of any man, and it is only after very, very careful thought and consideration that I rise to oppose the budget deal tonight because of the fact that I do have such great respect. And all the people in America should respect the gentleman from Ohio and praise him for the work he has done. But tonight I feel compelled, even with this respect, to rise and speak against the budget, because tonight we have an historical occasion staring us in the face.

In 1990, I sold my business to run for Congress because I had watched what past Congresses had done on balancing the budget. They had pleased the Gramm-Rudman-Hollings Act, and in the Gramm-Rudman-Hollings Act they were going to balance the budget by 1991. They went 1 year, then they went off their track and it started going back up again. Then they revised the Gramm-Rudman-Hollings Act and they went 1 year and it started going back up again.

I want to make sure everyone in this room and all my colleagues can see this because we are at this historical point once again this evening. Once again this evening we are at this point. We have been successful in our first year of reaching our budget targets, we have been successful at bringing the deficit down, and we have done it without raising taxes, like was done in 1993. We do not have to raise the taxes.

What are we going to vote on this evening? This evening we are going to vote on a bill that puts this thing going back up again. We are going to vote on a bill that sends the deficit from $145 billion in 1996 back to $153 billion in 1997.

I cannot emphasize how strongly I feel about this. I had a great business out there in the private sector, and I could still be doing that business, providing jobs for 250 people, but I came to this city because I knew that Congress had to be different if we were actually going to balance the budget. Tonight I ask my colleagues to have the courage of their convictions.

Mr. Speaker, we cannot let this happen. Tonight is a vote about the courage of our convictions to keep the deficit going down and to be different from past Congresses.

Mr. MOAKLEY. Mr. Speaker, I commend the last speaker for his wisdom.

Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the conference report before us is little more than a repeat of last year's attack on rational national public policy. Tens of billions of dollars in overspending on defense, raising taxes on working families whose only sin is to make less than $25,000 a year, and a large tax cut on the front end of what is supposed to be a balanced budget glidepath.

Think what happened to the Federal budget during the Reagan era. This chart shows the very low, nearly balanced budgets until we get into the 1980's. The 1980's deficits were touched off by an up-front tax cut and promises of future spending cuts, promises which went unkept. The result is $5 trillion of accumulated debt to pass on to our children and to our children's children.

When we begin our balanced budget plan with a big tax cut, as this bill does, we invite failure.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. OLVER. Mr. Speaker, if the gentleman is going to give me more time, so whatever we are doing we can come up with it. This is all I have of my time.

Mr. DREIER. Well, Mr. Speaker, I want to ask the gentleman who promised those cuts after the tax cuts went into place? Who promised those spending cuts?

Mr. OLVER. The President. The President, as part of his plan.

Mr. DREIER. Article I, section 7 of the Constitution places all that authority right here in this room.

Mr. OLVER. As the gentleman understands, the Senate of the United States was in the hands of the Republican Party, his party. As the gentleman also understands, the bill was also, was also passed in this House by the whole of the gentleman's party, then in the minority, plus a modest number of the Democrats, not with the Democratic leadership.

Mr. DREIER. Has the Democratic Party ever passed a balanced budget?

Mr. OLVER. Mr. Speaker, reclaiming my time, the Republicans then make extreme cuts in health care, in education, in job training, in environmental protection, in research and development, in public transportation and economic development, and they leave the Nation in the year 2002 with over $6 trillion of debt and no revenue to pay it back because they have cut up front the revenue that would be possibly usable for paying that debt back, and that leaves us with $240 billion at least of interest payments on that debt year, after year, after year, without hope of an end to it.

But such extremism really is not necessary to balance the budget. Both the coalition budget and the President's balanced budget prove that. So I urge my colleagues to reject this rule and this blueprint for failure. Vote no on this rule and on the conference report.

Mr. MOAKLEY. Mr. Speaker, how much time remains on each side.

The SPEAKER pro tempore (Mr. EWING). The gentleman from Massachusetts [Mr. MOAKLEY] has 2¾ minutes remaining, and the gentleman from California [Mr. DREIER] has 3 minutes remaining.

Mr. DREIER. Mr. Speaker, I yield 1 minute to my very good friend, the gentleman from Tucson, AZ [Mr. KOLBE], a free trader.

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

Mr. KOLBE. Mr. Speaker, here we go again. The last speaker just said extreme budget cuts. We have heard that. How many times have we heard that? But we know that is not what we are talking about here. Let us keep our eye on this ball during this debate that we are going to have in the next hour when we actually talk about the conference report and not about the rule, and I will have an opportunity to talk about some of that.

But the bottom line is that we are changing the direction of government. My friends over on this side just cannot seem to come to terms with the fact that the election 2 years ago was about changing the direction of this government. And that is what we are doing with this budget, we are giving power back to people, power back to families, power back to states, power back to localities.

We are changing programs so that they are streamlined. We are getting the Federal Government out of these programs. We are putting more money back in people's pockets rather than taking it out, bringing it to Washington and sending it back to States.

□ 2015

That is what this is all about. It is not about a number, whether it is up a little bit, down a little bit. We know these numbers can change dramatically as economic conditions change. This budget is about changing the direction of government, and I urge that we support the rule and support the conference report.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I rise in strong opposition to this rule.

Remember when your mother said "You can tell a lot about someone by the company he or she keeps?" Well, this rule is keeping company with a pretty shady budget resolution.

Mr. Speaker, the new majority just can't keep its hands off Medicare. For the second year in a row, they are trying to pay for special interest tax breaks by forcing drastic cuts in Medicare.

After shutting the Government down twice and, after the near collapse of their legislative agenda you would think they would learn.

Well, my friends, our colleagues on the other side of the aisle remain clueless. They remain clueless that seniors are not willing to pay more to receive less.

They remain clueless that their plan will force hospitals to close all over our country.

So get a clue, ladies and gentlemen. Remember what our mother would say: Vote down this rule and reject it's pal, ''the budget resolution'' a resolution that harms our seniors to help special interests.

Vote against this rule!

Mr. MOAKLEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have talked about reduction of deficit. I want to reemphasize so that all the Members in the Chamber and those in their offices will know. President Clinton reduced the deficit from $290 billion to $130 billion, a reduction of $160 billion. That I want everybody to know. This budget increases the deficit by $40 billion over the next 2 years.

So, Mr. Speaker, anybody who votes for this budget, amongst the other things it does, this does increase the deficit by $40 billion over the next 2 years. I hope the rule is not adopted.

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

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, my good friend, the gentleman from Massachusetts [Mr. KENNEDY] earlier had criticized this budget as not being helpful to veterans. I guess according to the Almanac of American Politics, I am one of those Members, over the last 18 years, most supporting to veterans according to them.

Mr. Speaker, this budget is helpful to veterans. The President's budget recommends no improvement to veteran's benefits. That is a fact. This budget that my colleagues are going to be voting on has a number of improvements, including raising one-time auto allowances for veterans, allowing a surviving spouse to retain compensation, providing a $500 scholarship for college seniors of veterans. It goes on and on and on.

Mr. Speaker, this budget is good for veterans. I say to my colleagues, come over here and vote for this rule and then vote for the bill.

Mr. Speaker, I submit the following for the RECORD:

VETERANS

Outlays (billions) FY 1997 spending totals on veterans programs:

Budget Resolution Conference Report: $39.561 billion.

President's proposal: $39.557 billion.

Six Year Total on veterans programs:

Budget resolution conference report: $234.271 billion.

President's proposal: $228.088 billion.

The President's budget recommends no improvements in veterans' benefits. The Congressional budget agreement recommends seven extra improvements:

(1) Raising the one-time auto allowance for veterans with service-connected loss of one or both hands or feet, or other severe disability from $5,500 to $10,000;

(2) Allowing a surviving spouse to retain compensation or pension payment pro-rated to the day of death instead of cutting off at the end of the previous month, as required by current law;

(3) Extending current law limits on payment of back benefits to surviving spouses of those who die while their claim is being adjudicated from one year to two years;

(4) Providing a $500 scholarship for college seniors of vets with at least a ''B'' average under the GI Bill or the Post Vietnam Era Education Assistance Program (VEAP);

(5) Improve educational benefits by converting those participating in VEAP education benefits program to the Montgomery GI Bill;

(6) Making permanent the Alternative Teacher Certification Program, which encourages veterans to become teachers; and

(7) Funding the Pro Bono Program at the Court of Veterans Appeals.

Both the Congressional and the President's budgets extend the expiring VA OBRA 1993 provisions of current law; repeal the Gardner decision, bring VA liability for disabilities as a consequence of VA medical care more closely parallel to the private sector liability law; and repeal the Davenport decision (This 1995 decision by the Court of Veterans Appeals invalidated VA regulations that based a veteran's entitlement to vocational rehabilitation services on a finding that the veteran's service-connected disability materially contributed to the veteran's employment handicap).

For VA discretionary spending, the President's budget recommends $102.2 billion in budget authority spending over the next six years, compared with $107.6 billion under the conference agreement. But, the Clinton budget still does not balance. To balance his budget, the President would have to cut VA spending by an additional $515 billion.

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

Mr. Speaker, let me just say in closing here that my colleagues on the other side of the aisle do this almost, not quite but almost as well as President Clinton does when it comes to this issue of twisting and twisting and twisting.

The budget before this House balances within 6 years, and it has lower deficits each year than the President's budget, the budget that was voted for by my colleague on the other side of the aisle.

My friend from California talked about Medicare. The budget before this House does not cut Medicare. That charge is fiction. It increases Medicare spending from $5,200 per beneficiary to $7,000 per beneficiary.

This budget does cut taxes and we are proud of it. It cuts taxes for families. Mr. Speaker, 89 percent of the tax cuts go to families earning less than $75,000 per year.

We have had the Congress controlled for decades by my friends on the other side of the aisle, Mr. Speaker, and tragically, they have never brought a balanced budget to us. We have done it for the first time in three decades and they have the temerity to come down here and criticize us for doing just that.

The fact of the matter is we need to pass this thing now. The big spenders are opposed to a balanced budget, even though they say they are for it. Mr. Speaker, I say to my colleagues, pass this rule, pass the resolution.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. EWING). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—ayes 232, nays 190, not voting 12, as follows:

[Roll No. 235]

YEAS—232

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg

Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—190

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

NOT VOTING—12

Berman
Boucher
Calvert
Chapman
Frelinghuysen
Gillmor
Hayes
Lincoln
McDade
Moran
Rose
Wilson

□ 2038

Mr. GORTON and Mr. RUSH changed their vote from ''yea'' to ''nay.''

Mr. CHRISTENSEN and Mrs. CHENOWETH changed their vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. KASICH. Mr. Speaker, pursuant to House Resolution 450, I call up the conference report on the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for the fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Pursuant to House Resolution 450, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Friday, June 7, 1996, at page H6007.)

The SPEAKER pro tempore. The gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO] each will control 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. FRANKS].

(Mr. FRANKS of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. FRANKS of New Jersey. Mr. Speaker, last year we passed the first balanced budget in a generation. While the President vetoed that plan, this Congress has changed Washington forever.

The debate today and from now on is not whether we need a balanced budget, it is about the best way to achieve one. The plan before us tonight has one overriding goal: To save our children's future. It does so by empowering people to become self-reliant. It reduces the power and influence of Washington over our everyday lives.

□ 2045

Then it spends less while enabling families to keep more of their hard-earned money.

This Congress has already made dramatic progress. Over the past year we have fought for and won the largest reduction in Washington spending since World War II, a savings to taxpayers of $43 billion. That amounts to a savings of $688 for the average American family of four.

This budget will stop forcing our children to pay for our reckless spending.

It makes the most sweeping changes in 30 years by shifting money, power and influence out of Washington and back into the hands of the American people in the States and in their communities. Under this plan States would have the freedom to develop welfare programs that require work, that promote personal responsibility and break the cycle of welfare dependency. Parents, principals and local school boards would have the authority and responsibility for public education, not the civil servants in Washington, DC, local decisionmakers, not faceless Washington bureaucrats, would have the power to design Medicaid programs that are tailored to meet the very special needs of the poor and the elderly.

And while we meet the Federal Government's important responsibilities, this plan helps America's families move ahead by providing for a well-deserved $500 per child family tax break.

Equally important, Mr. Speaker, this budget continues our attack on wasteful Washington spending. It eliminates over a hundred unnecessary Federal programs, and it puts an end to billions of dollars in corporate welfare and special-interest tax breaks.

Tonight I urge my colleagues to support this budget and continue on our efforts to save the American dream.

Mr. SABO. Mr. Speaker, I yield myself 3½ minutes.

Mr. Speaker and Members, I rise in opposition to this resolution. I am not really certain what this resolution is. I know one thing for sure: It is not a blueprint for how we deal with the budget over the next 6 years. It may be a document for how we deal with the politics over the next several months, but I am not certain. But there are some things I know for sure from reading the document, and that is that it increases the deficit in the next 2 fiscal years.

Mr. Speaker, 3 years ago I had the privilege of presenting a budget resolution in this House. The deficit was something like $294 billion, and I do not expect my Republican friends to say that they were wrong and that our plan worked or anything like that. But I see this resolution which increases the deficit for the next 2 fiscal years, and I think back to 1993, and I wonder what would have happened if we had come to the House floor and said, ''We have this great budget resolution that is going to reduce the deficit over the next 5 years. But, folks, in 1994 the deficit is going to go up; 1995, the deficit is going to go up, but trust us. In the last 3 years it will go down.''

I think my Republican friends would have laughed us off the floor, and probably should have. That is not what our plan did in 1994. It brought the deficit down from $294 billion. Now we are looking, and last we are told, $130 billion in 1996.

But our colleagues come with this document that says trust it, trust them. They are going to raise the deficit in the next 2 years and then some good things will happen. I have seen those promises come and be broken too many times in the past.

So to my friends I say it is a resolution that is not going to work, does not do what they say it is going to do, but even after all of that, it still has all those little ingredients in there that is sort of mean to people, and there are different things that hit different ones of us.

I heard the gentleman from Massachusetts [Mr. KENNEDY] talk about what it does to veterans. I happen to

have lots of elderly women who live in my district, not very much income, income between $7,700 and $9,300; and I looked at their Medicaid reform, and their Social Security premiums are going to be up by over $500 a year because they change the requirements of Medicaid. That is over 5 percent a year for people who are struggling to pay a food bill, and what I discover in many cases, worrying with these little changes whether they can continue to give 5 or 10 bucks a week to church, and those folks again are their targets.

So they have a plan that increases the deficit, is not going to work, but keeps picking away at the most vulnerable in our society. We should say ''no'' to this budget resolution.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would choose to remind my colleagues on the other side of the aisle, including the previous speaker, that there are two budgets before this House that the American people are taking notice of. One is the one prepared by the majority in this body, the other one comes from the White House. The fact of the matter is that in each of the 6 years covered under the terms of this budget resolution the congressional budget has lowered deficits in each of the next 6 years than in the 6 years covered by the President's budget. Lowered deficits in the Republican budget each and every year.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Arizona [Mr. KOLBE].

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

Mr. KOLBE. Mr. Speaker, we heard already this evening, the very clear differences between these two budgets. These two budgets, the one presented by the White House, by the Clinton administration, and that one which has been prepared by the majority in the House and the Senate are very different in the philosophy they suggest for this country. I think our budget reflects what the American people said they wanted to have in this last election: less government, returning responsibility to citizens. But tonight I want to focus my comments on one part of this. That is the tax relief that we provide to families, the $500 tax credit that we give to families, an opportunity to keep some of the money, their hard-earned money, in their pockets. We say, ''Earn more, keep more, and do more yourself.''

Mr. Speaker, we say that one should not have to send that money to Washington, one should not have to give it up, one should not have to take it out of their family's well-being, out of their education, their health care, their housing and recreation. They should not have to send it to Washington to support Washington's programs. We say, ''Keep some of that money yourself.''

And that is why this is so fundamentally different from the President's proposal. The President's budget gives some very small amount of tax relief but then takes it all away, takes it all away in the year 2002 in order to balance the budget. It takes all the tax relief away. We say this tax relief should be permanent. We say American families should know they can have these dollars in their pockets, that they can keep this money so that they can spend it on what they know is best for their families.

Tax relief is critical to the growth, the economic growth, of this country. Tax relief is not just something to do if there is a surplus. It is about giving money back to people, about reducing the size of government, about saying that people have a better idea of what they do with the dollars they earn than the Federal Government does.

That is why tax relief is a critical cornerstone of this legislation, and that is why this budget conference report should be so supported by this body. I urge its support.

Mr. SABO. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Texas [Mr. STENHOLM].

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

Mr. STENHOLM. Mr. Speaker, I rise in strong opposition to the budget before us tonight and would like to remind my colleague from New Jersey there is a third budget that we all ought to be supporting. This rhetoric of talking only about the majority and the President reminds me that there was one budget that received bipartisan support that reduced the deficit over the next 6 years. The budget before us tonight increases the deficit by $63 billion over the next 2 years over the constructive alternative put forward by the minority side of the aisle. I do not know why we cannot bring ourselves to talk about the one budget that continues the 4 years of success of bringing down the deficit.

As someone that was here in 1981 that worked in a bipartisan way to help my colleagues on this side when their President, my President from their side of the aisle, was in charge, I only say this: ''Fool me once, shame on you; fool me twice, shame on me.'' To buy into another budget that postpones 82 percent—82 percent of the budget deficit reduction is postponed until the year 2000, 2001 and 2002—how anyone can come to this floor tonight and say that they are serious about deficit reduction and talk about the President's budget that has been defeated, and the coalition budget that has been defeated, the only honest budget that reduces the deficit every single year starting this year and next year in an election year.

Mr. SCARBOROUGH. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Florida.

Mr. SCARBOROUGH. Because I am a little confused here, Mr. Speaker, because for a year and a half I have been hearing about how the Republicans have cut too much. Now tonight I am being reeducated, and I find out that we are not cutting enough.

Can the gentleman from Texas explain it to a freshman who is confused? How do we on one hand cut too much, and we are too savage for a year and a half, and now I hear the ranking member saying that we are going too far. If the gentleman can clarify that point, I would appreciate that.

Mr. STENHOLM. I will be happy to answer the gentleman's question. For of the last year and a half all we have talked about is CBO scoring, CBO scoring, CBO scoring. The President finally submitted a budget that was CBO-scored and balanced, but that did not suit the gentleman, did not suit me.

Mr. SCARBOROUGH. And was it not back-loaded with cuts? Would the gentleman yield? Was that back-loaded with cuts?

Mr. STENHOLM. I will be happy to yield to the gentleman.

Mr. SCARBOROUGH. OK. My question is this: The gentleman from Texas [Mr. STENHOLM] was attacking the Republican budget, saying all the cuts was the end. Now the gentleman is talking about the President's budget.

Mr. STENHOLM. No, sir. No, sir. I take back my time.

Mr. Speaker, I take back my time.

Mr. Speaker, I only have a minute remaining. I will answer the gentleman's question.

What I am saying tonight is if my colleague is concerned about reducing the deficit, there is only one budget that has been before the House this year that will reduce the deficit by $150 billion more than what we are considering tonight. We were precluded because we do not have the votes; that is clear. And for anyone to stand on the floor tonight and to say that we are concerned about the deficit and then look at the CBO scoring for the budget and the comparison with the coalition, the Republican budget deficit goes up to $153 billion in 1997. The coalition budget stays the same. That is the bottom line and the fact.

□ 2100

Mr. FRANKS of New Jersey. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Speaker, this is our chance, this is our historic opportunity to return the future to our children, to give the American people more of their money back, to reform welfare and Medicare, to be honest with taxpayers, to balance our budget.

For all these very real reasons, I believe there is no more compassionate vote that we can cast. Every generation's success depends on us tonight, if we do the right thing. If we do the right thing, our newest generation will not be saddled with interest payments on the debt of nearly $200,000. If we do the right thing, senior citizens will see an improved, responsive, and solvent

Medicare. If we do the right thing, today's working families will see their interest payments go down as tax credits for their children go up, all if we have the courage to do the right thing. Americans will finally see their dreams and believe in their hearts and souls that they will have the ability to reach them.

Mr. Speaker, let me just conclude by stating that it is sad in this Chamber that we are debating another budget that did come up in the past, and unfortunately only 89 Members supported that budget, with the majority of the Democrat Members, including their leadership, failing to have enough confidence to engender their support. Tonight we have the majority of our Members on both sides of the aisle believing in a balanced budget and one proposal that will achieve that in the near future if we can in fact do the right thing.

Mr. TAYLOR of Mississippi. Mr. Speaker, will the newest mother in the House yield?

Ms. MOLINARI. I yield to the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. Mr. Speaker, I would say to the gentlewoman, she is looking out for her children, her child, but she is increasing the annual operating deficit. That is not balancing the budget, that is increasing the deficit.

Ms. MOLINARI. Mr. Speaker, we have a budget that is compassionate, that reaches a balance by the year 2002, that restores tax credits to new mothers and families throughout this Nation. That will save Medicare for my little girl by the time she grows old. I am proud to vote for this budget.

Mr. STENHOLM. Mr. Speaker, I yield 1½ minutes to the gentlewoman from New York [Ms. Slaughter].

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in opposition to the conference report on the fiscal year 1997 budget resolution. As a conferee, I am pleased that we were able to increase overall nondefense discretionary spending by $3.5 billion over the House-passed resolution. But, make no mistake about it: This budget contains the same lack of vision and assault on investment spending, that we saw in the fiscal year 1996 Budget proposal, which has been rejected by the President and the American public. In addition, this budget turns back the clock on deficit reduction. For the fourth straight year in a row, the deficit has declined. Let's not reverse this trend and act to increase the deficit by $60 billion in 2 years. The stakes are too high.

The overall adjustment in domestic discretionary spending is an improvement. But, the budget before us today still assumes a sizable tax cut for the wealthy; deep reductions in Medicare and Medicaid and critical investment programs to off-set the tax cut; and a sizable increase in taxes for working individuals. The $3.5 billion offers some relief, but it should be pointed out that if this 6-year plan is adopted, the purchasing power of overall nondefense discretionary appropriations will be 24 percent below fiscal year 1996 levels. This will require deep cuts in education, environmental protections, biomedical research, nutritional assistance, and criminal justice. At a time when we should be enhancing our investment in these programs, we are acting to impose an overall reduction of 24 percent by the year 2002.

While the agreement assumes tax cuts targeted to the affluent, it does not treat working families and individuals the same way.

You can call the cuts in the earned income tax credit an adjustment, but this adjustment will result in approximately a $18.5 billion tax increase for working families and those individuals struggling to remain self sufficient. If we truly want real welfare reform that rewards work, we cannot reduce the size of the very tax credit which does reward work. This budget proposal is filled with these types of contradictions and inconsistencies. And that is why we should reject this conference report.

We can balance the budget without implementing radical and unnecessary Medicare and Medicaid cuts and dismantling the core social responsibilities of the Federal Government. I beg my colleagues to vote "no" on this conference report and send a message that extreme policies will not work. We can do a better job.

Mr. FRANK of New Jersey. Mr. Speaker, I am delighted to yield 2 minutes to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Speaker, a lot of Americans know talk is cheap with a lot of politicians. I think it is good that we review what has actually happened in the last couple of years. Two years ago, nobody on the other side of the aisle was talking about the need for a balanced budget. They were saying, it was reasonable to borrow and spend for investment.

Mr. Speaker, let me review for the American people what happened about a year and half ago. Republicans took the majority. They cut $9 billion out of the 1995 budget. Then in 1996 we had a budget that was $23 billion less than the 1995 budget. This budget deficit has come down for these last 2 years largely because of tough decisions on spending cuts. The deficit was reduced in 1993 and 1994 because of a huge tax increase.

Let us review for the American people what is happening in terms of the real reduction in the size of the Federal Government. I think one way to measure that is as a percentage of GDP [Gross Domestic Product]. If we look at what happened in 1995, we had about 22 percent of GDP. In 1996 we had about 21 percent of GDP. This resolution that came out of conference committee has 20.4 percent of GDP. That is the lowest percent of GDP since 1974.

This is a budget that moves us aggressively in the right direction. In 1996 we passed a budget resolution that said we were going to have $4 billion more spending in 1997 than this conference report resolution. Mr. Speaker, I am one of the tough guys as far as cutting spending. I voted for many more spending cuts in Budget Committee than were in this resolution. I said let us put pressure on this President and have the kind of budget that is going to be fair to our kids and our grandkids.

That did not happen because the President vetoed our legislation to balance the budget. Fifty-four million dollars' worth of publicity by the liberals ended up leaving many Americans in doubt. Some Republicans and a lot of the Democrats decided it was not politically popular to cut spending. Today let us really roll up our sleeves and just do it—this conference report in 6 years balances with a budget that is 18 percent of GDP—the lowest since 1965.

Mr. Speaker, I ask the Members to vote for this budget. Let us move on and get to a balance. Be fair to our kids, do what's right for America.

Mr. STENHOLM. Mr. Speaker, I yield 1½ minutes to the gentleman from Utah [Mr. ORTON].

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

Mr. ORTON. Mr. Speaker, I rise in opposition to the budget conference report, House Concurrent Resolution 178.

We have heard a lot of rhetoric over the past 1½ years about balancing the budget—and we will hear more tonight.

I want to share with my colleagues a few facts rather than rhetoric.

While the American people are told that this proposal will balance the budget—the fact is that budget deficits increase dramatically and immediately in this Republican budget plan.

CBO currently projects that this year's budget deficit will be $130 billion.

The Republican budget will increase the deficit next year by $23 billion; and the year after, by another $17 billion.

While Republicans increase the deficit by $27 billion through the rest of this century the coalition budget cuts the deficit by $72 billion. The Republican budget will result in $100 billion more public debt over 3 years—$150 billion more debt over 6 years than the coalition budget.

The American people are told that this is a real plan which will actually result in a balanced budget. The fact is, that 82 percent of the deficit reduction will only come in the last 3 years of the plan—after the turn of the century—when some future Congress will make the tough choices to achieve those cuts.

If Democrats, who actually cut the deficit in half in 3 years, had proposed this plan, they would be laughed out of this Chamber. I ask my Republican colleagues, if Democrats had proposed this plan, would any of you vote for it?

So much for balancing the budget—so much for cutting the deficit. Tonight,

Congress is going to increase the deficit and borrow hundreds of billions of dollars more from our children. Why? So they can pander to the voters with a tax cut 6 months before standing for reelection.

Stay tuned—in the next few weeks you will see more promises broken.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, this budget plan is the only plan, only plan, that fulfills the commitment to balance the budget by 2002 with lower deficits than the President's budget in every single year. It provides a $500 per child tax credit for working families. It in fact reforms Medicare. It preserves it and protects it, and it will extend the solvency of the trust fund for the next 10 years, a trust fund we all know is not going broke by 2002. It is probably not even going broke by 2001, but will go broke before the end of this century, according to the worst-case scenario of the trustees' plans.

It has broad coalition support from a large number of groups that represent the entire spectrum of thinking: The NTU, Citizens Against Government Waste, Americans for Tax Reform, the United States Chamber of Commerce, the United States Seniors' Association, Associated Builders and Contractors, and so forth, and so forth.

Mr. STENHOLM. Mr. Speaker, I yield 1½ minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I, for one, give the new majority credit for finding creative things to do with cold leftovers. Mr. Speaker, the budget they are serving the American people today is nothing but a warmed-over version of the same misplaced priorities that were rejected and sent back to the kitchen last year. That is right; take away the sugar coating and you have caps on the direct student loan program, caps that will increase costs and add red tape, and over 7 million college students in the year 2002 will be left behind.

Minus the garnish, we end up with the same welfare plan, still weak on work, still tough on children. When we remove the trimmings on this turkey of a budget, we have another Medicare plan that will make seniors pay more for less while their hospitals close. And make no mistake, Mr. Speaker, those Medicare cuts are being made in order to put the cherry on top of the Contract With America, or the crown jewel, as Speaker GINGRICH calls it: huge tax breaks for special interests.

Mr. Speaker, this is not a blueprint for balancing the budget, it is a recipe for disaster. I say to the new majority, they can keep their cold leftovers, their mashed Medicare, chopped children's programs, and rotten welfare reform. The American people want a new menu.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 30 seconds to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I just wanted to respond to the last speaker who said we are cutting education, that we are cutting student loans. It is not true. Mr. Speaker, under our budget proposal, the total volume of student loans will go from $26 billion in 1996 to $37 billion in the year 2002. I do not know how that is translated into a cut, but it is not a cut where I come from, in Arizona.

We are going to save taxpayers' money by capping the Government-run direct lending program and achieve some savings from lenders in the guaranteed lending program, but we are not cutting the volume of student loans, and do not let anybody tell you we are.

Mr. FRANKS of New Jersey. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Ohio [Mr. HOBSON], a member of the Committee on the Budget.

Mr. HOBSON. Mr. Speaker, my third grandchild was born June 1, and as I welcome him into the world, I can't help but wonder what kind of future he will face. How much will prices rise during his lifetime? Will the country still be a place of opportunity? Will there be a thriving economy to support his generation?

When I think about the answers to these questions, it becomes increasingly clear to me that the best thing I can do for my new grandson is to vote ''yes'' for the conference agreement on the budget resolution.

We're a year into balancing the budget, and the sky has not fallen like some said it would. Our budget has matured over the past year, but the quality of the debate about it has not. We moved on while our critics hung on to year-old arguments that don't fit the facts. They claim the sky is falling because they know it is easier to generate fear than understanding.

Our budget is about conquering fear—conquering the fear that the next generation will have less opportunities than we've had. Over the past year, we've taken some good ideas and made them better. We've listened to our critics, and where they made a valid point, we compromised. And we've watched President Clinton distance himself from outdated ideas about big government and embrace Republican ideas as his own.

But let's be clear: There are some real differences. President Clinton raised taxes in 1993 and would raise them again in his latest budget. We provide permanent tax relief. President Clinton would increase discretionary spending over the next 3 years, and put off decisions about cuts to his successor. We decrease discretionary spending every year.

The most dramatic difference, however, is that President Clinton and our friends in the minority tell you to fear our budget and to put your faith in Washington spending and bigger Government. Instead, we take a view they consider extreme—we put our faith in the American people.

Protect our children's and grandchildren's future and shift power, money and influence out of Washington and back to Americans. Join me in passing the 1997 budget resolution.

Mr. STENHOLM. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Speaker, there are many reasons why commonsense people would oppose this conference report. Just look at the $158 billion cut in Medicare and $72 billion cut in Medicaid, with all of the problems in that.

I want to talk about the huge tax increase on almost 7 million hardworking American families who have chosen work over welfare. The original House bill contained a $20 billion tax hike and the original Senate bill contained a $17 billion tax hike. Do Members know what they did? They separated the two and cut them up, so now they comeup an $18.5 billion tax increase.

They told us in the Committee on the Budget during the markup that this is essentially the same tax increase as the one in last year's reconciliation bill. The President vetoed that. That is history. This chart shows the details. As I said before, who will be paying those taxes? Let me tell the Members who is going to pay those taxes: 2.7 million workers with incomes below $10,000 will pay a higher average tax; 1.8 million workers with incomes between $10,000 and $20,000 will pay a higher tax under this Republican budget.

□ 2115

Look at it this way. Almost half of these workers have children. The Republicans are doing a good thing when they put in this $500 per child tax credit, but they have taken it away. They gave back and they took away the rest of it.

I am saying that this conference report should not be passed by this Congress. We owe it to the American public to be sure that the balance budget is a true balanced budget and the tricks should not be tolerated.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER], the distinguished vice chairman of the Committee on the Budget.

Mr. WALKER. Mr. Speaker, the reason this budget should be passed this evening is not just numbers. It is because it has real effects on real people. Under the budget before the House this evening, real people will get to earn more, keep more and do more. That is what we should be all about.

If we listen to what the other side is telling us, remember what their economics is doing to real people. According to Investors Business Daily, under the Clinton economic program we are now back to a situation where the rich are getting richer and the poor are getting poorer.

Let me quote from Investors Business Daily. They point out that during the Bush years the average real pretax incomes for the very top income earners dropped, but they shot up in the first 2 years of the Clinton administration. As a result, the top 5 percent saw their average incomes climb more than $30,000 between 1992 and 1994, a 21-percent hike, even after controlling for inflation. The bottom fifth, meanwhile, saw their average real incomes barely budge over those years, and they are about $1,000 lower than they were in 1989.

The typical measure to gauge what happens to middle-income wage earners shows that their actual income has dropped slightly despite 2 solid years of economic growth. As for the poor in this country, we are now at 14.5 percent of the population at the poverty rate in 1994, the last year for which the data is available, and that is higher than all but 3 years of the Reagan and Bush administrations.

This is a program which is creating an economic disaster. The rich are getting richer, the poor was getting poorer, and the middle class is getting squeezed.

What do the Democrats tell us? The Democrats tell us that in their budget, in the Blue Dog budget, no tax break for middle-class Americans. Zero. Why? So they can spend more. And the Clinton budget actually increases taxes. They want to actually increase taxes and squeeze the middle class more.

In our budget, what we are doing is, we are giving a tax break to middle class Americans. We recognize that it is wrong to squeeze the middle class in the midst of economic recovery. We realize that what we ought to have is a situation where people earn more, keep more and do more. That is what we ought to be doing. That is how we affect the lives of real people in this society.

What the Democrats are telling people is that they are going to concentrate only on numbers, bring only numbers before the House, let the rich get richer, let the poor get poorer, and squeeze the middle class. That is their recipe. That is what the Clinton administration has been doing. We have got to stop that here tonight.

This is a budget that balances the budget over the next 6 years, that allows people a tax break so that we do not squeeze the middle class, that allows us to move toward a situation where people earn more, keep more and do more. That is what we should be all about in this society. Pass this budget, reject what the Democrats are telling us.

Mr. SABO. Mr. Speaker, I yield 30 seconds to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. I thank the gentleman from Minnesota [Mr. SABO] for yielding time.

Mr. Speaker, I would like to remind my friend that the reason the wealthiest Americans are doing better is they are the ones who buy the T-bills and in effect loan money to the government, so that the rest of us can pay more in interest payments as the Nation gets deeper in debt. The budget you are proposing tonight increases the annual operating deficit and gets the Nation deeper in debt. If the gentleman from Pennsylvania [Mr. WALKER] will remember, just a few months ago he voted to raise the Nation's debt limit from about $5 trillion to almost $6 trillion. I, on the other hand, did not.

Mr. SABO. Mr. Speaker, I yield 1½ minutes to the gentleman from Tennessee [Mr. TANNER].

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

Mr. TANNER. Mr. Speaker, all of those debates seem to be about black and white, Democrat and Republican. There is a gray area called the Blue Dog Democratic Coalition budget that borrows less, cuts spending and the deficits immediately, and we do not hear much about it.

We tried to get it to the floor a time or two. There are not many of us, 21 or 22 at last count. We have tried to come here and master a difficult situation and not be held hostage by it, Democrat and Republican, black, white, blah, blah, blah. People are tired of that.

We have a plan, the Coalition plan, that begins deficit reduction immediately. This does not. This asks the American people to borrow more money next year and the next year and does not reduce the deficit until the year 1999 and 2000. That is not what our country is about. We are trying to get our financial house in order. The Coalition budget, as has been alluded to before, borrows $150 billion less than this bill right now we are going to vote on.

It seems to me a clear choice. If we want to balance the country's books, there is a way to do it. As the Nashville Tennessean, one of my hometown papers, said some time ago, conservative economics and a compassionate government are not mutually exclusive. It can be done.

Twenty-three major publications across this country have recommended this to the Congress and we cannot get it to a vote. I wish Members would consider it.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Speaker, I look at the Republican proposal tonight and I see that the deficit goes up next year, not like the Blue Dog Democratic alternative which they refuse to consider. This reverses for the first time a 4-year downward trend of deficit spending, the first time we have had that since the Truman administration. This begins more deficits in order, of course, ultimately to do better. I think we have all been through that before.

The gentleman from Pennsylvania [Mr. WALKER] talks about real people. Let me tell my colleagues about some of the real people who are really hurt in this budget.

The Republican budget is going to increase taxes on millions of working families earning less than $28,000 a year. Their tax credit does not go to 33 percent of all the children in this country. Why? Because it is not a refundable tax credit. That means their parents do not pay enough taxes to benefit.

Who are the real people? They are seniors who earn between $7,700 and $9,000 a year, who are going to pay $500 more because their Medicare premium part B will not be paid for by Medicare. Those are the real people who are hurt in this budget.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. I thank my colleague from New Jersey for yielding time.

Mr. Speaker, I think it is important to focus on the real world, because I represent a slice of the real world, the Sixth Congressional District of Arizona. As a private citizen, now that I am a newcomer to Congress, I watched what happened here for the better part of 4 decades.

The real debate tonight needs to be put in perspective. Who is really balancing the budget, despite the articulate arguments of the minority within the minority that wants no tax relief for the American people? The majority on that side, the liberal folks, did not want to do a thing, did not want to touch it. The deficit would have been astronomical.

Now our President, who tells us the era of big government is over, does a little bit better but he does not really lower these deficits, nor does he provide the kind of commonsense tax relief that the real people of this country deserve. Instead, it is this budget resolution which delivers. Lower deficits, balancing the budget, lower taxes. That is reality, that is the truth. Vote ''yes'' on this plan.

Mr. SABO. Mr. Speaker, I yield 15 seconds to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I wish the chart were still up because I really get frustrated when I continue to see always talking about lines that do not represent the facts based on CBO.

Let me remind my friend from Arizona, a majority of Democrats voted, rollcall 177, for a budget that balanced and has the line going down in a true and honest way. A majority on this side voted for that budget. And quit saying they did not.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, I rise in opposition to the budget resolution conference report.

We will hear much today about the majority's $500 per child tax credit for families with annual incomes of less

than $110,000. But there will be omission after omission.

Because it will not be made clear that millions of American families who earn far less than $110,000 will not benefit from the tax credit. Why? Because they earn far too little. Fully one-third of American families will receive no benefit at all.

Unfortunately, the majority will not discuss its $18 billion tax increase on working families with children as a result of deep cuts in the earned income tax credit. Raising taxes on working American families trying to raise children on less than $30,000 is plain wrong.

And unfortunately, there will not be much discussion about the 1.8 million children who will lose health care coverage as a result of the majority's punitive welfare reform package. And it is anyone's guess how many more children will lose coverage as a result of the majority's $72 billion Medicaid block grant proposal.

Let there be no mistake, every Member in this Chamber cares about children. But this conference report is no friend of children. Support America's children. Oppose the conference report.

Mr. FRANKS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. RADANOVICH].

Mr. RADANOVICH. Mr. Speaker, I am amazed that whenever we come to budget discussions and a balanced budget that the minority party seems to trot out the blue dog budget, which was created by 20 Members of the minority party and supported by not much more, in order to show that they are so much for a balanced budget.

It strikes to me the issue. I think what the American people used to decide is who is really serious about balancing this budget.

Now we come back to the budget resolution that we have before us. It includes tax cuts, something that I support and I think something that is very, very necessary in order to generate economic growth and get us to a balanced budget sooner, even if that means increasing the debt in the second year.

I am not real happy about the fact that the Senate stuffed about $2.8 billion more worth of spending in this bill. But the American people need to realize who they are going to trust to eventually get to a balanced budget in 7 years. It sure as heck ain't going to be these people. It is going to be us. That is why I support this budget resolution and I support every other member of this conference in supporting it so that we can go on and continue on toward a balanced budget.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, once again our Republican friends demonstrate they do not know up from down. Talk is not cheap in this body, Mr. RADANOVICH, because the gap between the reality and the rhetoric that has come out here tonight is several billion dollars extra this year and several billions dollars next year because you increase this budget deficit during all the time you have this great talk about trust and care and concern for future generations.

Mr. RADANOVICH. Will the gentleman yield?

Mr. DOGGETT. No, I will not. With 1 minute to speak, there is the matter of correcting the misstatements that you just made.

Mr. RADANOVICH. Will the gentleman yield?

Mr. DOGGETT. Regular order, please.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The gentleman from Texas does not yield.

Mr. DOGGETT. You have had your opportunity to misrepresent the facts, including the fact that only a handful of Democrats supported the conservative coalition budget when well over a majority of our caucus supported that budget. It gets the budget deficit down this year, it gets the budget deficit down next year, and every year until it achieves true balance. It does not talk. It has real action in the numbers and the real numbers.

Mr. RADANOVICH. Will the gentleman yield?

Mr. DOGGETT. It does all of that without wrecking the Medicare system.

Mr. RADANOVICH. Will the gentleman yield?

Mr. DOGGETT. I know you want to let Medicare wither on the vine. You let Medicare wither on the vine.

Mr. FRANK of Massachusetts. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. RADANOVICH. Bill Clinton vetoed that budget, I say to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Regular order. He has not vetoed this budget, because it was never offered, and you know it, just like your last misrepresentation, sir.

POINT OF ORDER

Mr. FRANK of Massachusetts. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. FRANK of Massachusetts. The point of order is that two Republican Members in this debate have violated the rules by interrupting Members when they did not have the floor in a limited time. That is inappropriate, and I ask that you enforce the rules against it.

□ 2130

Mr. KASICH. Mr. Speaker, I yield myself 10 seconds to say that I would ask my colleagues to let the other side have their say. We do not want to be interrupted, we do not need to interrupt them, and we will have a good debate.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, let me first commend the gentleman from Ohio, Chairman KASICH, and the members of the Committee on the Budget for doing an outstanding job in bringing this budget together and bring it to the floor tonight. Let me also thank and congratulate virtually all of my colleagues in this Chamber on both sides of the aisle, because for the first time in the generation Members from both sides of the aisle, virtually everyone in the House, is debating how to balance the budget.

Over the last 25 years there has not been much discussion of this issue on both sides of the aisle, and that is the big change that has occurred over these last 18 months. The agenda in Washington is a lot different now than it was because we are talking about how to balance the budget, not the age-old debate that went on here about whether we should balance the budget.

For months Republicans in Congress have talked about doing the right thing for our children's future, balancing the budget, stopping the borrowing from their futures and giving them a chance to live the American dream. Why? Because today's kids will not be able to live the American dream if they have to pay back everything that big government has borrowed from them.

All of us have seen the most expensive credit card in the history of the world, a credit card that has a $5 trillion balance and budget deficits of another $150 billion a year for as far as the eye can see; $260 billion a year is the interest cost on this credit card and we have all got one. It is our voting card.

This, ladies and gentlemen, is the most unconscionable thing that we are doing to our children and their children because it will not be those of us in this Chamber that pay off the debt on this credit card; it will be our kids and our grandkids.

That is why over the last year and a half Republicans in Congress have kept our word. We have passed legislation last year that would balance the budget by the year 2002, that would have reformed welfare, would have saved Medicare for the next generation and given the American families tax relief.

But instead of being constructive, the White House and their liberal allies have waged a campaign of fear and demagoguery. But once again we are keeping our word and, unfortunately, we believe the White House is continuing to play games. No one in this Chamber can doubt the fact that the President's budget is nothing more than a joke. Nobody in this room and nobody in this town believes that we can balance the budget the way the President has tried to present to all of us.

The resolution that we have here before us tonight shows the hard work that we have all been at on both sides of the Chamber, and it also shows that we are able to have the courage to

make the tough choices that it is going to take to balance the budget by the year 2002. No gimmicks and no blue smoke and mirrors; honest choices, tough choices for the American people.

It preserves and protects Medicare for another 10 years. And if we do not do something, we all know what will happen. It is not only going to wreck Medicare for senior citizens, it will wreck the Federal budget in the future and provide more payments, more debt for our kids, and for theirs. This budget reforms welfare and it reforms Medicaid, moves power out of Washington and back to States and local communities where real reform can come, where we can actually be more compassionate in helping our fellow citizens.

But most importantly, our $500 per child tax credit lets American families earn more, keep more, and do more for themselves and for their children. And ladies and gentlemen, if we are serious about moving power out of Washington, the way we have to do it is to move money out of Washington and allow the American people to keep more money in their own pockets.

As I said before, our opponents, especially at the White House, are playing games. Last weekend's Washington Post, I think, outlined it pretty clearly in Dave Broder's column when he pointed out the President it telling us and the American people he is willing to make tough choices to balance the budget, but in fact is telling his own administration do not worry about it.

Let us do the right thing for our children's future and pass this budget resolution.

Mr. SABO. Mr. Speaker, I yield myself 30 seconds to suggest this budget the Republicans present tonight not only increases the deficit for the first 2 years but it is also loaded with gimmicks. The tax cut all of a sudden costs less in 2002 than it does in 2000. Medicare cuts explode in the last year.

Nonattainable. The defense budget increases in the early years in and then decreases below the President's number in the last few years. I could go on and on.

Mr. Speaker, I yield 1 minute to my good friend, the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, it has been said that fanaticism consists of redoubling your efforts when you have forgotten your aim.

The aim of the Republican Party is to reduce the deficit. They have forgotten what they were aiming at, and that is why the freshmen Republican foot soldiers have been revolting against their Gingrichian generals over the last 24 hours because the budget they have here on the floor increases the deficit.

They have forgotten their Holy Grail of reducing the Federal deficit. And why? Why? As the new majority leader in the Senate said today, because we do not want to touch the tax breaks for the rich. So, in other words, they have given up on the Holy Grail of reducing the deficit in order to protect the crown jewel of tax breaks for the rich.

Now, I think if the American people understand this debate, they would want a no tonight on this Republican rejection of a balanced budget.

Mr. FRANKS of New Jersey. Mr. Speaker, I yield myself 10 seconds to merely remind the previous speaker and all the speakers on the other side of the aisle that each of the next 6 years the Republican budget carries lower deficits than the President's budget.

Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Speaker, we have been here and we have done that. These folks on this side has 40 years to get the finances of this Nation in order.

We are here tonight, we have presented a balanced budget. The first thing this side did when we took over was we cut $20 billion worth of spending over the last Democrat Congress' spending. Last year we cut $23 billion, and we have already heard the President taking credit for reductions. The only reason these reductions have taken place is because we have been here and we kept our word.

We came here and we did what we said we were going to do, and tonight we are going to do it again. We are going to bring the finances of this Nation in order. They may have to do it kicking and screaming and using false statistics and accusations, but we are sobering up and tonight is part of that process.

Mr. SABO. Mr. Speaker, how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. SABO] has 10¾ minutes remaining, and the gentleman from New Jersey [Mr. FRANKS] has 6½ minutes remaining.

Mr. SABO. Mr. Speaker, I yield myself 15 seconds to say to my friend from New Jersey, although he has disappeared, our numbers would show the President is actually $100 million less in deficit than the Republicans are in 1997, so the 6-year claim, I think, is slightly off in the first year.

Mr. Speaker, I yield 1 minute to my friend, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I rarely disagree with my good friend from Massachusetts who preceded me, but he was much too harsh toward the Republicans. He should not have chided them for voting for a budget that would bring the deficit up rather than down next year. They have learned.

Last year, they tried to impose themselves on the U.S. Senate, their colleagues over there, and what happened but a shutdown of the Government, a lot of political problems, a lot of governmental problems. They have learned the advantage of flexibility, of compromise. A year in Washington makes a difference.

The firebrands of last year have become now those who listen to leadership, who back down, who accommodate. And when they are told we need to have the deficit go up, when they are told we have to put several billion dollars more in, when the Senate says that, the president of the freshman class says he does not like to but he will accommodate.

I do not think my friend should be so harsh. I think when the firebrands of yesteryear learn flexibility, accommodation, compromise, deferring to their elders across the hall so they can help the Presidential campaign of our recently departed majority leader, they should be encouraged.

Mr. SABO. Mr. Speaker, I yield 1 minute to my good friend, the gentlewoman from Florida [Ms. BROWN].

Ms. BROWN of Florida. Mr. Speaker, to whom God has given much, much is expected. These cuts in Medicare and Medicaid are simply unacceptable.

Well, I know my Republican colleagues do not like the word ''cuts,'' so let me try this. This gutting of Medicare and Medicaid is simply unacceptable, especially when they are the result of a huge tax break for the wealthy.

This budget conference proposal cuts Medicare funds by $168 billion over the next 6 years, and the Medicaid fund by $72 billion. Approving this budget is promising this country that in the next 6 years the most needy people in this country will not receive health care.

Perhaps the most confusing of all these proposals is the cuts to student loans. More than 35 schools in my State, the great State of Florida, including the University of Florida, will be hurt by these cuts.

Let me close by saying once again to whom God has given much, much is expected.

Mr. SABO. Mr. Speaker, I yield 1 minute to my good friend from North Carolina, Mrs. CLAYTON.

Mrs. CLAYTON. Mr. Speaker, I would disagree a little bit with my colleague from Massachusetts, Mr. FRANK. I would say that the Republicans did not hear, or maybe they did not listen and did not want to hear the American people when they said indeed that what they were doing in the budget was extreme. They wanted the deficit to go down, but they did not like their priorities.

Indeed, the Republicans refuse to hear because again they are cutting Medicaid, Medicaid severely, $72 billion in the next 6 years, which will hurt pregnant women, hurt children, hurt those in rural hospitals. It means they have not heard the American people when they do not want these extreme priorities.

What we do on the budget says volumes about who is important and who is not, and what the Republicans have said through this budget resolution is if you are poor and live in rural areas you are not important; if you are wealthy and if you are healthy and you want to be in a health plan, then you have all the benefits.

I would say that is the wrong priority. I urge a no vote on this budget resolution.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. DINGELL], my good friend the ranking member, and I forget the name of that committee these days. It used to be Energy and Commerce. He does a great job.

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

Mr. DINGELL. Mr. Speaker, well, it is deja vu all over again, or, more likely, Reaganomics part II: Increase spending, lower taxes, and hope the big budget deficit goes down. But it does not.

Under the Republican plan, and I hope my Republican colleagues will listen to this, the budget deficit increases by $23 billion the first year and by $17 billion in the second year. After 4 years of declining budget deficits under the leadership of President Clinton, the Republicans have decided to change course.

I studied this well 3 years ago and listened to my Republican colleagues complain about the awful things that might happen under the Clinton budget plan. In fact, Speaker GINGRICH said it would actually increase the budget deficit. Well, the Republican budget deficit is going to increase under this proposal. They were wrong then and they are wrong now. They are fiscally irresponsible.

I would point out that this is a fiscally irresponsible budget. I urge my colleagues to vote no on it, and I quote a great former President of the United States, Gerry Ford, in describing situations like this, who said, ''Things are more like they are now than they have ever been.''

□ 2145

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

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

Mr. LEVIN. Mr. Speaker, I just want to talk for my 1 minute about my Republican colleagues' mind-boggling inconsistencies. They say they invented deficit reduction; they come here with a budget that increases the deficit. They are suffering from amnesia or arrogance. Who was President when these deficits exploded?

And in 1993, many of us had the courage to vote for deficit reduction and every Republican voted ''no.'' And one of them comes forth now and says under Democrats, the rich are getting richer and the poor are getting poorer. But what are they suggesting? Increasing taxes on poor working families.

Now, Mr. Speaker, their message does not ring. There is economic prosperity under Democrats. We have to do better. We cannot trust the party that will make it worse.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, I am kind of curious what happened tonight to the House Republican voices who have been saying all week that it is wrong to pass a budget that increases the deficit over the next 2 years. Since those voices have gone silent tonight on the Republican side, let me say it: This budget increases the deficit over the next 2 years, and it is wrong.

Mr. Speaker, what a difference a month makes. Just last month, House Republicans bragged their VA budget included $100 million more for veterans' health care than the President's budget, yet somehow between giving our Memorial Day speeches and writing our Fourth of July speeches, the Republican leadership cut VA discretionary programs, important programs for veterans by $645 million.

One month ago, they claimed and bragged about the fact they were spending more money than the President's inadequate budget for VA health care. And yet this budget has cut VA health care dramatically by freezing VA health care programs.

Mr. Speaker, this budget will leave our Nation's veterans out in the cold, and it is wrong.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Speaker, I rise in opposition to this budget, and I remind my colleagues that we had a chance to vote for a budget that would balance without increasing the deficit in the short term. That proposal was supported by a majority of the Democrats in this House. That is right, a majority of the Democrats.

Mr. Speaker, to hear my colleagues get up from the other side of the aisle and talk about it as if it did not happen sorely disappoints me. I do not understand why we cannot stand here and tell the American people the truth. I do not understand why we cannot stand here and tell the people what this budget will do.

I know why the majority will not do it: Because it increases the deficit before it brings it down. I read in the paper today, ''It is like gaining weight before you start to diet: So it feels better.'' I heard that from a Republican colleague of ours. I will let that speak for itself.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, again we are getting to the end of the debate, and I think it is awfully important to have the record and all of our colleagues clearly understand that there was one vote this year, it was rollcall No. 177, in which a majority of my colleagues on this side of the aisle voted for a deficit reduction package that lowers the deficit, the total debt compared to what we will be voting on in a minute, by $150 billion less.

Mr. Speaker, I too have a grandson, and I fail to understand how we are going to do more for the grandchildren by borrowing more money over the next 6 years than if we just bit the bullet and started having some honest discussions about how we are going to meet some of the differences that we have across the aisle and do it in a more rational way, but that seems to have escaped us tonight.

But I think it is awfully important to understand that if we want the deficit to come down every year, not go up for the next 2, we do not vote for this resolution tonight; we vote ''no'' tonight. We go back to conference and we say let us get serious about deficit reduction.

Mr. SABO. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I urge a ''no'' vote on this resolution. We can do better than passing a budget resolution in 1996 that increases the deficit for the next 2 years. We have had lots of Members talk about how it can be done. It has been offered. It has been voted on. It has not passed, but it can be done.

Mr. Speaker, I have had hopes through this session, starting back in 1995, that somehow before this year was over we would continue on the track we started in 1993 which involved very substantial deficit reduction and find some way across the aisles to pass a real budget for 1995 and now 1996 to put our fiscal house more in order, brought us to balance, made sensible and practical reforms of a whole series of programs which need to be done.

I told my Republican colleagues early on this in process that I hoped at some point we will get beyond ideology and would get to pragmatic solutions. I still have a glimmer of hope that somehow that can happen between the Congress and the President and before we adjourn in 1996. I tend to be an optimistic person. That optimism is dwindling week by week.

One thing I know for certain, and that is that this budget resolution and how it was put together does not represent that hope for a solution of our basic fiscal problems in 1996. It continues the ideology. It does not continue and move to pragmatic solutions to problems. I am not sure what happens tonight. I expect it passes. I expect it will be used for a variety of political purposes the next several weeks, the next several months. But somehow if we are not this year, we will be back to this problem in 1997.

We have to find answers that are real, that are pragmatic, not ideological. And, unfortunately, we are not moving closer this evening. I think we are moving further away. And I frankly think this country would be much better served if we simply voted ''no'' tonight and started all over again in real attempts to reach across the partisan aisle to face more problems that still confront us in this country. So I urge a ''no'' vote.

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

Mr. Speaker, we came here 18 months ago to do a few things dramatic things:

balance the budget in real numbers; tax relief for America's hard-pressed families who spend more money paying off the tax man than they do on food, clothing, and shelter.

Mr. Speaker, we also wanted a strong defense. But we wanted to transform the very operation of this government by transferring power, money and influence out of this city. Now we hear all of this talk about all of these numbers. Let us get to the bottom line.

The President of the United States spends $190 billion more, $190 billion more than the Congress. And the blue dogs, they spend $57 billion more over the next 6 years than we do. Know why? Bigger government. Bigger government. They believe in bigger government.

Now let us talk about the other side of the formula here. Tax cuts. Tax relief for Americans. Not only does the President spend $190 billion more in Washington than we do, but he only gives Americans $6 billion worth of tax cuts. The blue dogs spend $57 billion more than we spend in Washington spending, and they have zero tax relief for America's families.

We not only spend much less, but we give Americans more in their paychecks. And, frankly, that is what it comes down to. About the size of this government and about the size of people's paychecks and about individual empowerment to let people keep their money rather than taking their money and giving it to government.

That is the bottom line. Mr. Speaker, if we want to tax more and we want to spend more, then defeat our resolution, but if we want a smaller Washington and less taxes, we come to the floor and we proudly vote for this resolution.

Now, last year we passed a $23 billion cut in Washington spending. We denied the bureaucracy $23 billion. Guess what? It had never been done before. Never been done before. I have been here 14 years. For the first 12 years we did not get a dime. But in the course of just 1 year, we brought the liberals who believe in Washington kicking and screaming to the trough, and guess what? At the end of the day we cut spending under the Republican program.

Now, did we get the entitlements reformed? Were we able to shift the power and the money and the influence and say to people locally, ''We want you to design local solutions for local problems? Oh, yes, we passed it, and, guess what? The President vetoed it. Know why? Because he does not want to give Americans, he does not want to give Americans their power back. And neither do liberals in Washington. They do not want people to write welfare at home.

Now, I would suggest that we have got a ways to go. We have got to get these entitlements done, but I want to tell an interesting story. In Tennessee, Tennessee got to write their own Medicaid plan. They got to do what was going to work in Tennessee. And guess what happened? They saved money, they saved the Tennessee education program, and they covered more people who needed health care. Know how they did it? They did it because Washington took their hands off of them and they let Tennessee design a Tennessee solution.

That is what we want to do with welfare. We want to tell people in neighborhoods that if Mrs. Jones is sick with a couple of kids, we are going to help her, but if Mr. Smith does not want to go to work, we are going to show up and we are going to teach him about work.

Mr. Speaker, that is what America is about. And know what else it is about? If Americans save and work hard and go the extra mile, they get rewarded. That is the Republican plan. It is about shifting power, money, and influence; not just welfare and programs to the poor and the disabled and not just saving Medicare by letting our senior citizens make good choices. But it is also about letting Americans have more of the money they earn to spend on their families, their children, their community. That is what it is all about into the 21st century.

No, we reject more Washington spending and we reject the idea of higher taxes. We are for less government, more tax relief.

Now, is this a perfect bill? Of course it is not. Are some of my colleagues upset we did not get everything done? Of course they are. And know what? I am upset, too. But what we are doing is historic, and we will get there. And for those who are frustrated, I just ask my colleagues, in closing, to remember George Washington. Because he was standing in a driving rain, he was standing in a driving rain and he began to wonder why he was doing what he was doing, because he realized that only a third of the colonists even knew we were in a revolution, and of the third that knew, only 10 percent cared. And of the 10 percent who cared, more than half were for the British.

Mr. Speaker, know what? They moved further as an army. They stayed together as an army with one goal in mind: establishing this precious Republic. And I ask my colleagues and my friends on the other side of the aisle to be part of this army to change America. If we stay together, we will get to the end of this long and winding road and we will save our children, we will empower America, and America will be stronger in the 21st century for what we did today.

Mrs. MINK of Hawaii. Mr. Speaker, I rise to oppose House Concurrent Resolution 178, the conference report on the budget resolution.

The fiscal year 1997 budget resolution appears to be an improvement over the budget proposed by the majority party last year in that it scales back proposed Medicare spending reductions from $288 billion over 7 years to $168 billion over 6 years, and scales back the proposed Medicaid spending reductions from $186 billion over 7 years to $72 billion over 6 years. House Concurrent Resolution 178 also reduces the size of a proposed package of tax cuts from $345 billion over 7 years to something between $122 and $176 billion over 6 years. However, these changes do not mask the fact that the budget embraces assumptions that will reduce dramatically the role of the Federal Government in guaranteeing medical coverage for the poor, maintaining affordable health coverage for seniors, and in expanding educational opportunities for all.

With respect to Medicaid, House Concurrent Resolution 178 embraces structural changes to the program that will transform it from an individual entitlement into a block grant. In addition, the proposed structural changes to Medicaid will allow States to lower their contributions to the program without losing Federal resources; eliminate Federal disability standards that will leave States free to establish their own disability definitions; drop the requirement that health care be provided to children aged 13 through 18 living in poverty; and eliminate the guarantee that low-income seniors who cannot afford Medicare will have their Medicare premiums paid by Medicaid.

In restructuring the Medicaid Program, $72 billion in proposed Federal Medicaid spending reductions could, when combined with State Medicaid spending reductions, result in a Federal/State Medicaid spending reduction over the next 6 years of as much as $250 billion. Such a scale back will leave poor children, disabled persons, and low-income Medicare beneficiaries at risk.

With respect to Medicare, the budget embraces policies that will restructure the program to create incentives for seniors to participate in managed care plans and open medical savings accounts, and permit physicians to charge patients the balance above Medicare's set fees in the new plans. In addition, the conference report cuts the reimbursement rates paid to various providers such as hospitals, doctors, and skilled nursing facilities.

Managed care plans and medical savings accounts are not designed to address the needs of the poorest and least healthy Medicare beneficiaries. And, cuts to the reimbursement rates paid to health providers may well force marginal hospital, particularly in the Nation's rural areas and inner cities, to close. By embracing managed care plans and medical savings accounts, and by reducing reimbursements to health providers, this budget will, I believe, isolate Medicare's least healthy and least affluent beneficiaries at the core of the existing system, and force them to pay higher out-of-pocket costs for reduced levels of medical services.

House Concurrent Resolution 178 continues to assume that tax cuts, intended primarily for the affluent and underwritten by the less affluent, represent the best means of maintaining what many of my Republican colleagues describe as the glide path to a balanced budget. While this budget cuts the size of the GOP package of tax cuts, the benefits of the tax package continue to be distributed very unevenly.

Public and private studies, as well as innumerable books, have documented either how the gulf between the richest and poorest Americans widened or how the incomes of the rich grew significantly as the incomes of the middle class and the working poor stagnated over the course of the past two decades. Yet, the majority party insists on directing most of the benefits of its proposed tax cuts not to the middle class or the poor, but to the rich.

For example, the conference report cuts $18 billion from the earned income tax credit for the working poor while providing increased capital gains benefits for the most affluent. It is a cruel irony that the majority party which insists that it wants to get people off welfare and into jobs would propose to cut the earned income tax credit that benefits the working poor, that is, individuals who have stayed off welfare by working.

Mr. Speaker, members of the Republican Party claim that they, not President Clinton and not the Democratic Members of Congress, know best how to balance the Federal budget by 2002. However, members of the GOP conveniently overlook the fact that it was a succession of Republican Presidents that caused the deficits to spiral out of control by first enacting and then maintaining the borrow-and-spend fiscal policies now known collectively as Reaganomics. In addition, they forget that every single Republican member of the 103d Congress opposed the Omnibus Budget Reconciliation Act [OBRA] of 1993. Most of all, they overlook the fact that OBRA 1993 has not only managed to cut the deficits in half but also made the very idea of achieving a balanced budget in 6 years a distinct possibility.

I believe we can continue on the path to balancing the Federal budget begun by OBRA 1993. That path most assuredly does not lead to the dismantling of the Federal Government nor to the Federal Government's abdication of its responsibility to continue its efforts to ensure that all Americans are provided equal educational opportunities, adequate health care, and a decent standard of living.

Ms. PELOSI. Mr. Speaker, I rise in opposition to the conference agreement on the 1997 budget resolution. Like last year's budget, the plan is out of touch with the American people and should be rejected by the House.

In 1993, President Clinton, working with Congress, began a process of deficit reduction that has reduced Federal deficits for 4 years in a row. In fact, the Federal budget deficit has been cut in half since the beginning of the Clinton Presidency. We need a continuation of the moderate proposals which have been working. We do not need another extreme budget plan to foster bitter confrontation between the Congress and the administration. The American people reject this tactic; they want bipartisan cooperation in solving problems.

The Republican plan proposes to cut Medicare by $158 billion over the next 6 years. Even worse, the plan proposes to end 30 years of universal coverage for senior citizens and allow the healthy and wealthy to opt out of the program causing disruption and placing the entire Medicare Program at risk. Medicare cuts are still used to finance tax breaks for the wealthy.

The budget plan for Medicaid is even more extreme. Cutting $72 billion over 6 years, and allowing the States to cut even more in State payments, would be severely destructive to the program. The plan also would eliminate the current guarantees of health coverage for low-income children, pregnant women, disabled people, and senior citizens. Thankfully, the President has already rejected this drastic approach and proposed a reasonable plan to cap individual benefits resulting in comparable savings without millions of Americans losing health coverage.

Likewise, the budget resolution includes much of the Republican welfare plan which was vetoed by the President because it was too extreme and did little to move people from welfare to work. There appears to be little to recommend proceeding with the same plan encouraging a race to the bottom for State welfare programs.

With regard to discretionary spending, the budget plan is once again extreme. For 1997, funding for defense programs is increased more than $11 billion over the Pentagon's request. On the other hand, nondefense spending falls dramatically—a decrease of $15 below the President's request for 1997. Over the 6 years, the budget resolution would cut purchasing power for domestic programs by 25 percent.

For health programs, the budget plan calls for drastic cuts to programs like community health centers, family planning and biomedical research. The plan to cut purchasing power for the National Institutes of Health [NIH] is extreme and lacking in an understanding of the importance of investment in biomedical research.

The most extreme and short-sighted part of the budget plan is the limitation on funding for education and job training programs. Essentially, these vital programs to prepare the American people for the challenges of a new global economy are frozen for 6 years. The successful direct student loan program is capped, forcing 700,000 students out of the program in 1997 alone. This renewed attack on education places the Congress on a collision course with the Clinton administration, which has proposed $61 billion more in investments for education and job training.

Again, the budget plan fails to adequately protect the environment. The plan would cut purchasing power for natural resources and environmental. The American people want the environment protected. They want clean water, clean air, and access to well-kept national parks.

Mr. Speaker, this budget agreement is essentially the same as last year's Gingrich budget. This budget sets in motion the same failed tactic of confrontation that resulted in the longest and most destructive Government shutdowns in our Nation's history. I fear that not enough was learned by the Republican leadership from last year's failures.

I urge my colleagues to reject this fundamentally flawed budget resolution and insist that a bipartisan budget proposal be adopted to move us on an orderly course to complete the important budget work of this Congress.

Mr. THOMPSON. Mr. Speaker, I rise in strong opposition to this budget resolution because of its deep cuts in education. In the House Republicans' report on the budget for fiscal year 1997, they stated that:

> [E]ducation is a top priority for the Nation. It is the means by which individuals develop the skills, knowledge, and sense of responsibility to pursue their own personal destinies and participate in their communities. It is the key that unlocks the door to higher-skilled, better-paying jobs for those seeking to break out of poverty. It is the source of highly trained workers, who are crucial to keeping the Nation competitive in an increasingly technical global economy.

Then why are my Republican colleagues seeking a decrease of $2.1 billion compared to the freeze level for discretionary education, training, employment and social services programs? These cuts will include the elimination of 31 education programs including funding for Howard University, Innovative Education Program Strategies, State Student Incentive Grants, and new funding for student loans.

Furthermore, they are seeking to cut funding for student loans by $3.7 billion over the next 6 years. Cutting the job training and education programs by $1.1 billion below the 1996 enacted levels. How can individuals break out of poverty through education if they cannot afford to enroll in school or receive job training.

Is this how they treat a top priority for the Nation that is the means by which individuals develop the skills, knowledge, and sense of responsibility to pursue their own personal destinies?

Now, I truly understand why I was taught growing up in Mississippi that you listen to a person's words but you judge him by his actions. Mr. Speaker, I hope that in November the American public will use my childhood lesson and listen to the words of the Republicans but vote based on their actions. Finally, I urge my colleagues to vote against this bill.

Mr. COSTELLO. Mr. Speaker, I rise in opposition to the conference report on the fiscal year 1997 budget resolution offered today. This conference report represents a continued attack on the health, safety, and well-being of the majority of the American people. While not as drastic as the budget proposed by the Republican majority last year or the House-passed version of the fiscal year 1997 budget resolution, this budget conference agreement also is too extreme. By cutting Medicare and Medicaid, the safety net for vulnerable populations—the elderly, disabled, and poor children and families—will be in jeopardy. I cannot support a budget that includes massive Federal spending for new tax breaks while other critical programs—including Medicare, Medicaid, and the earned income tax credit—are greatly weakened. This is not a realistic budget. We cannot, and should not, enact a budget such as this that promises to both cut spending and cut taxes. If we are serious about reducing the deficit—as I am—we should make the hard choices to bring our Federal spending in line. This budget, however, promises to make life easier for the affluent, while balancing the budget on the backs of the poor and disadvantaged.

I support a balanced budget. In fact, I have cosponsored and voted in favor of amending the U.S. Constitution to mandate a balanced Federal budget. However, while the fiscal year 1997 budget resolution conference report achieves balance on paper, I cannot support the callous and irresponsible policy assumptions it uses to achieve these savings. The policy implications have very real consequences to the citizens of this Nation.

I am especially concerned about the deep cuts in discretionary spending included in this budget. Certainly, we must take serious steps to carefully scrutinize every portion of our Federal budget in order to control Federal spending and bring our deficit under control. However, the cuts in discretionary spending included here are too harsh and will have a serious impact on millions of Americans, most notably the vulnerable populations that continue to be left behind as we change our Federal priorities.

For example, the cuts in education leave me very concerned about the future of this Nation. The education of our children must be a top priority. The education our children receive should be adequate in keeping the U.S. economy competitive as we move into the next

century. American children rank dismally in math and science achievement compared with students from other Nations. The proportion of young people completing high school has remained stagnant for a decade, despite the ever-increasing demands for education in the job market. Having all our students starting school ready to learn, increasing the high school graduation rate, teaching every adult to read and keeping drugs and violence out of schools are not goals we should abandon. While our deficit needs to be eliminated, we must not decimate the education of future generations, in particular cutting $4 billion from our Nation's student loan program.

In addition, a well-maintained transportation network is essential for economic development. If highways cannot be maintained, our goods cannot move in commerce. Similarly, without continued attention to our Nation's airports, delays and other difficulties will slow our economy's growth. In addition, transit funding provides immediate benefits for economic development, carrying low-income people to their place of work and reducing congestion in metropolitan areas. This conference agreement would cut transportation funding in 1997, lower than its funding level this year.

Transportation should not bear higher cuts than other programs. The House budget phases out Federal assistance the operation of mass transit systems, and the conference agreement takes no position contrary to this stance. Operating assistance is essential to transit systems across the Nation. Transit systems are already taking serious steps to cope with Federal operating cuts of nearly 50 percent in fiscal year 1996 and 12 percent in fiscal year 1995. Transit systems, by necessity, are operating more efficiently yet still must cut services and increase fares. The complete elimination of operating assistance would have a drastic impact and could eliminate necessary public transportation in communities across our Nation.

The cuts in transportation funding is just one example of the hypocrisy of this budget. As this budget pushes people into the workforce it takes away their means of getting to work. This budget is unfair and should not be passed by this House.

Mr. COYNE. Mr. Speaker, I rise today in opposition to the conference report on the fiscal year 1997 budget resolution.

As with the version of the budget that the House voted on back in May, the budget plan outlined in the conference report is horribly flawed.

If is flawed because it fails to address the Nation's most pressing concerns—concerns like affordable health care, high-quality education, community development, a healthy environment, and important investments in research and infrastructure that will increase economic productivity and improve our standard of living in years to come.

It if flawed because it irresponsibly cuts taxes and increases the deficit at a time when we should be addressing our concerns to balancing the budget.

It is flawed because it unwisely cuts spending for domestic programs in order to increase spending on defense at a time when the most important challenges facing the country are economic rather than military.

Finally, it is flawed because it cruelly redirects Federal resources away from safety net programs for the poor, the elderly, and the disabled—and into the portfolios and safe-deposit boxes of the well-to-do.

In short, this budget has its priorities all wrong—just like the Republican Party. I urge my colleagues to reject this conference report and to start again. Let's put together a budget that invests in our future, maintains a Federal safety net for the needy, and reduces the deficit.

□ 2200

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 216, nays 211, not voting 8, as follows:

[Roll No. 236]

YEAS—216

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

NAYS—211

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Barton
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blumenauer
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Cardin
Chabot
Chapman
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hostettler
Hoyer
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Largent
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Myrick
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Schroeder
Schumer
Scott
Serrano
Shadegg
Sisisky
Skaggs
Skelton
Slaughter
Souder
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—8

Calvert
Frelinghuysen
Gillmor
Hayes
Lincoln
Manton
McDade
Wilson

□ 2220

The Clerk announced the following pair:

On this vote:

Mr. Frelinghuysen for, with Mrs. Lincoln against.

Mr. ALLARD, Mrs. CUBIN, Mr. METCALF, and Mr. COOLEY changed their votes from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. KASICH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the conference report which has just been adopted.

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

There was no objection.

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina) 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 Economic and Educational Opportunities:

To the Congress of the United States:

It is my pleasure to transmit herewith the Annual Report of the National Endowment for the Arts for the fiscal year 1995.

On September 29, 1995, at the close of the fiscal year, the Arts Endowment celebrated its 30th anniversary. A young man or woman born at the same time as this Federal agency's establishment has enjoyed access to the arts and culture unparalleled in the history of the country. The National Endowment for the Arts has helped bring tens of thousands of artists into schools, teaching tens of millions of students about the power of the creative imagination. This small Federal agency has helped launch a national cultural network that has grown in size and quality these past 30 years.

This Annual Report is another chapter in a great success story. In these pages, you will find projects that bring the arts to people in every State and in thousands of communities from Putney, Vermont, to Mammoth Lakes, California. The difference art makes in our lives is profound; we see more clearly, listen more intently, and respond to our fellow man with deeper understanding and empathy.

In these challenging times, when some question the value of public support for the arts, we should reflect upon our obligation to the common good. The arts are not a luxury, but a vital part of our national character and our individual human spirit. The poet Langston Hughes said, ''Bring me all of your dreams, you dreamers. Bring all of your heart melodies . . .'' For 30 years, the Arts Endowment has helped keep those dreams alive for our artists and our audiences. May it long continue to do so.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 12, 1996.*

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2951

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that my name be removed as cosponsor of H.R. 2951.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2754, SHIPBUILDING TRADE AGREEMENT ACT

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 448 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 448

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2754) to approve and implement the OECD Shipbuilding Trade Agreement. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided among and controlled by the chairmen and ranking minority members of the Committee on Ways and Means and the Committee on National Security. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in part 1 of the report of the Committee in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. No other amendment shall be in order except the amendment printed in part 2 of the report of the Committee on Rules. That amendment may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from south Boston, MA, Mr. MOAKLEY, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

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

Mr. DREIER. Mr. Speaker, this rule provides for consideration of H.R. 2754, legislation to implement the multilateral trade agreement entered into by the President to phase out shipbuilding subsidies and create an international environment conducive to the restoration of a healthy commercial shipbuilding industry in this country.

House Resolution 448 is a modified closed rule, providing 1 hour of general debate divided equally among the chairmen and ranking minority members of the Committees on Ways and Means and National Security. The resolution waives all points of order against consideration of the bill.

The resolution makes in order the amendment in the nature of a substitute as recommended by the Committee on Ways and Means, as modified by the amendment printed in part 1 of the report of the Committee on Rules, as an original bill for purpose of amendment. The amendment shall be considered as read. All points of order are waived against the amendment in the nature of a substitute as modified.

The rule further provides for consideration of an amendment printed in part 2 of the report of the Committee on Rules and waives all points of order against the amendment. The amendment to be offered by the gentleman from Virginia [Mr. BATEMAN] shall be considered as read, shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or the Committee of the Whole.

□ 2230

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, for many years, some foreign governments have employed subsidies to protect their commercial shipbuilders from international competition. It was the policy of the United States not to respond in kind, and I strongly support that policy. Manufacturing subsidies are a wasteful drain on the economy and on taxpayers. We should not fall victim to these insidious policies simply because other countries employ them.

Seven years ago, rather than throw money away in a race to see who could provide the largest subsidy to commercial shipbuilders, the United States initiated multilateral negotiations with the major shipbuilding nations to come to an agreement to end subsidies. Mr. Speaker, this effort was supported by our commercial shipbuilders who realized that the only long-term hope for

the industry in the United States was to reach an agreement.

In December 1994, after 5 years of negotiations, an agreement was reached with the European Commission, Norway, South Korea, and Japan, the world's major shipbuilding nations. The meticulously negotiated agreement to end shipbuilding subsidies was scheduled to enter effect on January 1, 1996 and the start date was extended to July 15 due to delays in congressional approval.

In past years this trade agreement implementing bill would have been considered by the Congress under what are known as fast-track procedures. Congress would have a clean up-or-down vote on the agreement reached by the administration. Regrettably, the Clinton administration has refused for 3 years to compromise with those in Congress who support trade agreements and support fast-track authority, but who refuse to give the administration carte blanche to include any social policy whim they desire in trade agreements. Clearly, this trade agreement and this implementing bill is the type of trade legislation envisioned when Congress established the fast track procedure.

Under fast track, Congress votes up-or-down on legislation, crafted by congressional committees and the administration, to implement an agreement. Amendments are not permitted because they can violate the negotiated agreement, killing the deal by forcing all the tough issues back onto the bargaining table.

This rule attempts to limit that possibility, while giving the House a clear vote on the negotiated agreement. The bill reported by the Committee on Ways and Means will implement the agreement negotiated by the President. The provisions from the Committee on National Security, which are consistent with the negotiated agreement, are included as base text. However, the provisions of the Committee on National Security which violates the agreement are offered to the House in one amendment. The choice is very clear: Approve or reject the agreement.

Mr. Speaker, make no mistake, the vote on the Committee on National Security amendment is the vote on the shipbuilding agreement. If the amendment is approved, we will not be in compliance with the agreement, and it is highly unlikely that negotiations on the agreement will be reopened.

Mr. Speaker, I include for the RECORD letters from the Government of Norway, the Government of Japan, and the European Commission, each of which state the negotiations in this agreement will not be reopened.

I also include a letter in opposition to the national security agreement which came up to us by Ambassador Charlene Barshefsky, our U.S. Trade Representative.

The material referred to is as follows:

ROYAL NORWEGIAN EMBASSY,
Washington, DC, June 5, 1996.

Hon. CHARLENE BARSHEFSKY,
Acting U.S. Trade Representative,
Washington, DC.

DEAR AMBASSADOR BARSHEFSKY, I am writing to you to express the Norwegian Government's grave concern regarding the amendments passed by the National Security Committee of the House of Representatives in its mark-up last week of the legislation for implementation of the OECD Shipbuilding Agreement.

Several of the amendments, most notably the provisions for extending the Title XI shipbuilding loan guarantee program and the provisions for removing the applicability of the Agreement with respect to the building of Jones Act vessels, are clearly inconsistent with the terms of Agreement.

The OECD Shipbuilding Agreement is the result of many years of complex negotiations and represents a carefully crafted compromise between the parties to the Agreement. My Government holds the view that the Agreement is of vital importance for the return to normal competitive conditions in the commercial shipbuilding industry.

Norway has ratified the OECD Agreement, and would find that the introduction of amendments such as those proposed by the National Security Committee would destroy the balance of obligations and, thus, undermine the foundation upon which the Agreement was built. On the Norwegian side, we do not foresee circumstances whereby the signatories of the OECD Agreement would be prepared to reopen negotiations.

Hoping that you will convey to Congress Norway's concern that adoption of the aforementioned amendments would seriously jeopardize the OECD Agreement, I remain,

Sincerely yours,

KARSTEN KLEPSVIK,
Charge d' Affaires a.i.

DELEGATION OF THE
EUROPEAN COMMISSION,
Washington, DC, May 31, 1996.

Hon. HERBERT H. BATEMAN,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN, I am writing on behalf of the European Commission to express our considerable concern with respect to the amendment passed by the House National Security Committee in its mark-up of the OECD shipbuilding implementing legislation. The amendment calls for an extension of the terms of Title XI financing for ship construction for thirty months. Furthermore the amendment would clearly state that the agreement does not require changes in the Jones Act and that certain Department of Defence procurements are not covered.

This amendment clearly is inconsistent with the terms of the agreement as negotiated between the parties.

The agreement is the result of five years of complex negotiations which have led to the adoption of the basic principles originally proposed by the United States (i.e. the prohibition of virtually all forms of future government subsidies). Therefore this significant amendment would not be acceptable to the European Community since it would be contrary to the basic objectives and balance of mutual concessions contained in the agreement. I cannot envisage the circumstances under which signatories of the OECD agreement would be willing to reopen negotiations.

The adoption of the amendment would put the agreement in serious jeopardy. Therefore, I should like to urge you to take the above into account in future consideration of the bill.

Sincerely yours,

HUGO PAEMEN,
Ambassador.

JUNE 5, 1996.

Mr. RONALD JOHNSTON,
Secretary-General, OECD.

DEAR MR. JOHNSTON, As you know, the target date for the ratification of the OECD Shipbuilding Agreement is fast approaching. In this regard, I am pleased to report that Japan is making steady progress towards ratification of the Agreement, and we hope to have Diet approval by 15th June.

Despite this optimistic picture, recent developments in the United States are clouding the horizon and are a source of grave concern to us. On 29 May, the US House National Security Committee passed an amendment to the OECD Shipbuilding Agreement which would change the terms of the US participation in the ban to subsidise global shipbuilding. This amendment provides for the extension of the Title XI Loan Guarantee Programme until January 1999. Title XI, which provides subsidised financing for maritime vessels, is in contradiction with the provisions of the Agreement, and its prolongation by the House of Representatives would clearly jeopardise the entry into force of the Agreement.

Let me make it very clear that Japan is opposed to this amendment which goes against the spirit and letter of the Agreement, and would be unwilling to reopen negotiations. The Agreement, fruit of five long years of negotiations, was initially proposed by the United States and had as objective the elimination of all forms of government subsidies to shipyards, a principle supported by the United States. It is clear that the Agreement will bring long-term benefit to all signatory countries whereas passage of the Bateman amendment will open the door for a new round of subsidisation and anti-dumping movements, actions that will hurt all countries.

Japan is using all available channels to directly convey our concern to American lawmakers on this issue. As the OECD as the home of the negotiations, we believe that you, as Secretary-General of the OECD, share our displeasure. We would therefore ask you to use all your influence to convey our own concern to the United States.

Sincerely yours,

MASAJI TAKAHASHI,
Ambassador.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE,
Washington, DC, June 5, 1996.

HERBERT H. BATEMAN,
Chairman, Special Oversight Panel on the Merchant Marine, Committee on National Security, Washington, DC.

DEAR CHAIRMAN BATEMAN: I want to thank you for the opportunity for General Counsel Jennifer Hillman to appear as an Administration witness before your Special Oversight Panel regarding H.R. 2754 which would implement the OECD Shipbuilding Agreement and for the House National Security Committee taking timely action on the bill. I remain optimistic that the United States will be able to ratify this important agreement, which will eliminate large foreign subsidies for shipbuilding and provide new sales and employment opportunities for U.S. shipyards.

At the same time, however, I want to make clear that the substitute amendment to H.R. 2754 approved by the National Security Committee on May 30 modifies the legislation in ways that are clearly incompatible with the

Agreement and unacceptable to the other Signatories.

The Agreement requires that its Members bring their government support programs into compliance with the provisions of the Agreement as of entry into force (now scheduled for July 15, 1996). The National Security Committee substitute amendment (Section 205) would delay the required modification of our Title XI loan guarantee program until January 1, 1999. The Agreement also provides for an exemption for the home-build requirements of U.S. coastwise laws (''Jones Act''), these requirements are allowed to continue indefinitely while the home-build requirements of the other members must be eliminated as of entry into force. To address the concerns of the other Members, however, provisions were painstakingly negotiated to provide a means of redress in the unlikely event this exemption were determined to significantly undermine the balance of rights and obligations under the Agreement. Section 207 of the substitute amendment would negate these provisions—which are the basis on which we obtained an exemption for the Jones Act.

Other Signatories to the Agreement have been quick to contact us in the wake of the May 30 action by the National Security Committee. Their message has been uniform: the substitute amendment is inconsistent with the Agreement, fundamentally undermines the balance of mutual concessions and commitments contained in the Agreement, and is therefore unacceptable. It would require a complete renegotiation of the Agreement—something that they are unwilling to consider at this late stage. I would note in this regard that, with the exception of Japan, all other Members of the Agreement have completed their internal parliamentary process and ratified the Agreement; final Japanese approval of the Agreement and its implementing legislation is expected this week. Thus, aside from policy objections, the substitute amendment would invalidate time-consuming foreign ratification efforts. You can readily imagine the legal difficulties of seeking to reopen these parliamentary processes.

In sum, I believe the substitute amendment approved by the National Security Committee will, if adopted, end the United States' chance to impose strong disciplines on foreign subsidies and other unfair trading practices in the shipbuilding sector. Aside from its adverse implications for our shipbuilding industry itself, we need to secure passage of unencumbered legislation to assure our trading partners of our ability to implement tough agreements that the U.S. initiated.

I appreciate your hard work on the bill and I look forward to working with you to ensure that implementing legislation that is consistent with the Agreement is passed prior to June 15.

Sincerely,

CHARLENE BARSHEFSKY,
Acting United States Trade Representative.

Mr. DREIER. Mr. Speaker, it is quite clear if you judge the agreement as negotiated by the administration to be insufficient, then the national security amendment offers a vehicle to kill it. However, I support ending foreign subsidies. I believe this shipbuilding agreement will achieve that goal. Approving this implementing bill is critical to bringing this agreement into force, so I urge Members to reject the amendment of the Committee on National Security.

Mr. Speaker, while the Committee on Ways and Means and the Committee on National Security hold very different views on the substance of this agreement, they both support this fair floor procedure. It offers the Members a clear and understandable choice: On one hand, the agreement, and on the other hand, continue with U.S. loan guarantee subsidies, which will require this agreement to be renegotiated.

I look forward to a good debate when we move to this issue, and I urge all Members to support this rule so we can get to that debate.

Mr. Speaker, I include for the RECORD the following materials:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of June 12, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-Open [2]	46	44	73	59
Structured/Modified Closed [3]	49	47	33	27
Closed [4]	9	9	17	14
Total	104	100	123	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A structured or modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of June 10, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–199; A: 227–197 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of June 10, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 249–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands	PQ: 221–197 A: voice vote (5/15/96).
H. Res. 309 (12/18/95)	C	H. Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	Tabled (4/17/96).
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	C	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/19/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/21/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	C	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	A: 235–149 (5/10/96).
H. Res. 435 (5/15/96)	MC	H. Con. Res. 178	Con. Res. on the Budget, 1997	PQ: 227–196 A: voice vote (5/16/96).
H. Res. 436 (5/16/96)	C	H.R. 3415	Repeal 4.3 cent fuel tax	PQ: 221–181 A: voice vote (5/21/96).
H. Res. 437 (5/16/96)	MO	H.R. 3259	Intell. Auth. FY 1997	A: voice vote (5/21/96).
H. Res. 438 (5/16/96)	MC	H.R. 3144	Defend America Act	
H. Res. 440 (5/21/96)	MC	H.R. 3448	Small Bus. Job Protection	A: 219–211 (5/22/96).
	MC	H.R. 1227	Employee Commuting Flexibility	
H. Res. 442 (5/29/96)	O	H.R. 3517	Mil. Const. Approps. FY 1997	A: voice vote (5/30/96).
H. Res. 445 (5/30/96)	O	H.R. 3540	For. Ops. Approps. FY 1997	A: voice vote (6/5/96).
H. Res. 446 (6/5/96)	MC	H.R. 3562	WI Works Waiver Approval	A: 363–59 (6/6/96).
H. Res. 448 (6/6/96)	MC	H.R. 2754	Shipbuilding Trade Agreement	
H. Res. 450 (6/10/96)	O	H.R. 3603	Agriculture Appropriations, FY 1997	A: voice vote (6/11/96).
H. Res. ——— (6/12/96)	O	H.R. 3610	Defense Appropriations, FY 1997	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; S/C-structured/closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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

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

Mr. Speaker, I am pleased to say I support this rule, which gives people on both sides of this issue a chance to be heard.

It will allow the supporters of this shipbuilding trade agreement a chance to vote for the agreement and it will give others a chance to make changes.

So, although I count myself as one of the people who would like to make changes, I am happy to say I support this rule because it will allow us to do so.

Mr. Speaker, this shipping agreement is a good start. It takes some serious steps toward making the international business of shipbuilding fair for all shipbuilders—regardless of their nationality. It seeks to eventually eliminate shipbuilding subsidies; prevent dumping; and settle disputes.

But, Mr. Speaker, this shipbuilding trade agreement is unbalanced. It does not do enough to protect American shipbuilders from unfair international shipbuilding subsidies.

Unless we change that aspect of the agreement, unless we adopt the Bateman amendment, this agreement is unfair to American shipbuilders and shouldn't go any further.

The Bateman amendment continues the title 11 loan guarantees at their current levels. In other words it will even the playing field for American shipbuilders in light of continued subsidies by foreign governments.

Mr. Speaker, this agreement is the result of 5 years of negotiations among the major shipbuilding countries of the world. The goal is a very noble one, namely to end all shipbuilding subsidies in the year 1999. But, unfortunately, it appears that we have given away nearly the whole store and gotten just about nothing in return.

Mr. Speaker, the creation of the title 11 loan guarantee program has jump started the American shipbuilding industry in recent years. It enables qualified shipbuilders to receive substantial loan guarantees from our Government for up to 87.5 percent of a loan over a 25-year period.

Thanks to this program previously defunct shipyards, like the Quincy Shipyard in Massachusetts, have been able to get back on their feet.

Mr. Speaker, this is the only government program designed to help U.S. shipbuilders, and it carries a price tag of $50 million annually. Other countries such as Japan, South Korea and Germany subsidize their shipyards with nearly 200 times that amount—approximately $8 billion annually. Instead of asking the other countries to stop their subsidies now, this agreement slashes the title 11 loan guarantees by 7½ percent.

Meanwhile, several countries are using loopholes to continue using government subsidies to modernize their shipyards.

Although these subsidies will end in 1999, Mr. Speaker, I worry that 1999 will be too late. By that time, our European competitors will have used these subsidy loopholes to modernize their shipyards. The level playing field envisioned by the creators of this agreement will have evaporated because American shipyards won't be able to compete with these fully modern yards.

If we aren't going to give our shipbuilders loan guarantees, Mr. Speaker, then we shouldn't sign an agreement that leaves open loopholes through which other countries can subsidize their shipbuilding.

Hard working Americans in places like the Quincy Shipyard deserve their chance to compete in today's global economy—without having to worry about competing against subsidized foreign shipbuilders.

I urge my colleagues to support this rule because it allows both sides a chance to offer their proposals. I also urge my colleagues to support the Bateman amendment to help even the playing field for American shipbuilders.

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

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

Mr. Speaker, let me first say that I disagree with my dear friend, the gentleman from South Boston, MA, when he says that President Clinton sold out the store on this issue.

Mr. MOAKLEY. I did not say President Clinton, Mr. Speaker, if the gentleman will yield.

Mr. DREIER. I think it was President Clinton who put this agreement together.

Mr. Speaker, I am happy to yield 6 minutes to the gentleman from Newport News, VA [Mr. BATEMAN], a distinguished member of the Committee on Transportation and Infrastructure.

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for yielding time to me, and I also want to commend him on the rule which he has brought for consideration of this very, very important matter. It is a fair rule, it is an appropriate rule. It does give to those who have concerns about this agreement the opportunity to debate it and to address the means by which the agreement can be improved to a point where it would be worthy of the support of the representatives of the American people.

It is perhaps strange to many that a bill that started in the Committee on Ways and Means and is, in essence, a trade agreement would come to the floor with some input from the Committee on National Security. But when we think of the basic subject matter of this particular trade agreement, it is more than appropriate that the Committee on National Security have a voice in whether or not that treaty or that agreement should be implemented legislatively, for this agreement deals with shipbuilding, and when we deal with shipbuilding, we deal with something which is absolutely vital to the national security interests of the United States of America.

When the United States of America is no longer a maritime power, the United States of America is no longer a world power. It is just in the nature of the world we live in and the geography that we deal with that we must be a maritime power. We cannot be a maritime power if we do not have the capability to build and maintain a merchant fleet and to have the capability to build in our country naval combatant vessels.

I can say to the Members that their large shipyards in the United States, the ones which do and can build naval combatant vessels, are opposed to his agreement if implemented according to the terms of the Committee on Ways and Means bill. They have sought and I have been proud to author an amendment which would make this agreement more fair and more protective of the legitimate interests of American shipbuilding and of America's national security.

The amendments which I will be offering would include an extension for 30 months of our existing title XI program, because it is a program that is working, and because it is a program that is essential to a transition period so our shipbuilding can play on an even playing field when this agreement is fully implemented and all of the subsidies go away, very appropriate in light of the fact that there are other nations who are parties to this agreement who have special transition provisions allowing them hundreds of millions of dollars in continued subsidization of their shipyards.

The trade representatives have assured us, according to their interpretation, that this agreement has nothing to do with, has no effect upon, the Jones Act. Yet, the letter cited by the distinguished gentleman from California, from various embassies who are parties to this agreement, says that my amendment, because it makes it explicit that the agreement shall not affect the Jones Act, is totally unacceptable to them.

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I would say to you that that is a very, very strong reason why the amendments which I will offer tomorrow ought to be enacted, because it must be unequivocally clear that the Jones Act is not affected by this agreement.

We also must make it perfectly clear that we reserve the right to define ships that are built for a national defense purpose and that someone else cannot say that our Marine and Army prepositioned vessels and other ships which discharge a vital national security interest must be regarded as commercial vessels and cannot be built in American shipyards but must be made available for bid to the lowest bidder from any Nation in the world. We cannot make our national defense capabilities dependent upon that.

Mr. Speaker, when this debate is heard tomorrow, I would implore the Members of the House to remember that they are representing the vital interests of the United States of America and its capability to remain a maritime power. In doing that, they must look upon this agreement as what is fair and what serves the interest of the people whom we represent. Based on that standing, I believe the Members of the House will support the Bateman amendment when offered and with that amendment we can go on to perfect this agreement if the parties are willing to do so.

Mr. MOAKLEY. Mr. Speaker, I yield 9 minutes to the gentleman from Florida [Mr. GIBBONS], the ranking member of the Committee on Ways and Means.

Mr. GIBBONS. Mr. Speaker, I support this rule. I had not wanted to use this much time to debate this rule but since we got into the merits of the bill, I think it is appropriate that someone who is connected with the bill since its inception explain the position of the Committee on Ways and Means and the position adopted by the administration in negotiating this agreement.

Mr. Speaker, there is a lot of shipbuilding business out there to be had by Americans if we can just get the rest of the world to do away with their subsidies. Here on this floor in 1981, the

Congress adopted the Gramm-Latta substitute to the budget reconciliation bill and wiped out all U.S. subsidies. One tiny little subsidy, almost insignificant subsidy, survived that onslaught. There is a great obsolescence coming about on all the commercial ships that have been built in the world. The amount of shipbuilding that will be done by the rest of the world in the next few years is going to be tremendous. It is important that America get its fair share. We are very competitive in commercial shipbuilding, due largely to the value of our dollar. And we can compete, so our shipbuilders tell us, on a level playing field. That is what this agreement provides for.

I began this action about 7 or 8 years ago and for the last 5 years we have been negotiating furiously with all the other shipbuilders. We wore out 4 sets of negotiators and we finally reached an agreement. But a minority of the shipbuilders in this country have decided that they do not like the agreement, that they could do better. But I doubt that they can. The gentleman from California [Mr. DREIER] has put into the RECORD responses from the other parties to this agreement that if this agreement is amended by the Bateman amendment that they will walk away from the agreement and will not further negotiate. These are not little bitty insignificant nations, they are the 280 million people of the European community, the nations of Japan and South Korea and other countries that have said that if we tear up this agreement by amending it with the Bateman amendment, it is all over, they will go back to their subsidies. They are having trouble getting rid of their subsidies in their countries. But all of those other countries have already approved this agreement. Even though we pushed the agreement to negotiation, we originated all of this, we are the last to ratify it. The day to ratify it is this week. On the 15th of this month, the extensions that we have gotten run out.

No agreement is perfect. No agreement is going to be 100 percent agreed to by everyone. But this is a good agreement. It will put us back in the shipbuilding business. And it will do away with foreign subsidies.

Why will the Bateman amendment not work? The Bateman amendment is presently law in the United States hanging by one thin thread, a thread about as thick as a spider's thread. The only thing that saves what Mr. BATEMAN would like to do today is a standstill agreement in this agreement that we are ratifying. What is a standstill agreement? When we finally sign an international agreement, all countries customarily agree to stand still and not to escalate, in this case, the subsidies that we have cut off. At the time that this agreement was signed, the United States was slightly ahead in the subsidy race in ship purchasing financing. In other words, we gave a better subsidy to ship purchasers than did any other nation. But the only reason they have not matched or beaten our subsidy is because they have agreed to stand still. That agreement expires Friday.

Come Friday, all the gentleman from Virginia [Mr. BATEMAN] is trying to save will go up in thin air, because all the other countries on Earth that are parties to this agreement can start the subsidy race again. I do not see in the United States any desire to enter into shipbuilding subsidies. We thought we were getting rid of all of them in 1981.

It is just dreaming to say that we can go our own separate way on this agreement, that we can continue our subsidies and everybody else will fall in line. That is just pure imagination.

So the chance is here. We can get America back into the shipbuilding industry, the commercial shipbuilding industry. This is a good agreement. We ought to take this opportunity while we have got it.

Mr. Speaker, I have never been any more sincere about anything I have said on this floor than I am about this agreement. I have followed it, started it way back in the beginning. I know what is in it. We cannot improve it at this stage of it. It is good for America to do this.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to simply rise and associate myself with the remarks of the distinguished ranking minority member of the Committee on Ways and Means and the former chairman not only of the full committee but of the Trade Subcommittee. The gentleman from Florida [Mr. GIBBONS] has, as he said, followed this issue very, very closely from its inception and he understands that doing everything that we possibly can to push those other countries that have been involved in subsidization will do nothing but enhance the ability of shipbuilders here in the United States, and I think that that is something that we all want to do. But certainly there are differences of opinion on it and this rule will allow a chance to bring that up.

I certainly concur with the gentleman from Florida [Mr. GIBBONS] as a fellow free-trader that doing everything that we possibly can to ensure that the amendment of my very good friend from Virginia [Mr. BATEMAN] does not carry, I think, will go a long way toward assisting a shipbuilding industry in this country.

With that, Mr. Speaker, I yield 3 minutes to my very good friend, the gentleman from Portland, ME, former marine, Mr. LONGLEY.

Mr. LONGLEY. I thank the gentleman from California for yielding time.

Mr. Speaker, I rise in support of the rule that has been written on this bill. Again I would echo a number of the comments that have been made this evening but perhaps with a slightly different twist. I think it is important to understand that the steps that led to this agreement were begun in 1989 at the urging of the sixth largest U.S. shipyards, including the Bath Iron Works located in my district. The negotiations were initiated following the withdrawal of a section 301 trade complaint that had been filed by these shipyards charging that foreign shipbuilders had been engaging in unfair competitive practices.

As we know, many of the governments in Europe, Korea and Japan have been subsidizing commercial shipyards for decades and these subsidies have been running into the billions of dollars. Unfortunately in the view of the six major yards, the agreement has not accomplished what it set out to do and it has left major discrepancies in terms of the interpretation and how the agreement might be interpreted and how that might apply to American shipyards.

On that basis, I support the committee's conclusion to provide for a rule that will allow a vote on the Bateman amendment. I will later be speaking in support of the Bateman amendment and perhaps later even questioning the other aspects of the agreement.

But I think the one note that I would want to urge in this debate as we consider the rule and get ready for the debate on the measure itself is that the United States which at one time was the greatest sea power in the world has now reached the point where the number of workers employed in industrial shipyards that make the major surface military and commercial vessels for this great country have now reached a point where their employment is at an all-time low of about 78,000 jobs, far lower than it has ever been in our history.

Furthermore, our share of the international shipping market, commercial shipbuilding market, is barely 1 to 2 percent. Clearly there is an issue here as to an agreement and whether or not that agreement has actually achieved the level playing field that our domestic shipbuilders will need if they are going to compete equitably in the world shipbuilding market.

On that basis, I would end what I have to say tonight. I want to compliment the gentleman from California and the ranking member for what I think is a good rule that will lead to a good debate. I look forward to that tomorrow.

Mr. MOAKLEY. Mr. Speaker, I yield 8 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. I thank the ranking member for yielding time.

Mr. Speaker, this is a bad rule and following this rule it is a bad bill. It is a bad rule because the greatest lawmaking body in the world will start its day tomorrow waiving the rules that it lives by. One of those rules would allow the 435 Members of this body to come forward to try to perfect this bill. But under the rule as envisioned by the Rules Committee, they cannot do so. They have to take it all or leave it all.

So what is it that we are being asked to take or leave? It is a measure that affects our national sovereignty and it is a measure that affects our national security.

Mr. Speaker, the gentleman from Maine [Mr. LONGLEY] touched on it but I will take it a step further. On the day that I was born, this was the undisputed greatest maritime power in the world. We had more ships than anyone and we built more ships than anyone. That continued for a long time. But the real decline started around 1981 when this Congress, for whatever reason—it probably made sense at the time—decided to stop helping our domestic shipbuilders. There was a wink to them, because the Reagan defense buildup was coming along, that they would build a lot of naval ships. But the 600-ship Navy that was spoken about by President Reagan is now rapidly becoming a 150-ship Navy. The help that was promised has rapidly evaporated and along with it the ability of this Nation to protect itself.

Mr. Speaker, we are an island nation. This island Nation that was defended by people like SAM GIBBONS at Normandy had to build 16,000 ships during World War II, because when you go to war, one of the things that happens is people sink your ships. As recently as Desert Storm, our Nation had to go out and charter 85 foreign flagged vessels to resupply our troops. We did not lose a single ship to a foreign casualty, yet even in peacetime we did not have enough ships to resupply our troops.

Now we are being told that we want to not only lose the fleet but lose the ability to ever build that fleet again. Who is telling us this? It is the same folks who brought us NAFTA.

You remember NAFTA. Back in November 1983 when we had a $6 billion trade surplus with Mexico, they said, it would help our trade situation. It has not. It has increased our deficit. We went from a surplus to a deficit. You remember how they talked about the jobs that would be created. Well, maybe they have been, but they have not been created in this country. They were created in Mexico.

If anyone in this room needs any evidence, I will invite you to visit Wiggins, MS; or Gulfwood, MS; or Poplarville, MS; or Neely, MS, and see the empty garment plants. In places like Neely, MS, when they shut down the garment plant, there is no place else to go. There is no reason for worker retraining. It was the only business in town. Or, for that matter, I would like to invite you to Lucedale or Poplarville or Hattiesburg and go to the livestock auction. Before NAFTA an average calf was selling for about $1.10 a pound. Right now when the farmers can find a buyer, cattle is going for about 55 cents a pound. People's entire lifetime investments cut in half since the passage of NAFTA and the beef that has come up from Mexico. So the same folks who brought us NAFTA now want to take it a step further, and they want to do away with the ability of this Nation to defend itself.

□ 2300

Something that we did in 1993, and I am very proud of, with broad bipartisan support, recognizing that our Nation has to have shipbuilders and that we are down to only six, is we passed the National Shipbuilding Initiative. It is an expansion of the title XI program which was begun under President Roosevelt when our Nation, prior to World War II, found itself in the same situation, and that is an island nation that did not have enough ships to support itself. They started a program of loan guarantees to help our shipbuilders build commercial ships, the kind of ships we need to move goods during time of war.

We passed it again in 1993, and we went from building no ships a year up to having 13 on order, and with an incredible market opportunity out there. Because with the passage of the Oil Pollution Act of 1990, 2,000 tanker ships will have to be replaced in about the next 10 years. We could be building those ships but, instead, this measure is going to deprive the American shipyards of any help at all, even if it is a loan guarantee, to try to go after that 2,000 ship market.

In effect, what we are saying is that just like our garments and just like our beef, we are now going to import ships. We are going to be a Third World country because we will lose our shipyards, and from now on, when we need a destroyer or a carrier or a submarine, we will call up someone else to sell them to us.

Now that might have worked in Desert Storm, but I would remind those people who have lived a little longer, that many of those nations that lined up with us during Desert Storm were on the other side during Vietnam. They could be on the other side again.

It affects our sovereignty because for the first time in the history of our Nation, if we want to do something to help our domestic shipbuilders stay in business, and incidentally, every one of the major shipbuilders is against this proposal, and they testified before the Committee on National Security to that effect, so the people that the gentleman from California [Mr. DREIER] says he wants to help are all against it, without exception. But it would require this Nation to go seek the permission of about 20 other nations just to help our own shipbuilders so that they can be in business when we need them, because there is going to be another war.

Since the fall of the Iron Curtain we have had a war in Panama, we have had a war in the desert, and we have had a situation in Bosnia. It is going to happen again. I have kids, and I wish it would not happen again, but the history of this Nation is that it is and it happens whenever we let our guard down, and this is letting our guard down.

It affects our national security, because if we cannot build ships this island Nation cannot defend itself. It is that simple.

So, Mr. Speaker, for all of these reasons, this is a bad agreement at the wrong time in our Nation's history. The great nations of the world have always been great manufacturers and been great maritime powers. With NAFTA, we have murdered American manufacturing. There have been 10,000 new factories build on this continent in the past 10 years, but they have all been built in Mexico, and now the people who brought us NAFTA want to do away with what is left of American shipbuilding and send it overseas.

Mr. Speaker, I urge the defeat of the rule and I would strongly urge the defeat of the measure.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time and await my dear friend's closing argument.

Mr. DREIER. Mr. Speaker, I yield myself the remainder of my time. I would like to close by simply responding to some of the remarks that were made by my friend from Mississippi and to extend hardy congratulations to my friend, the gentleman from Tampa, FL [Mr. GIBBONS].

Over the last three decades, in a bipartisan way, the United States of America has stood for free trade. There has been no Member of Congress who has been more diligent in the pursuit of those policies than SAM GIBBONS. The benefits to the consumer in the United States have been overwhelming because of the fact that we have successfully broken down barriers. And eliminating those barriers has improved the standard of living and at the same time it has created jobs.

The gentleman from Florida has been intimately involved in just the last few years with implementation of the North American Free-Trade Agreement and with the Uruguay round of the General Agreement on Tariffs and Trade. And I would say, Mr. Speaker, that both of those items have been job creators here in the United States.

I differ with my friend from Mississippi. I happen to believe that the facts show that over 336,000 jobs here in the United States have been saved because of the North American Free-Trade Agreement. I also feel very strongly that if we look at the difficulties that existed in Mexico, and we juxtaposed those to the peso crisis of 1982, we would have seen a much different response if we had not had the North American Free-Trade Agreement as SAM GIBBONS and I and others fought on behalf of.

I also believe that this may be the last trade agreement of the very distinguished career of the gentleman from Florida, and so I think that it is important for us as a nation, having benefited from his three decades of work on this issue, to ensure that we move ahead and realize, realize that for our consumer, for those who are trying to find new markets by creating jobs with

exports, that we are doing the right thing by passing this agreement. If we pass an amendment to it, it will kill it, and so I hope very much that we will move ahead and do the right thing here.

Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JUST DO IT

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

Mr. SMITH of Michigan. Mr. Speaker, this afternoon and evening we have discussed a budget resolution in our goals to eventually achieve a balanced budget. It makes me think, after listening to much of the discussion of what we should do, of the Nike running shoe ad that says, ''Just do it''.

We hear a lot of rhetoric about the fact that we should cut down on some of the wasteful spending. I say just do it. We hear a lot of discussion about let us lower some of those overwhelming taxes that we have imposed on the American working people. I say let us just do it. We have heard a lot of talk about how we change welfare, how we admit that welfare programs have been unsuccessful for the last 40 years and they need changing because we have taken the spirit away from people by giving them something for nothing. In changing the welfare program, I say just do it.

It is like the Nike ad on just doing it. It is not easy, it is going to be tough, but we have to just clench up our fists, we have to tighten up our stomachs and tighten up our dedication and just do it.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. CHABOT). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana 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 Missouri [Mr. VOLKMER] is recognized for 5 minutes.

[Mr. VOLKMER addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

THE TAX TRAP

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, when I am back in Michigan in our 7th Congressional District, around Battle Creek and Jackson and Hillsdale and Adrian, not a day goes by but a young mother or a young father comes up to me and says, you know, we are working very hard and we can hardly get by. We are both working now. Or sometimes it is a young mother, all by herself trying to support her kids, and they say why is it so difficult now when my mom and dad, when I was growing up, only one of them worked and we still ended up with enough money to go on vacations, to have good food, and to have good housing?

You know what I have concluded, Mr. Speaker, a large part of today's problem is? The tax trap. Back in the 1950's and the 1960's the taxes only took a small part of our earnings, but today taxes take almost 50 percent of what we earn. Taxes at the local, State and national level take 41 percent of what we earn. And then, if we earn more money and work harder, and we get into those higher tax brackets, in addition to the 15 percent that goes into FICA, we can go as high as 39 percent on our income tax.

I call it the tax trap because people may remember that old song that says the more you study, the more you learn; the more you learn, the more you forget; the more you forget, the less you know; so why study? It is sort of true on taxes. The harder you work and the more you earn, the higher your taxes are and the more you have to pay the Federal Government to spend the money that you worked so hard to earn.

I wonder if people know that today we spend more on food and clothing and shelter. The taxes that we pay to the government is more than we spend on food and clothing and shelter. I wonder if people know that there is about 70 percent of the hard-working American people that pay more in the FICA taxes, that 15 percent that is tacked on to our wages, than they do in the Federal income tax.

□ 2315

Let us look at the FICA taxes a minute. Most of that, 12.4 percent, goes to pay Social Security taxes. How many of the people under 40 today think that Social Security is going to be around when they are ready to retire?

We have got some real problems with Social Security. Back in the early 1980's and 1982, they appointed the Greenspan Commission because at that time they published reports that the unfunded liability of Social Security was 1.82 percent of payroll. In other words, taxes would have to be raised that much more to cover the unfunded liability of Social Security.

Guess what it is today. Today the unfunded liability of Social Security is 2.17 percent. So when we hear people say, ''Don't worry about Social Security because it is going to have enough money until the year 2029,'' what happened is the actuaries just recently came and said it is not going to be 2030, but it is going to be 2029, but the fact is that is only if somehow Government pays back all the money that it has been taking out of the Social Security surpluses.

Since we changed the Social Security taxes in 1983, and at that time the estimate was that they would be solvent for 65 years, well, guess what one of the former commissioners, Dorcas Hardy, said a couple of weeks ago? She estimated that sometime during the year 2005 there would be less money coming in for Social Security than was required for the payout.

There is no trust fund. There is no reserve. The Federal Government has taken every cent of the surplus every year, written out an IOU, and spent that money for general fund spending, expanding Government spending, expanding programs, taking more of Americans' individual decisionmaking away from them and putting it in this Chamber and over in the Senate Chamber and having Government make the decisions that they used to decide.

So when that young mother and young father come to me and say, ''What are your suggestions, what are we going to do,'' my suggestion is to slow down on the borrowing and eventually balance this budget. Slow down on those taxes. Let people keep some of that hard-earned money in their own pockets and decide how to spend that money, rather than sending it to this kind of Chamber to let Government decide how to spend your hard-earned dollar.

Somehow, Mr. Speaker, we have got to have a tax system where the people that work hard and try and save, end up better off than those that do not. That is the goal of our budget resolution, and our budget projection for the future of saying cut spending, do it now, do not put it off and let us get to a balanced budget. Let us quit borrowing and taking the future away from our kids.

IN OPPOSITION TO NUCLEAR WASTE STORAGE ON PALMYRA ATOLL, A POSSESSION OF THE UNITED STATES IN THE PACIFIC OCEAN

The SPEAKER pro tempore (Mr. CHABOT). Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I come before my colleagues and our great Nation today to state my strongest opposition to a proposal that some people view as nuclear lunacy. Some of my colleagues may have heard of this reckless initiative circulating around Capitol Hill, that would give birth to the world's largest nuclear waste cesspool—right smack in the middle amongst Pacific island nations and in the middle of the Pacific Ocean.

Mr. Speaker, after approximately 50 years of nuclear testing in the Pacific, where hundreds of the world's most lethal nuclear weapons have been detonated, would you not think Mr. Speaker, that the peoples and the environment of the Pacific have suffered enough from nuclear poisoning and contamination? Apparently not—as a group of investors from New York and Russia—yes, Russian—are pushing the idea of commercially developing Palmyra Atoll, a United States possession in the Pacific, as an international storage site for spent nuclear fuel and plutonium. These investors are prepared to sacrifice the health and welfare of millions of men, women, and children who reside in the Pacific, for the billions of dollars these investors intend to make in annual revenues.

According to these investors, their commercial enterprise would bring together the Governments of the United States, Russia and others to jointly store over 200,000 metric tons of spent nuclear fuel and excess weapons plutonium on Palmyra Atoll. Although making money is the primary motive, they also proclaim altruistic objectives, such as: First, securing Russia's fissile materials from the nuclear black market, while restraining Moscow's spread of nuclear technology to suspect regimes; Second, discouraging the reprocessing of spent nuclear fuel by nations for plutonium; and Third, materially aiding global efforts to stop nuclear proliferation.

Although I find these nonproliferation objectives to be admirable, I take great exception to the investors' decision to locate their international nuclear storage site on Palmyra Island—a volcanic island. Hawaii's distinguished Senator, DANIEL AKAKA, has recently opposed the plan, calling it nuclear nonsense, and I cannot more wholeheartedly agree with the gentleman from Hawaii.

Mr. Speaker, it is the height of folly and sheer nonsense to build the planet's largest nuclear wastedump on a geologically-suspect, dormant volcano—a volcanic formation that is surrounded by swirling Pacific currents, storms, cyclones, and hurricanes. Or how about these freak waves that travel in the Pacific at 60 mph and at 60 feet in height?

As many of us know, the Pacific Basin is afflicted by shifting tectonic plates, and volcanoes erupt regularly. With the State of Hawaii less than 1000 miles away and my district, American Samoa, also close by—who can guarantee that Americans will not suffer from the environmental firestorm to erupt if Palmyra Atoll is, again, subjected to geologic movement? Mr. Speaker, we are talking about the storage here of 200,000 tons of nuclear materials that shall remain radioactive, toxic and hazardous for over 100,000 years—in essence, for all time, as far as I am concerned. Mr. Speaker, the menace to surrounding Pacific island nations, such as Kiribati less than 200 miles away, is obviously the greatest. I would not want my family to live on islands anywhere close to Palmyra. What guarantees are there for the lives of some 1.2 million American citizens who live in the State of Hawaii, which is located less than 1,000 miles north of Palmyra Island?

Mr. Speaker, the Palmyra proposal subjects Pacific residents to additional dangers, as ships carrying spent nuclear fuel and plutonium from all corners of the world shall traverse the Pacific to reach the island. The threat of accidental vessel sinkings and terrorist hijackings of the deadly nuclear cargoes are only the beginning of problems to anticipate and are surely to come if this body ever approves this proposal.

After review of proposed legislation that would facilitate Palmyra Atoll's development as a private nuclear storage site, I believe that, in addition to the concerns I have already raised, the proposal is grossly unsound on its face. I have attached a copy of the draft legislation for the RECORD.

The bill directs the Nuclear Regulatory Commission [NRC] to expeditiously review the issuance of a license to the owners of Palmyra to operate a spent nuclear fuel storage facility, thereby applying undue pressure upon the NRC to circumvent normal environmental, engineering and safety requirements for such storage facilities.

The bill further provides that key sections of the National Environmental Policy Act [NEPA] and the Clean Water Act shall not apply to the Palmyra facility, thereby sidestepping legal requirements for an environmental impact statement to be prepared. What are they trying to hide?

The bill also makes no provision whatsoever for the ultimate disposition of the 200,000-plus tons of nuclear material to be stored on Palmyra. From my understanding, Palmyra is not to be a permanent repository like Yucca Mountain, which has entailed years of study and analyses which are still ongoing.

Nor is there any provision that addresses who will be liable in the event that a nuclear accident occurs at Palmyra or while nuclear materials are in-transit through the Pacific region. Can these investors cover this enormous liability, or are the United States and Russia expected to do so?

Finally, Mr. Speaker, the bill makes no mention of who will provide the necessary security and protection of these deadly fissile materials. The Palmyra storage facility will constitute a plutonium mine for centuries that will attract every rogue government and terrorist group with nuclear weapons ambitions. Who is to provide for the long-term security of Palmyra?

Mr. Speaker, as I said in the beginning, this Palmyra Atoll initiative is nuclear lunacy. Rather than governments putting the responsibility of storing dangerous nuclear materials in the hands of a private company, perhaps we should consider having the International Atomic Energy Agency [IAEA] perform this crucial function for the world community.

Mr. Speaker, the Palmyra Atoll proposal is the work of individuals who see only profits and outright greed, at the expense of the lives of the millions of people who live throughout the Asia-Pacific regions. These profiteers now see that by throwing to the Pacific Islands a few bones to chew on—that this will satisfy their needs. Is $250 million enough? What happened to the initial offer for $750 million?

Mr. Speaker, I cannot more strongly urge our colleagues to stand with me in opposing this reckless legislation when and if it is introduced to be considered by this body.

Mr. Speaker, I submit the following for the RECORD:

DRAFT BILL

To facilitate the ability of private owners to site, design, license, construct, operate and decommission a private facility for the interim or permanent storage of commercial high-level spent nuclear fuel on the Pacific Atoll of Palmyra subject to licensing by the Nuclear Regulatory Commission.

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE—This Act may be cited as the ''Private Storage Facility Authorization Act of 1996.''

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

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Authorization and siting of private storage facility.
Sec. 5. Funding of private storage facility.
Sec. 6. Design of private storage facility.
Sec. 7. Transfer of ownership of spent nuclear fuel.
Sec. 8. Transportation.
Sec. 9. Activities of the Commission.
Sec. 10. Participation in the project by Minatom.
Sec. 11. Plutonium processing facility.
Sec. 12. Trust fund to cover cost of final disposal.
Sec. 13. Trust fund for benefit of Pacific island nations.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that:

(1) The age of nuclear energy has brought with it three worldwide problems that may be summarized as follows:

(A) Safely disposing of high-level spent nuclear fuel which is necessarily generated in the process of producing electrical energy by nuclear technology and which is dangerous to life and ecology.

(B) Safeguarding of high-level spent nuclear fuel so that its by-products cannot be used to produce and proliferate weapons grade nuclear material.

(C) Safe storage and/or processing of plutonium that is surplus to legitimate national security requirements to insure that it does not fall into the hands of rogue governments and terrorists.

(2) Because of siting problems it has so far not been possible to begin construction of a repository for storage of high-level spent nuclear fuel in the United States even though the U.S. Department of Energy is contractually obligated to have such a facility available by January 31, 1998.

(3) Facilities for the temporary storage of spent nuclear fuel—primarily at the power plants that used the fuel—are virtually exhausted, a problem that affects the nuclear power industry all over the world.

(4) Reprocessing of spent nuclear fuel is a method of separating the components of that fuel so that the uranium it contains can be reused to generate electric power, but this method is not approved in the United States because it yields by-products that can be used to produce weapons grade nuclear materials.

(5) Prompt implementation of the plan for building a private storage facility will make it possible to include Minatom, the nuclear energy facility of the Russian Federation, as an equity partner in the project, a move that will greatly reduce the threat of weapons-grade nuclear materials falling into the hands of irresponsible nations while at the same time benefiting the ecology by providing the Russian Federation a safe repository for its high-level nuclear spent fuel. Participation by Minatom as an equity partner will enable Minatom to share substantially in the profits realized by the project.

(b) PURPOSES.—The purposes of this Act are—

(1) to facilitate the ability of private owners to site, design, license, construct, operate and decommission a facility for the safe storage of high-level commercial spent nuclear fuel and to establish procedures that will make such a facility available in the shortest possible time. The existence of this facility will provide adequate and safe storage space for all commercial high-level spent nuclear fuel and will render unnecessary and uneconomical the reprocessing of spent nuclear fuel; and

(2) to authorize private owners to designate and develop a site for a private storage facility on Palmyra Atoll for high-level spent nuclear fuel and facilities for storage and processing of surplus plutonium.

SEC. 3. DEFINITIONS.

In this Act:

(1) PALMYRA ATOLL.—Palmyra Atoll is a small group of coral islets of volcanic origin that surround a shallow lagoon and is located in the Pacific Ocean at 5 degrees, 52 minutes, north latitude and 162 degrees, 30 minutes, west longitude. The atoll is classified as an incorporated possession of the United States and is privately owned.

(2) COMEMRCIAL HIGH-LEVEL SPENT NUCLEAR FUEL.—The term ''commercial high-level spent nuclear fuel'' means fuel that has been withdrawn from a nuclear reactor primarily dedicated to the production of electric power following irradiation, the constituent elements of which have not been separated by reprocessing.

(3) PLUTONIUM.—The term ''plutonium'' refers to one of the by-products of nuclear fission that in its refined form is essential to the production of nuclear weapons.

(4) COMMISSION.—The term ''Commission'' means the United States Nuclear Regulatory Commission.

(5) PRIVATE OWNERS.—The term ''private owners'' means a group of investors organized into three corporations formed for the purpose of developing and operating a private storage facility for commercial high-level spent nuclear fuel and surplus plutonium in accordance with the provisions of this Act.

(6) PRIVATE STORAGE FACILITY.—The term ''private storage facility'' means a facility designed, constructed and operated by private owners for the receipt, handling, possession, safeguarding and storage of commercial high-level spent nuclear fuel in accordance with the provisions of this Act.

(7) STORAGE.—The term ''storage'' means retention of commercial high-level spent nuclear fuel with the intention of recovering the components of that fuel for subsequent use, processing or disposal. This term is not to be confused with the term ''final disposal,'' which refers to high-level spent nuclear fuel whose toxicity has been reduced to an as yet theoretical level that poses no possible danger to life, health or environment.

SEC. 4. AUTHORIZATION FOR SITING, CONSTRUCTION AND OPERATION OF A PRIVATE STORAGE FACILITY.

(A) AUTHORIZATION.—

(1) The private owners may site, design, license, construct, operate and decommission a private storage facility on Palmyra Atoll for the storage of commercial high-level spent nuclear fuel in accordance with the regulations of the Nuclear Regulatory Commission.

(2) In order to facilitate this authorization, title VI, section 605(a) of Public Law 96–205 (48 U.S.C. 1491(a)) is amended by adding the words ''or to the Atoll know as Palmyra'' to the end of the last line of section 605(a).

(3) LICENSE.—On application by the private owners, the private storage facility shall be licensed by the Commission in accordance with its regulations governing the licensing of independent spent fuel installations as modified in accordance with section 9 infra.

(b) DESIGNATION OF PRIVATE STORAGE FACILITY SITE.—The site designated by the private owners for a private storage facility is Palmyra Atoll, which is owned in fee by them and is not under the jurisdiction of any State.

(c) ACTIVITIES.—The private owners shall be authorized to conduct specified activities at the private storage facility site, including the design, licensing, construction, operation and decommissioning of the private storage facility, with the scope of activities to be determined by the private owners.

SEC. 5. FUNDING OF THE PRIVATE STORAGE FACILITY.

SOURCE OF FUNDING.—The private owners will obtain funding for the design, licensing, construction and operation of the private storage facility from private sources. Income will be derived from user fees.

SEC. 6. DESIGN OF PRIVATE STORAGE FACILITY.

(A) STORAGE CAPACITY.—The private storage facility shall have a storage capacity of not less than 200,000 metric tons of commercial high-level spent nuclear fuel and plutonium. This capacity shall be expandable as necessary to meet storage requirements.

(b) CANISTER SYSTEM.—the design of the private storage facility shall provide for the use of such containment and transportation technologies as are licensed and certified by the Nuclear Regulatory Commission for use in handling transportation and storage of high-level spent nuclear fuel.

SEC. 7. TRANSFER OF OWNERSHIP OF SPENT NUCLEAR FUEL.

At the time that spent nuclear fuel is transferred to the canisters belonging to the private owners, ownership of that fuel shall vest in the private owners.

SEC. 8. TRANSPORTATION.

Upon acceptance by the private owners of spent nuclear fuel, the spent nuclear fuel shall be transported to the private storage facility in the safest, most cost-efficient manner in accordance with the regulations for such transit of the Nuclear Regulatory Commission and the Department of Transportation.

SEC. 9. ACTIVITIES OF THE COMMISSION.

(a) REGULATIONS.—Not later than 180 days after the date of enactment of this Act the Commission shall amend its regulations governing the licensing of independent spent nuclear fuel storage installations, as necessary, to provide for the licensing of the private storage facility upon application by the private owners.

(b) CONTENTS.—The regulations issued under subsection (a) shall incorporate the following provisions:

(1) LOCATION OF FACILITY.—The private storage facility shall be located at the site specified in section 4 supra.

(2) TERM OF LICENSE.—The private storage facility shall be licensed for the maximum period consistent with applicable law.

(c) LICENSING.—On application by the private owners for a license for construction and operation of the private storage facility at the designated site, the Commission shall review the license application and issue a final decision on it at the earliest practicable date, to the extent permitted by law and regulation, but not later than 18 months after receipt of the license application.

(d) COMPLIANCE WITH THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—Preparation of an environmental impact statement by the Commission under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) in conjunction with the licensing of the private storage facility authorized by this Act shall not be required.

(e) DREDGING PERMIT.—The issuance of a permit under section 404 of the Clean Water Act (33 U.S.C. 1344) for dredging of the lagoon in the Palmyra Atoll in conjunction with this project shall not be required.

SEC. 10. PARTICIPATION IN THE PROJECT BY MINATOM.

It shall be a condition binding on the private owners that Minatom, the nuclear energy facility of the Russian Federation, be offered a substantial equity position in the real estate and global services of this project in exchange for its agreement to deny nuclear weapons technology and materials to any nation whose interests and policies are inimical to the security interests of either the United States or the Russian Federation as determined by their respective heads of state. In exchange for equity participation in the project, Minatom also will not make any commitment for reprocessing high level spent nuclear fuel from sources outside of the Russian Federation after the time that this Act becomes law.

SEC. 11. PLUTONIUM STORAGE AND PROCESSING FACILITY.

For the purpose of implementing a global policy of nuclear non-proliferation, the private owners will design and build at their own cost, using revenues derived from storage fees, a facility for storage, conditioning, stabilizing and conversion of plutonium that is surplus to the security requirements of the United States and Russia. The private owners will not operate this facility, but it will be available for joint operation by the United States Department of Energy and Minatom.

SEC. 12. TRUST FUND FOR FINAL DISPOSITION.

From revenues received from storage fees, the owners will contribute to a trust fund to be administered by the United States Department of Energy the sum of $100,000 for each metric ton of high level spent nuclear fuel deposited in the private storage facility, which fund shall be used to defray the cost of making final disposition of the high-level spent nuclear fuel existing in the private storage facility at the time the disposition decision is made.

SEC. 13. TRUST FUND FOR BENEFIT OF PACIFIC ISLAND NATIONS.

In recognition of the interest in and support of this project on the part of the Pacific Island nations, the private owners will establish a trust fund, to be administered by the Office of Insular Affairs of the United States Department of the Interior and based in Hawaii, that will receive a share of the profits from each metric ton of spent nuclear fuel placed in the private storage facility. This trust will be funded by an initial contribution of $100,000,000 plus an increment of $25,000 for each metric ton deposited in the private storage facility up to a maximum payout of $250,000,000 per annum. This fund will be used to assist the Pacific Island Nations in economic development, education and environmental protection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

[Mr. BUYER 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 Illinois [Mrs. COLLINS] is recognized for 5 minutes.

[Mrs. COLLINS of Illinois addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

[Mr. MICA 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.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. CHAMBLISS] is recognized for 5 minutes.

[Mr. CHAMBLISS 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 California [Mr. FILNER] is recognized for 5 minutes.

Mr. FILNER 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 Tennessee [Mr. WAMP] is recognized for 5 minutes.

[Mr. WAMP 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 Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

[Mr. GUTKNECHT 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 Washington [Mr. METCALF] is recognized for 5 minutes.

[Mr. METCALF 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 Illinois [Mr. WELLER] is recognized for 5 minutes.

[Mr. WELLER 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 Washington [Ms. DUNN] is recognized for 5 minutes.

[Ms. DUNN of Washington addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. HILLEARY] is recognized for 5 minutes.

[Mr. HILLEARY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE BURNING OF AFRICAN-AMERICAN CHURCHES IN THE SOUTH

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. Mr. Speaker, from Johnson Grove Baptist Church in Tennessee in January 1995, to the Church of the Living God in Greenville, TX, just this week, America's black churches are under siege. The recent outbreak of arson crimes throughout the United States recalls a dark era in the history of our great Nation. In all, 33 black churches have been torched in the past 18 months in a rash of disturbing acts of violence, racism, and hatred. This cannot be tolerated.

The pain and anguish of these fires can be felt here in Washington and throughout the Nation by people of all races and creeds who value tolerance and diversity. While there is no clear evidence of a national conspiracy, it is clear that racial hostility is the driving force behind these reprehensible incidents. This must and will stop.

It is hard to imagine a more depraved and senseless act of violence than the destruction of a place of worship. In this Nation, black churches were burned in the 1950's and 1960's to intimidate civil rights workers. The sight of a Southern black church burning is part of a hateful mosaic which includes beatings, murders, and lynchings. It is easy to try and relegate these memories to the past. Yet, the recent crimes show that there is much work to be done when it comes to the end of discrimination and the promotion of civil rights for all.

As many oppressed races and religions know, the specter of hatred can rise at any time and in any place. We must always remain vigilant if all Americans are to have an equal opportunity to taste the sweet fruit of freedom.

These fires struck at the very heart and soul of the black community. Every family, without regard to race, has a right to expect that when they walk into a church, synagogue, mosque, or other place of worship, they will find a place of prayer and quiet contemplation and not the charred remnants of a hateful act perpetrated by cowards in the night.

We must work together as a nation to safeguard the right of every American to pray in safety in their own house of worship. That is what America stands for. That is why thousands of Americans have laid down their lives over the centuries, Mr. Speaker: to protect the lives of all Americans to worship as they choose, if they choose, to worship in safety, peace, and free of violence.

Ultimately, it is up to us to end this senseless violence. We must say to those who would feed upon what Dr. Martin Luther King, Jr., called the ''stale bread and spoiled meat of racism'' that they have lost sight of what America stands for. That is not the American way. Together, we can smother the fires of racial hatred which fuel this violence.

Religious freedom is one of the founding principles of our democracy and the black church has historically been the center of worship, self-help, and community life for millions of Americans. In my own home of Montgomery County, PA, some of my fondest memories are of the fellowship and friendship I have shared with my friends in many of the black congregations of my district.

We must all do our part to end this rash of violence. In Congress, Mr. Speaker, we have introduced legislation to deter these arson crimes and to increase the penalties for those who would perpetrate them. Americans must rise up and show the forces of hatred they cannot win and are not welcome here.

The United States is a great nation because for more than 200 years we have worked together to honor the religious convictions of freedom and celebrated the extraordinary religious diversity of our people. By unleashing the full strength of that freedom and diversity we can ensure that nothing will be able to divide us or defeat us.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DORNAN) is recognized for 5 minutes.

[Mr. DORNAN addressed the House. His remarks will appear in the Extensions of Remarks.]

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York (Mr. OWENS) is recognized for 15 minutes as the designee of the minority leader.

[Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DAMAGING CHANGES PROPOSED TO U.S. PATENT LAW

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California (Mr. ROHRABACHER) is recognized for 30 minutes as the designee of the majority leader.

Mr. ROHRABACHER. Mr. Speaker, I am here tonight to discuss a bill that will be coming to this body next week or the week thereafter. A bill that will dramatically—dramatically—change the patent laws of this country.

Mr. Speaker, it is a bill that I believe is part of an insidious attack on the well-being of the American people. They will not even realize how horrible it is and the impact that it will have on their way of life until many years after. Only when it has long since been passed will the American people wonder what it was that hit them, why their standard of living is going down, why America is no longer able to compete.

Mr. Speaker, the American people are used to being the leaders on this planet. We have been, and this has been called the American Century. But let us never forget that America used to be the most underdeveloped country in the world. We were a desolate frontier, and now the American people have turned a desolate frontier into a house of freedom and opportunity in which the common man in the United States of America lives a decent life and knows that his children have an opportunity to improve their well-being as well through a system that encourages innovation.

Yet there are those who seek to change some of the fundamental underpinnings of American prosperity, and at times they are not always up front with their goals. Today, I believe the incredible attack that we see coming on the patent system of the United States of America is part of this type of approach where people are seeking a change in America, but we are not certain exactly where they are coming from.

□ 2330

One thing is for certain. Bill Clinton, shortly after becoming President, sent Bruce Lehman, his appointee to head America's patent office, to Japan. There Bruce Lehman, now the head of the American Patent Office, concluded a hushed agreement to harmonize America's patent laws with those of Japan.

It may surprise those who are hearing this speech tonight that an unelected official—the head of our Patent Office, Bruce Lehman—signed an agreement and that an agreement has been reached. It is in writing: to harmonize American law, change our law so that it is in harmony with Japanese law in terms of the patent law.

What we got, by the way, for agreeing that our law would change and harmonize with Japan, is almost no change in the Japanese law in return, except for an anemic restriction on corporate Japan's interferences with the patent process. But like Japan's promise to open its markets decades ago—I remember this 25 years ago when they were talking about opening their markets—no one has any idea when their weak concessions will actually be put into effect or whether those weak concessions are simply scribblings on pieces of paper until they are forced, decades from now, to actually pull back from the things that they agreed to if we would change our law.

In the meantime, however, Bruce Lehman and the multinational corporations are doing their god-awful best to change our fundamental patent law, to harmonize it to make it look exactly like the law of Japan over these many years. They have tried to do this as quickly as possible and as quietly as possible.

Step No. 1 was eliminating the guaranteed patent term of 17 years which has been a right that Americans have enjoyed—American inventors and investors have had as a right—for 134 years. Before that, there was a guaranteed patent term of 14 years, from the time of the founding of our country until 134 years ago. This guaranteed patent term has been part of our rights and part of something that has actually been written into the Constitution. Trying to keep this downgrading of the American patent rights quiet—instead of coming to Congress with legislation changing our patent laws—a provision was snuck into the implementation legislation for the General Agreement on Trade and Tariffs [GATT]. That may sound odd, but Congress could only vote up or down on this one omnibus bill that came before us, the GATT implementation legislation. No amendments were allowed.

Thus, a Member of Congress would be forced to vote against the entire world trading system in order to vote against this insidious change of our patent law. This tactic was a total betrayal of those of us who voted for the fast track process of GATT, because we knew that we would only get an up or down vote. That is what the fast track was all about. But we were told if we would vote for fast track, then nothing would be included in the GATT implementation legislation except for that which was absolutely necessary and required by the GATT agreement itself.

That is not what happened because this change was not required by GATT. This insidious, absolutely underhanded way of passing this change in our patent law, should tip off our citizens and should have tipped off Members of Congress that there is something that has gone afoul.

GATT did not require eliminating this patent change so it should never have been in the legislation implementing GATT.

I created a stir when GATT came to a vote. That was over 1½ years ago. I was promised a chance to correct this part of the implementing legislation. We can take it out of the implementing legislation. We can change the law and still be GATT consistent, because this was never required by GATT in the first place.

Changes in the patent term, of course, are not easy to understand. Most people do not understand the importance of them. They know it is important for America to be the No. 1 technological power in the world. But patent term: That is kind of confusing. That is exactly the area where America's enemies know they can strike and know they can get away with this type of effort—a blow to the well-being of the American people—because the American people will not realized what is happening.

Traditionally, when an American inventor or investor filed or a patent, no matter how long it took that patent to be issued by the Patent Office, once it was issued, the owners had a guaranteed patent term of 17 years to reap the benefits of their new technology. They actually owned the technology for 17 years. Anyone who would use it would have to give them some sort of a fee for using it, a royalty, it is called. They created the technology. It would not exist without them. This was a wonderful way to promote innovation in our society. It was, again, their right to a guaranteed patent term that was the basis of our system. We had the strongest patent protection of any country in the world.

I will say it worked so well for the United States, almost all of the major inventions of our age and of the last century came from America, which was a very small and weak country at the time. The light bulb, the telephone, the reaper, the steamboat, of course, the airplane, all of these things came from Americans because we had a strong patent system.

During the time before the patent was issued, Americans knew, under the old system, that they were secure, that even though it would take a long time for them to get issued that patent, that they would have a full 17 years to benefit. So people knew they would invest in something and they would expect a reward. That is why we invented all those wonderful things that changed our lives and uplifted the standard of living of our people.

This system not only encouraged inventors but also investors. Private dollars by the billions have been allocated in our society for developing new technologies. We did not rely on government bureaucracy or taxes or government interference. We relied on freedom and the profit motive. It worked for the United States.

The new system, which is being foisted on us, is nothing more than the Japanese system superimposed on us. Again, it is very difficult to understand this and understand the significance of the changes, these changes in our system and what it will mean in changes in our lives.

Under the new code, meaning the old, the Japanese code superimposed on us, the day an inventor files for a patent, 20 years later his time is up. If it took 20 years, if it took 10 years for a patent to be issued in the past, the investor still knew he had 17 years because when it was issued, he had 17 hears to reap the benefit. Under this new system, meaning the Japanese system, after 10 years one-half of the inventor's patent term is gone. It is eaten up. He or she only has 10 years left. The clock, in other words, is always ticking against the inventor and not the bureaucracy.

Anyone who has studied the process knows that it is not abnormal for breakthrough technologies, meaning technologies that will change our lives and change the world, innovations that will create tens of billions of dollars of new wealth, it is not odd for them to take 5, 10, or 15 years to go through the patent process. There are many, many examples of this. Yet these people under this system now, with their patent terms eaten away, would have no time to benefit from it. What kind of incentive does that give for investors who invest in people's breakthrough technology in their ideas?

Now, what else does it mean? What does it mean for the clock to be ticking against the inventor? It means the bureaucracy and special interests now have leverage on the inventor that they never had before. During negotiations which are part of the patent granting process, the inventor can be ground down because he or she is now vulnerable. And a patent can be delayed and the time shortened. And what does that mean? It means that all of those royalties, if now you only get 10 years of patent protection, really, that is left on your clock because it has taken that much time to get the patent issued and you only have 10 years left, what does that mean?

It means that royalties that were once going into the bank account of American inventors are now rerouted into the bank accounts of huge foreign and domestic and multinational corporations. These people who used to have to pay royalties the whole time now will end up having to pay royalties only part of the time, if any of the time, because there might not be enough time for the inventor to recoup the money necessary to fight in court the big corporations who are ripping off his product.

To claim stolen royalties, an individual American must pay lawyers then and legal specialists and go to court. Under the old system, the Americans were protected. Under the new system that is being installed, the Japanese system, Americans are at risk. The little guy gets ground down.

Under the old system, the Wright Brothers invented airplanes and lifted mankind into the heavens. Under this system, the Wright Brothers would have been ground down by Mitsubishi who would have probably ended up controlling their technology. And we would have gone to airports filled with Japanese airplanes reaping the benefits for that society.

This system, which our patent commissioner wants America to emulate, has ill-served the Japanese people because what has happened, although they have been able to grasp technology from others, there has been almost no innovation and creativity in Japan. The fact is, the Japanese are rightfully known as copiers and improvers, not innovators and inventors. This is because new inventions basically benefit a very small elite in Japan.

Their laws, which Bruce Lehman wants America to emulate, would have permitted and has permitted in Japan powerful business conglomerates to run roughshod over the people. They have been beaten down, when anyone raises his head. And those very same interests now will be able to come to the United States of America and run roughshod over our inventors.

As far as technological development, as I say, Japan basically has shown very little, very little, very little example of innovation in their own society because once an innovator does step forward, once an inventor does produce some sort of significant invention and tries to patent it in Japan, all of a sudden that inventor experiences pressures, official and unofficial, that are applied to beat him down. And so his rewards are limited.

However, the rewards of the big guys, the giant corporations, are very great there because they can envelope new innovation and pay very little in royalties as compared to their counterparts in the United States.

Unfortunately, we now are having that system superimposed on us. It is the difference between a society that is based on individual freedom versus collectivism and egalitarianism.

During the patent debate, Mr. Lehman constantly claimed the purpose of strong patent laws is to facilitate dissemination of information to the society as a whole. That is the ultimate in antifreedom collectivist thinking and has nothing to do with what our Founding Fathers had in mind. In our country the rights of the individual are paramount.

These patent laws were meant to protect individual property rights over those supposed needs of the society because we understood that protecting the rights, the property rights of the small farmer and the individual, the individual businessman, that this will indeed benefit all of us in the long run because individuals will then put out the maximum of effort. And they will have more personal responsibility, and it will create a prosperous citizenry.

This is what creates a prosperous country. Mr. Lehman's approach treats the individual as secondary, ants in a collective hole who, if they insist on their rights, must be smashed by the boots of those in power.

Of course, those trying to challenge our system will never admit this. Those trying to superimpose this Japanese system on us. The change is coming not as part of a democratic process, of course, so they do not have to tell us about it. It is coming by subterfuge, sneaking provisions into a treaty legislation or an omnibus bill so that basically this evil will be obscured from view.

When one can force the advocates into a debate, what they say is the reason why they are pushing all of these things is the fact that there is a submarine patent threat out there. Well, a submarine patentor is someone who has tried to elongate the system here. They have gamed the system. Thus, the date for a patent being issued to them is put off and they have a few more years in the outyears to collect some royalties. That is what a submarine patentor is.

□ 2145

Now, there have been some examples of that, and the fact is that that is a problem that can easily be corrected administratively, but this problem has been put up as a straw man to excuse this incredible fundamental change in our society and the diminishing of American patents rights.

Basically, they could have corrected the problem. It is like someone with a sore toe and someone telling them, ''In order to get rid of your sore toe we are going to cut your leg off.'' ''No, no, no. Please. I can correct the sore toe. I will put something on it that will make it better.'' ''No, no. We are going to cut your leg off to get rid of your sore toe.''

Now, when someone tells you that, maybe you have to question they do not have your best interests at heart, and that is what is happening with the submarine patent issue.

You see, the vast majority of all patent applicants, 95 percent and up if not

99 percent, do everything in their power to get their patent issued. You know, please issue it now, right away, because that is when they will start to benefit, when their patent is issued. They know that if they hold off, they may be left behind by other innovations, and let us note this:

Those people claiming that the submarine patent is, in fact, the reason why we have to change the patent law, do they not realize these are part of the very same forces that were trying to change the patent law before anyone ever talked about submarine patents, before anyone ever knew what that meant.

No, the fact is the real motive behind most of those people who want to change, the real motive is they want to harmonize our system with Japan because it will create a more global trading system.

Well, history will judge what happens by, you know, what they accomplish, by what they are trying to do and what happens to the American people.

Let us note that this is the first step in harmonizing our trade with Japan, and I will have to say that Mr. Lehman has used the bogeyman of submarine patents to get some Members of Congress to believe that that is a reason for this terrible change in our system that will have such a horrible impact on our society.

But again, if a submarine patent is a problem, we could work together and get it cured and get it corrected with just administrative changes within the system.

I, in fact, had a bill, H.R. 359, which would reinstate the 17 years of a guaranteed patent, but at the same time we included a provision that would basically stop the manipulation of the system. Yet when I put the provision in when it was suggested by others, that was not enough, and then again I said, well, let us put more things into this bill, let us put more things into this bill which will guarantee you cannot have a submarine patent just so long as you do not eliminate the guaranteed patentor, just as long as you do not cut your leg off in order to cure the sore toe. But, no, no one was ever willing to offer that as an alternative. No one ever came up with suggestions for me with that, because the real purpose was to eliminate the guaranteed patent term.

Now, we face another piece of legislation. The fact is the guaranteed patent term was eliminated by the GATT implementation legislation. Well, I will be trying to restore that as a substitute for a bill which will come to the floor next week, H.R. 3460. It is a patent bill that is basically designed, their patent bill, H.R. 3460 which will come to the floor, and I have a substitute which I want to substitute for that bill, but their bill basically is designed to complete the destruction of our patent system, and basically it is the next step from what they did when they snuck this first provision into GATT which will then totally harmonize us with Japan.

H.R. 3460, which I call the Steal American Technologies Act, is being put forward. Now, the official title is the Moorhead-Schroeder Patent Act. Well, better than anything else it demonstrates what is going on. It is very understandable to see what some of the provisions do, and it is very understandable to see the powerful international interests that are at work in this legislation.

H.R. 3460 is a package that obscures some of the mind-boggling provisions, but if you look closely you will be able to see it. One of the provisions was introduced last year in a bill entitled the Patent Publication Act. See, they had to change that now. They had to make it the Moorhead-Schroeder Act because the Patent Publication Act is too blatant a description. The title was too self-explanatory, in other words. That provision, which is part of this bill, H.R. 3460, mandates that after 18 months every American patent application, whether or not it has been issued, will be published for the world to see.

Please try to understand what I am telling you today. We have a bill that is insisting that every new idea of American technology will be made public, will be public, and thus every thief and brigand and pirate and multinational corporation and Asian copycat in the world will be handed the details of every idea that we have got. They will be standing in line. The Xerox machines will be running, the fax machines will be running, and our ideas will be overseas, and they will be in production of our new technology to use against us before our own people are issued the patents.

It is incredible, but of course that is part of the Japanese system, so we have to have it here too. That is part of the Japanese system. Everything is public, and thus they can beat down the individuals who are creating new technologies. Our newest and creative ideas, as I say, will be out before the public and out before our adversaries even before our own people can go into production, and H.R. 3460, as I say, is entitled to Moorhead-Schroeder Patent Act, and this provision, as I say again, it is almost too mind-boggling for the public to believe, but please believe it. That is part of the bill, that is the purpose of the bill, and basically this bill is passed, has already passed subcommittee and full committee.

When it was going through the subcommittee, I will never forget it. I was in my office, and there was a man from a medium-sized solar energy company from Ohio in my office, a president of his company. He had helped start that company and built it on his own creative ideas. they had lots of patents, and I told him what the provision of this bill was as it was going through subcommittee at the moment that I talked to him. I said, what if you have to publish your patent application before the patent is issued, and he said, ''My gosh, our Asian competitors will have it in production, they will be making profit on my technology. It I try to go to court, what they will do is they will used the money, the profit they receive from my technology, to beat me down and destroy my company.''

He was right. That is what will happen if we let them get away with it, and this is something we cannot let happen.

Now, when full committee, which this bill has already passed through full committee, when someone was asked, when an advocate of this bill was asked, is that true? Everyone will have to publish their patent application? They were told, ''Oh, no.'' That has been taken care of. Yeah, do you know how that has been taken care of? In order not to get it published, a patent applicant has to withdraw his patent. That is all. You just have to withdraw your application, meaning you have to give up on getting a patent.

That was an untruth. That was an untruth. That was something that was wrong information that the people had in the full committee. They were told that it was taken care of, but that was not what they consider being taken care of, that unless you withdraw and do not push forward for a patent that your patent will be published.

□ 2355

This is the nightmare that will face every small-and medium-size company, that they will have their own technologies used against them by foreigners and they will be put out of business. Anyone who cannot afford a stable of expensive lawyers will be at the mercy of the worst thieves in the world, and the big guys are the ones, of course, our big companies have the contacts overseas. They can defend themselves. In fact, they would not mind stealing some of the technology from the little guys here themselves. It will be open season in our country on the little guy.

Of course, Mr. Speaker, we are told we have to do this to prevent this evil, the submarine patents. There are a few people who are elongating their patents by a few years, and that is very evil. Thus, we have to do all this other stuff and permit this other vulnerability for everybody in our country in order to solve that problem. We have to cut your leg off in order to correct that hangnail that you have on your toe.

Another major provision of H.R. 3460 is now basically, hold onto your hats, is the abolition of the U.S. Patent Office. They are advocating we eliminate the U.S. Patent Office, which has been part of our Government since the founding of our country in 1790. Yes, under H.R. 3460, basically our Government will eliminate the patent office, which eliminates congressional oversight, by the way, because they are going to set up a new patent corporation, sort of a quasi-independent government corporation like the Post Office.

Members know I am in favor of privatization. I am a conservative Republican. But this corporatization of a Government function, of a core Government function, it is the Government's job to protect our individual rights. It has been part of our system since the founding of our country. This is not the way to privatize Government. We cannot do that, because that is the job of the Government.

Mr. Speaker, basically the patent examiners, and by the way, by making it a quasi-corporate structure, congressional oversight is taken back, but what also happens is that the patent examiners, these men and women who have dedicated themselves to a fair adjudication of American applications for patents, these people work hard and they struggle, and it is a tough job, but it is a judicial function, because they are making decisions as to who owns billions of dollars of technology.

These people are going to be stripped, they will be stripped of their civil service protection. This opens up everything to corruption. It opens it up to outside influences. Why are we doing this? Why are we doing this? If the patent office is corporatized, Bruce Lehman, the minister of harmonization with our laws with Japan, he is going to head the patent office, and he will be a virtual dictator of that office compared to what now it is, when we basically have it being part of the Government rather than a semi-private operation.

These changes are destructive. They will work against the best interests of the United States. It is transparent, the corruption that will be created, and the special interests from all over the world who will be trying to interfere with a system, a system which has served us so well and kept America ahead of the pack, ensured that the United States of America had a middle class, people who had decent lives because we had technology that permitted us to outcompete our adversaries economically and defeat our military adversaries when our country was in trouble.

H.R. 3460, the Steal American Technologies Act, that is the Moorhead-Schroeder bill, patent act, it must be defeated. The Rohrabacher substitute, which I will offer on the floor, which restores American patent rights, must be passed. It is something we have to do to protect the well-being of our citizens.

Huge companies have been opposed to this proposal. It is up to the American people. The American people have to weigh in, or huge corporations, multinational corporations, will have their way. So far we have the support of small business, the little guys, every small inventors organization in the country, even American universities. But the big corporations of the United States of America have weighed in because they have a vision of a global market, and who cares about the rights of the American people or the standard of living of the American people. It is this global marketplace which is more important.

Mr. Speaker, we can make democracy work here. We can defeat the big guys if the little guys get together and make sure that they are contacting their Representatives in Washington and demanding that a piece of legislation so detrimental to our country's well-being, the Steal American Technologies Act, is defeated, H.R. 3460, and that the substitute that I am proposing, the Rohrabacher substitute, is placed in its stead.

Now is the time for us as Americans to stand together and tell the elites of the world we will never see our rights diminished by any kind of global vision. We will make sure that our children have a better life, because we are all the children, and all of Americans will always be the children, of Ben Franklin and Thomas Jefferson. We will never give up the rights that they gave us as their legacy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EMERSON (at the request of Mr. ARMEY) for today until 3 p.m., on account of attending his daughter's graduation.

Mr. MARTINI (at the request of Mr. ARMEY) until 2 p.m. today, on account of attending his daughter's graduation.

Mr. BASS (at the request of Mr. ARMEY) until 2:30 p.m. today, on account of attending a funeral.

Mr. INGLIS of South Carolina (at the request of Mr. ARMEY) for today until 5 p.m., on account of traveling to Greelyville, SC, to join the President in standing against arson attacks on places of worship.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

(The following Members (at the request of Mr. ROHRABACHER) to revise and extend their remarks and include extraneous material:)

Mr. MANZULLO, for 5 minutes each day, on June 18 and 19.

Mrs. KELLY, for 5 minutes each day, on June 13 and 19.

Mr. WAMP, for 5 minutes each day, on June 12 and 13.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mrs. JOHNSON of Connecticut, for 5 minutes on June 13.

Mr. WELLER, for 5 minutes, today.

Ms. DUNN of Washington, for 5 minutes, today.

Mr. HILLEARY, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes, today.

Mr. DORNAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. DELLUMS.
Mr. HAMILTON.
Mr. GEJDENSON.
Mr. JACOBS.
Mr. RAHALL.
Ms. DELAURO.
Ms. NORTON.
Mr. TORRES.
Mr. VENTO.
Mr. LAFALCE.
Mr. REED.
Mr. PALLONE.

(The following Members (at the request of Mr. ROHRABACHER) and to include extraneous matter:)

Mr. KING.
Mr. BOEHLERT.
Mr. GRAHAM.
Mr. DELAY.
Mr. DAVIS.
Mr. ROHRABACHER.
Mr. SPENCE.
Mr. HOKE.
Mr. YOUNG of Florida.
Mrs. MORELLA.
Mr. NETHERCUTT.
Mr. BILIRAKIS.
Mr. CUNNINGHAM in two instances.
Mr. ALLARD.
Mr. YOUNG of Alaska.

(The following Members (at the request of Mr. ROHRABACHER) and to include extraneous matter:)

Mr. GORDON.
Mr. PARKER.
Mr. DORNAN.
Mr. THOMPSON.
Mr. FARR of California.
Mr. KNOLLENBERG.
Mr. GILMAN.
Mrs. FOWLER.
Mr. LATHAM.
Mr. FLAKE.

ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, June 13, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from

the Speaker's table and referred as follows:

3517. A letter from the Acting Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Spearmint Oil Produced in the Far West; Revision of the Salable Quantity and Allotment Percentages for Class 1 (Scotch) Spearmint Oil the 1995–96 Marketing Year [Docket No. FV96–985–1FIR] (7 CFR Part 985) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3518. A letter from the Acting Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Honey Research, Promotion, and Consumer Information Order—Amendment of the Rules and Regulations to Add HTS Code for Flavored Honey [AMS–FV–96–701.FR] (7 CFR Part 1240) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3519. A letter from the Secretary of Defense, transmitting certification that the detail of 88 DOD personnel to other Federal agencies, under the DOD Counterdrug Detail Program, are in the national security interest of the United States, pursuant to Public Law 103–337, section 1011(c) (108 Stat. 2836); to the Committee on National Security.

3520. A letter from the Secretary of Defense, transmitting the Secretary's report entitled ''Defense Nuclear Agency Long-Term Radiation Tolerant Microelectronics Program,'' pursuant to Public Law 104–106, section 217(c)(2) (110 Stat. 222); to the Committee on National Security.

3521. A letter from the Secretary of Housing and Urban Development, transmitting the Department's report entitled ''Assessment of the Comprehensive Grant Program,'' pursuant to Public Law 101–625, section 509(i)(1) (104 Stat. 4193); to the Committee on Banking and Financial Services.

3522. A letter from the Secretary of Education, transmitting final regulations—William D. Ford Federal Direct Loan Program; Institutional Eligibility Under the Higher Education Act of 1965, as Amended; Student Assistance General Provisions—received June 10, 1996, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Economic and Educational Opportunities.

3523. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—William D. Ford Federal Direct Loan Program; Institutional Eligibility Under The Higher Education Act of 1965, As Amended; Student Assistance General Provisions (RIN: 1840–AC18) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

3524. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania: Partial Approval of PM–10 Implementation Plan for the Liberty Borough Area of Allegheny County (FRL–5463–3) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3525. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Tennessee; Approval of Revisions to Process Gaseous Emission Standards for Total Reduced Sulfur Emissions from Kraft Mills (FRL–5519–6) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3526. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Quizalofop-P Ethyl Ester; Pesticide Tolerance and Feed Additive Regulation (FRL–5375–6) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3527. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Outer Continental Shelf Air Regulations Consistency Update for California (FRL–5515–7) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3528. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—48 CFR Parts 1501, 1509, 1510, 1515, 1532, 1552, and 1553 Acquisition Regulation (FRL–5516–4) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3529. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Prohibition on Gasoline Containing Lead or Lead Additives for Highway Use (FRL–5513–3) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3530. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Commonwealth of Pennsylvania: Revocation of Determination of Attainment of Ozone Standard by the Pittsburgh-Beaver Valley Ozone Nonattainment Area and Reinstatement of Applicability of Certain Reasonable Further Progress and Attainment Demonstration Requirements (FRL–5511–2) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3531. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Description of Areas for Air Quality Planning: State of Idaho; Correction to Boundary of the Power-Bannock Counties Particulate Matter Nonattainment Area to Exclude the Inkom Area (FRL–5515–1) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3532. A letter from the Director, Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Pesticide Tolerance: 1-[[2-(2,4-Dichlorophenyl)-4-Propyl-1,3-Dioxolan-2-yl]Methyl]-1H-1,2,4-Triazole (FRL–5368–4) received June 5, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3533. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Definition of Markets for Purposes of the Cable Television Mandatory Television Broadcast Signal Carriage Rules—Implementation of Section 301(d) of the Telecommunications Act of 1996: Market Determinations [CS Docket No. 95–178] received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3534. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation—Leased Commercial Access [MM Docket No. 92–266]; [CS Docket No. 96–60] received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3535. A letter from the Secretary of Health and Human Services, transmitting the Administration's proposals for the reauthorization of the National Institutes of Health; to the Committee on Commerce.

3536. A letter from the Director, Defense Security Assistance Agency, transmitting notification of a cooperative framework to facilitate any future United States/United Kingdom cooperative activity in the advanced concept technology demonstration [ACTD] area (Transmittal No. 13–96) Received June 11, 1996, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

3537. 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 Brunei for defense articles and services (Transmittal No. 96–51) received June 11, 1996, pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3538. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Shipping and Seamen (Bureau of Consular Affairs) (22 CFR Parts 81 through 88) [Public Notice 2406] received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3539. A letter from the Director of Financial Management and Deputy Chief Financial Officer, Department of the Interior, transmitting the Secretary's revised semiannual report on audit followup for the period April 1, 1995, through September 30, 1995, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

3540. A letter from the Chairman, Board of Directors, Corporation for Public Broadcasting, transmitting the semiannual report on activities of the inspector general for the period October 1, 1995, through March 31, 1996, and the semiannual management report on audit followup for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and oversight.

3541. A letter from the Director, Office of Personnel Management, transmitting notification that OPM has approved a proposal for a personnel management demonstration project for the Department of the Air Force, submitted by the Department of Defense, pursuant to Public Law 103–337, section 342(b) (108 Stat. 2721); to the Committee on Government Reform and Oversight.

3542. A letter from the Chairman, Securities and Exchange Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1995, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

3543. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1995, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

3544. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Powerless Flight (National Park Service, Appalachian National Science Trail) (RIN: 1024–AC23) received June 12, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3545. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Conveyance of Freehold and Leasehold Interest, 36 CFR Part 17 (National Park Service) (RIN: 1024–AC27) received June 12, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3546. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Atlantic Swordfish Fishery; 1996 Quotas, Minimum Size, Adjustment [Docket No. 960314073–6145–02; I.D. 030896E] received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3547. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Atlantic Striped Bass Fishery; Atlantic Coastal Fisheries Cooperative Management; Consolidation and Revision of Regulations [Docket No. 950915230–6123–03; I.D. 022796D] received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3548. A letter from the Assistant Attorney General of the United States, transmitting a draft of proposed legislation entitled the ''Enhanced Prosecution and Punishment of Armed Dangerous Felons Act of 1996''; to the Committee on the Judiciary.

3549. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class D Airspace; Minneapolis, Anoka, MN (Federal Aviation Administration) (RIN: 2120–AA66) (1996–0055) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3550. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Boone, IA—Docket No. 96–ACE–6 (Federal Aviation Administration) (RIN: 2120–AA66) (1996–0054) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3551. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Use of Safety Belts and Motorcycle Helmets (National Highway Traffic Safety Administration and Federal Highway Administration) (Docket No. 92–40; Notice 3) (RIN: 2127–AG23) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3552. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Highway Safety Program Standards—Applicability to Federally Administered Areas (National Highway Traffic Safety Administration and Federal Highway Administration) [NHTSA Docket No. 95–83; Notice 1] (RIN: 2127–AG10) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3553. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Rules of Procedure for Invoking Sanctions under the Highway Safety Act of 1966 (National Highway Traffic Safety Administration and Federal Highway Administration) [Docket No. 96–02; Notice 2] (RIN: 2127–AG10) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3554. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: San Francisco Bay, CA (United States Coast Guard) [COTP San Francisco Bay 96–003] (RIN: 2115–AA97) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3555. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Chesapeake Bay, Hampton Roads, Elizabeth River, Norfolk, VA (United States Coast Guard) [CGD05–96–038] (RIN: 2115–AA97] received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3556. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Atlantic Intracoastal Waterway, FL (United States Coast Guard) [CGD07–95–057] (RIN: 2115–AE47) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3557. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Industries Model A300, A310, and A300–600 Series Airplanes (Federal Aviation Administration) [Docket No. 93–NM–133–AD; Amendment 39–9658; AD 96–12–15] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3558. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Beech (Raytheon) Model BAe 125 Series 800A and 1000A, and Model Hawker 800 and 1000 Airplanes (Federal Aviation Administration) [Docket No. 95–NM–43–AD; Amendment 39–9660; AD 96–12–17] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3559. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Beech (Raytheon) Model BAe 125 Series 800A and Model Hawker 800 Airplanes (Federal Aviation Administration) [Docket No. 95–NM–122–AD; Amendment 39–9659; AD 96–12–16] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3560. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328–100 Series Airplanes (Federal Aviation Administration) [Docket No. 96–NM–109–AD; Amendment 39–9655; AD 96–11–17] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3561. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–164–AD; Amendment 39–9662; AD 96–12–19] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3562. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lockheed Model 382, 382B, 382E, 382F, and 382G Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–10–AD; Amendment 39–9663; AD 96–12–20] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3563. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Textron Lycoming Reciprocating Engines (Federal Aviation Administration) [Docket No. 93–ANE–48–AD; Amendment 39–9586; AD 96–09–10] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3564. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328 Series Airplanes with Honeywell GP–300 Guidance Display Controller (Federal Aviation Administration) [Docket No. 96–NM–112–AD; Amendment 39–9656; AD 96–12–13] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3565. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Aircraft Company 150 and A150 Series and Model 152 and A152 Airplanes (Federal Aviation Administration) [Docket No. 95–CE–14–AD; Amendment 39–9666; AD 96–12–23] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3566. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 Series Airplanes (Federal Aviation Administration) [Docket No. 92–NM–71–AD; Amendment 39–9657; AD 96–12–14] (RIN: 2120–AA64) received June 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3567. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Investigation Regulations (RIN: 2900–AI25) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3568. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Information Law; Miscellaneous (RIN: 2900–AI23) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans; Affairs.

3569. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Part III Administrative, Procedural, and Miscellaneous (Revenue Procedure 96–34) received June 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the committee on Ways and Means.

3570. A letter from the Acting Director, Ballistic Missile Defense Organization, Department of Defense, transmitting a copy of Presidential Determination No. 96–27: United States-Israel Arrow Deployability Program, pursuant to Public Law 103–160, section 238(d)(2) (107 Stat. 1601); jointly, to the Committees on National Security and International Relations.

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. McCOLLUM: Committee on the Judiciary. H.R. 2803. A bill to amend the anti-car theft provisions of title 49, United States Code, to increase the utility of motor vehicle title information to State and Federal law enforcement officials, and for other purposes (Rept. 104–618). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 453. Resolution providing for consideration of the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes (Rept. 104–619). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

[Omitted from the Record of June 11, 1996]

H.R. 3107. Referral to the Committee on Ways and Means extended for a period ending not later than June 14, 1996.

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. DUNCAN:

H.R. 3617. A bill to amend the National Highway System Designation Act of 1995 relating to metric highway signing requirements; to the Committee on Transportation and Infrastructure.

By Mr. RUSH (for himself, Mr. POSHARD, Mr. TOWNS, Mr. VISCLOSKY, Mrs. COLLINS of Illinois, Ms. FURSE, Mr. MATSUI, Ms. PELOSI, Mr. CONDIT, Mr. DIXON, Mr. BONIOR, Mr. LAHOOD, Mr. THOMPSON, Mr. CLYBURN, Mrs. MEEK of Florida, Mr. GUTIERREZ, Mr. ROEMER, and Ms. ESHOO):

H.R. 3618. A bill to amend title 49, United States Code, to prohibit the transportation of chemical oxygen generators as cargo on any aircraft carrying passengers or cargo in air commerce, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. CAMPBELL:

H.R. 3619. A bill to provide off-budget treatment for the land and water conservation fund; to the Committee on Resources, and in addition to the Committees on the Budget, and Government Reform and Oversight, 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. GOSS:

H.R. 3620. A bill to amend the act of October 11, 1974 (Public Law 93–440; 88 Stat. 1257), to provide for the continued operation of certain tour businesses in recently acquired areas of Big Cypress National Preserve; to the Committee on Resources.

By Mr. ENGEL (for himself, Mr. KING, Mr. MANTON, Mr. WALSH, Mr. NEAL of Massachusetts, Mr. LAZIO of New York, Mr. TORRICELLI, Mrs. ROUKEMA, and Mrs. LOWEY):

H.R. 3621. A bill to amend the Anglo-Irish Agreement Support Act of 1986 to require that disbursements from the International Fund for Ireland are distributed in accordance with the MacBride principles of economic justice, and for other purposes; to the Committee on International Relations.

By Mr. CHRYSLER (for himself, Mr. CAMP, Mr. BUNN of Oregon, Mr. HEINEMAN, Mr. JONES, Mr. BONO, Mr. RIGGS, Mr. MCCOLLUM, Mr. BARTLETT of Maryland, Mr. GUTKNECHT, Mr. EHLERS, Mr. GINGRICH, Mr. BILBRAY, Mr. ROGERS, Mr. KOLBE, Mr. LAUGHLIN, Mr. TAUZIN, Mr. WHITFIELD, Mrs. JOHNSON of Connecticut, Mr. UPTON, and Mr. HASTERT):

H.R. 3622. A bill to provide for the substitution of the term ''standard trade relations'' in lieu of ''nondiscriminatory treatment'' and ''most-favored-nation treatment'', and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Rules, 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. FARR:

H.R. 3623. A bill to require the Federal Communications Commission to revise its television duopoly rules to require public comment on certain local marketing agreements; to the Committee on Commerce.

By Mr. FORBES:

H.R. 3624. A bill to amend the Internal Revenue Code of 1986 to establish, and provide a checkoff for, a biomedical research fund, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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. MICA:

H.R. 3625. A bill to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 1998, 1999, 2000, and 2001; to the Committee on Government Reform and Oversight.

By Mr. NADLER (for himself, Mr. SCHAEFER, Mr. BORSKI, Mr. FARR, Mr. FROST, Mr. HINCHEY, Mr. JOHNSTON of Florida, Mr. KENNEDY of Massachusetts, Mr. LANTOS, Mrs. LOWEY, Ms. MCKINNEY, Mr. MORAN, Ms. RIVERS, Mr. SANDERS, and Ms. WOOLSEY):

H.R. 3626. A bill to direct the Administrator of the Federal Aviation Administration to issue regulations relating to recirculation of fresh air in commercial aircraft, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. ORTON:

H.R. 3627. A bill to provide for the transfer of certain lands near Myton, UT, to the Utah Division of Wildlife Resources; to the Committee on Resources.

By Ms. VELAZQUEZ (for herself and Ms. MOLINARI):

H.R. 3628. A bill to establish the Lower East Side Tenement Museum National Historic Site, and for other purposes; to the Committee on Resources.

By Mr. VENTO:

H.R. 3629. A bill to amend title 39, United States Code, to require that photographic evidence of a person's identity be presented before a change-of-address order shall be accepted by the U.S. Postal Service for processing; to the Committee on Government Reform and Oversight.

By Mr. FOX (for himself, Mr. GREEN of Texas, Mr. LIPINSKI, Mrs. ROUKEMA, Mr. DAVIS, and Mr. FORBES):

H.R. 3630. A bill to require coverage for screening mammography and pap smears under health plans; to the Committee on Commerce, and in addition to the Committee on Economic and Educational Opportunities, 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. DAVIS (for himself, Mr. MORAN, Mr. BATEMAN, Mr. PICKETT, Mr. BOUCHER, Mr. SISISKY, Mr. PAYNE of Virginia, Mr. DUNCAN, Mr. FROST, Mr. FAZIO of California, Mr. YOUNG of Alaska, Mr. WOLF, Mr. WILSON, Mr. WHITFIELD, Mr. STEARNS, Mr. SCOTT, Mr. ROEMER, Mr. MOORHEAD, Mr. MONTGOMERY, Mr. MARKEY, Mr. MANTON, Mr. LANTOS, Mr. CONYERS, Mr. COSTELLO, Mr. GEJDENSON, Mr. DURBIN, Mr. BEREUTER, and Mr. BILIRAKIS):

H.R. 3631. A bill to provide for the recognition and designation of the official society to administer and coordinate the United States of America activities to commemorate and celebrate the achievements of the second millennium, and promote even greater achievements in the millennium to come by endowing an international cross-cultural scholarship fund to further the development and education of the world's future leaders; to the Committee on Government Reform and Oversight, and in addition to the Committees on International Relations, and Banking and Financial Services, 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. EHRLICH:

H.R. 3632. A bill to amend title XIX of the Social Security Act to repeal the requirement for annual resident review for nursing facilities under the Medicaid Program and to require resident reviews for mentally ill or mentally retarded residents when there is a significant change in physical or mental condition; to the Committee on Commerce.

H.R. 3633. A bill to amend title XVIII and XIX of the Social Security Act to permit a waiver of the prohibition of offering nurse aide training and competency evaluation programs in certain nursing facilities; to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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. CAMPBELL (for himself and Mr. JACOBS):

H.J. Res. 180. Joint resolution proposing an amendment to the Constitution of the United States to abolish the Electoral College and to provide for the direct election of the President and Vice President of the United States; to the Committee on the Judiciary.

by Mr. WALKER:

H.J. Res. 181. Joint resolution disapproving the extension of nondiscriminatory treatment—most-favored-nation treatment—to the products of the People's Republic of China; to the Committee on Ways and Means.

By Mr. SERRANO (for himself, Mr. STUDDS, Mr. HILLIARD, Mr. YATES, Mr. MCDERMOTT, Ms. VELAZQUEZ, Mr. HINCHEY, Mr. FROST, Mr. GREEN of Texas, Ms. PELOSI, Mr. ROMERO-BARCELO, Mr. WAXMAN, Ms. JACKSON-LEE, Mr. MILLER of California, Mr. DELLUMS, Mr. JOHNSTON of Florida, Mr. GONZALEZ, Mr. PALLONE, Mr. TOWNS, Mr. ACKERMAN, Mr. FILNER, Mr. STOKES, Mr. CUMMINGS, Mr. MARTINEZ, Mrs. MALONEY, Mrs. MEEK of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MANTON, Mr. OWENS, and Mr. NADLER):

H. Con. Res. 184. Concurrent resolution expressing the sense of the Congress with respect to pediatric and adolescent AIDS; to the Committee on Commerce.

By Mr. CAMPBELL (for himself, Mr. FARR, Mr. CUNNINGHAM, Mr. CALVERT, Mr. WAXMAN, Mr. POMBO, Mrs. SEASTRAND, Mr. RIGGS, Mr. GALLEGLY, Mr. BAKER of California, Ms. ESHOO, and Mr. DOOLITTLE):

H. Res. 452. Resolution expressing the sense of the House of Representatives that Colombian fresh cut flowers should not receive preferential tariff treatment; to the Committee on Ways and Means.

By Ms. LOFGREN (for herself and Mr. FARR):

H. Res. 454. Resolution directing the Committee on House Oversight of the House of Representatives to take all necessary steps to make voting records of members of the House and other information on the legislative activities of the House accessible on the Internet through the official homepage of the House of Representatives, and for other purposes; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 118: Mr. PETRI.
H.R. 1023: Mrs. VUCANOVICH.
H.R. 1230: Mrs. MEYERS OF KANSAS.
H.R. 2011: Mr. REED and Mr. CAMPBELL.
H.R. 2019: Mr. HAYWORTH.
H.R. 2090: Ms. ROS-LEHTINEN and Mr. KLUG.
H.R. 2260: Mr. LIGHTFOOT.
H.R. 2272: Mr. COYNE.
H.R. 2472: Mrs. MINK of Hawaii, Mr. MARTINEZ, Mr. PAYNE of New Jersey, and Mr. THOMPSON.
H.R. 2508: Mr. KNOLLENBERG.
H.R. 2652: Mr. SAWYER.
H.R. 2727: Mr. GRAHAM, Mr. HORN, Mr. CHRISTENSEN, and Mr. BREWSTER.
H.R. 2827: Mr. LOBIONDO and Mr. EDWARDS.
H.R. 2834: Mr. MASCARA.
H.R. 2925: Mr. HILLIARD.
H.R. 2931: Mr. BALDACCI.
H.R. 3118: Mr. DOOLEY, Mr. SPRATT, and Mr. ENGLISH of Pennsylvania.
H.R. 3161: Mr. MANZULLO.
H.R. 3168: Mr. BORSKI.
H.R. 3195: Mr. LATOURETTE, Mr. HOSTETTLER, and Mr. TAYLOR of North Carolina.
H.R. 3226: Mr. KING and Mr. CASTLE.
H.R. 3303: Mr. THOMPSON, Mr. ROMERO-BARCELO, and Mr. FOLEY.
H.R. 3316: Ms. FURSE and Mr. DEFAZIO.
H.R. 3393: Mr. TRAFICANT.
H.R. 3396: Mr. HAYES, Mr. RADANOVICH, Mr. BLILEY, Mr. WHITFIELD, and Mrs. VUCANOVICH.
H.R. 3398: Ms. MOLINARI, Mr. DAVIS, Mr. BALLENGER, Mr. GOODLATTE, Ms. DELAURO, Mr. JACOBS, and Mr. KLUG.
H.R. 3401: Mr. FARR and Mr. BAKER of California.
H.R. 3433: Mr. DUNCAN, Mr. KLUG, and Mr. HANSEN.
H.R. 3462: Mr. DEFAZIO, Mr. LAZIO of New York, Mr. SANDERS, and Mr. SISISKY.
H.R. 3477: Mr. DELLUMS, Mr. STUDDS, Mr. MARKEY, Mr. WATT of North Carolina, Mr. GREEN of Texas, Mr. BONIOR, and Ms. NORTON.
H.R. 3508: Mr. FRELINGHUYSEN, Ms. LOFGREN, Mr. LIPINSKI, and Ms. RIVERS.
H.R. 3514: Mr. HAYES.
H.R. 3525: Mr. COBLE, Mr. MCCOLLUM, Mr. JACOBS, Mr. WOLF, Mr. GEKAS, Mr. LAZIO of New York, Ms. GREENE of Utah, Mr. TEJEDA, Mr. TAYLOR of North Carolina, Mr. DIXON, Mr. SMITH of Texas, and Mr. BUYER.
H.R. 3548: Mr. BARR, Mr. INGLIS of South Carolina, Mr. LIVINGSTON, and Mr. BLUTE.
H.R. 3556: Mr. WELDON of Florida, Mrs. SCHROEDER, and Mr. LAUGHLIN.
H.R. 3566: Mr. MEEHAN, Mr. HOLDEN, Mr. DEFAZIO, and Mr. LIPINSKI.
H.R. 3577: Mr. LIPINSKI.
H.R. 3586: Mr. BURTON of Indiana and Mr. HERGER.
H.R. 3596: Mr. GOODLING and Mr. HOLDEN.
H.R. 3604: Mr. GILLMOR, Mr. KLUG, and Mrs. COLLINS of Illinois.
H. Con. Res. 175: Mr. MANTON, Mr. FORBES, and Mr. SAM JOHNSON.
H. Res. 286: Mr. FROST and Ms. PELOSI.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2951: Mr. BACHUS.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3610

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 4: Page 87, after line 3, insert the following new section:

SEC. 8095. Hereafter, the Air National Guard may assume primary or sole responsibility for providing fire fighting and rescue services in response to all aircraft-related emergencies at the Lincoln Municipal Airport in Lincoln, Nebraska.

H.R. 3610

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 5: Page 30, line 1, insert after ''9,068,558,000'' the following: ''(reduced by $350,000,000)''.

H.R. 3610

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 6: At the end of the bill (before the short title), insert the following new section:

SEC. . None of the funds provided in this Act for the National Missile Defense program may be obligated for space-based interceptors or space-based directed-energy weapons.

H.R. 3610

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 7: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . New budget authority provided in this Act shall be available for obligation in fiscal year 1997 only to the extent that obligation thereof will not cause the total obligation of new budget authority provided in this Act for all operations and agencies to exceed $234,678,433,000.

H.R. 3610

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 8: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . Total appropriations made in this Act are hereby reduced by 1 percent.

H.R. 3610

OFFERED BY: MR. HOKE

AMENDMENT NO. 9: At the end of the bill, (before the short title), insert the following new section:

SEC. 8095. None of the funds available to the Department of Defense under this Act may be obligated or expended to procure landing gear for aircraft except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the manufacturer of the item is part of the national technology and industrial base;

(2) the landing gear is manufactured and assembled in the United States; and

(3) the contract through which the procurement is made is entered into more than 30 days after the date of the enactment of this Act.

H.R. 3610

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 10: Page 87, after line 3, insert the following new section:

SEC. . (a) None of the funds appropriated or otherwise made available by this Act for the Department of Defense specimen repository described in subsection (b) may be used for any purpose except in accordance with the requirement in paragraph numbered 3 of the covered Department of Defense policy memorandum that specifically provides that permissible uses of specimen samples in the repository are limited to the following purposes:

(1) Identification of human remains.

(2) Internal quality assurance activities to validate processes for collection, maintenance and analysis of samples.

(3) A purpose for which the donor of the sample (or surviving next-of-kin) provides consent.

(4) As compelled by other applicable law in a case in which all of the following conditions are present:

(A) The responsible Department of Defense official has received a proper judicial order or judicial authorization.

(B) the specimen sample is needed for the investigation or prosecution of a crime punishable by one year or more of confinement.

(C) No reasonable alternative means for obtaining a specimen for DNA profile analysis is available.

(D) The use is approved by the Assistant Secretary of Defense (Health Affairs) after consultation with the Department of Defense General Counsel.

(b) The specimen repository referred to in subsection (a) is the repository that was established pursuant to Deputy Secretary of Defense Memorandum 47803, dated December 16, 1991, and designated as the ''Armed Forces Repository of Specimen Samples for the Identification of Remains'' by paragraph numbered 4 in the covered Department of Defense policy memorandum.

(c) For purposes of this section, the covered Department of Defense policy memorandum is the memorandum of the Assistant Secretary of Defense (Health Affairs) for the Secretary of the Army, dated April 2, 1996, issued pursuant to law which states as its subject ''Policy Refinements for the Armed Forces Repository of Specimen Samples for the identification of Remains''.

H.R. 3610

OFFERED BY: MR. MENENDEZ

AMENDMENT NO. 11: Page 82, strike lines 12 through 15.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 12: Page 22, line 6, strike $4,719,930,000'' and insert ''$4,215,930,000''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 13: Page 22, line 6, after the dollar amount, insert the following: ''(reduced by $504,000,000)''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 14: Page 22, line 6, after the dollar amount, insert the following: ''(reduced by $404,000,000)''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 15: Page 24, line 17, strike ''$7,326,628,000'' and insert ''$6,960,528,000''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 16: Page 24, line 17, after the dollar amount, insert the following: ''(reduced by $366,100,000)''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 17: Page 24, line 17, after the dollar amount, insert the following: ''(reduced by $314,100,000)''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 18: Page 29, line 10, strike ''$14,969,573,000'' and insert ''$13,969,573,000''.

H.R. 3610

OFFERED BY: MR. OBEY

AMENDMENT NO. 19: Page 29, line 10, after the dollar amount, insert the following: ''(reduced by $1,000,000,000)''.

H.R. 3610

OFFERED BY: MR. SANDERS

AMENDMENT NO. 20: Page 87, after line 3, insert the following new section

SEC. . None of the funds available to the Department of Defense under this Act may be obligated or expended to pay a contractor under a contract with the Department of Defense for any costs incurred by the contractor when it is made known to the Federal official having authority to obligate or expend such funds that such costs are restructuring costs associated with a business combination that were incurred on or after August 15, 1994.

H.R. 3610

OFFERED BY: MR. SANDERS

AMENDMENT NO. 21: At the end of the bill (before the short title), insert the following new section:

SEC. . None of the funds available to the Department of Defense under this Act may be obligated or expended to pay a contractor under a contract with the Department when it is made known to the Federal official having authority to obligate or expend such funds that the payment is for the costs of compensation with respect to the services of any one individual at a rate in excess of $200,000 per year.

H.R. 3610

OFFERED BY: MRS. SCHROEDER

AMENDMENT NO. 22: At the end of the bill (before the short title), add the following new section:

SEC. . The amount of appropriations provided by this Act is hereby reduced by $7,080,000,000.

H.R. 3610

OFFERED BY: MR. SHAYS

AMENDMENT NO. 23: Page 36, after line 5, insert the following new section:

SEC. 8001A. Each amount appropriated or otherwise made available in titles I through VII of this Act is hereby reduced by 0.74 percent.

H.R. 3610

OFFERED BY: MR. SHAYS

AMENDMENT NO. 24: At the end of the bill, inset after the last section (preceding the short title) the following new section:

SEC. . Total appropriations made in this Act are hereby reduced by $2,508,406,000 so as to conform to total appropriations made in the Department of Defense Appropriations Act, 1996.

H.R. 3610

OFFERED BY: MR. SHAYS

AMENDMENT NO. 25: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . Total appropriations made in this Act are hereby reduced by $2,008,406,000 so as to conform to total appropriations made in the Department of Defense Appropriations Act, 1996.

H.R. 3610,

OFFERED BY: MR. SHAYS

AMENDMENT NO. 26: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . Total appropriations made in this Act are hereby reduced by $1,708,406,000 so as to conform to total appropriations made in the Department of Defense Appropriations Act, 1996.

H.R. 3610

OFFERED BY: MR. SHAYS

AMENDMENT NO. 27: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . New budget authority provided in this Act shall be available for obligation in fiscal year 1997 only to the extent that obligation thereof will not cause the total obligation of new budget authority provided in this Act for all operations and agencies to exceed $243,251,297,000, which amount corresponds to the new budget authority that was provided in the Department of Defense Appropriations Act, 1996.

H.R. 3610

OFFERED BY MR. SHAYS

AMENDMENT NO. 28: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . New budget authority provided in this Act shall be available for obligation in fiscal year 1997 only to the extent that obligation thereof will not cause the total obligation of new budget authority provided in this Act for all operations and agencies to exceed the amount of new budget authority that was provided in the Department of Defense Appropriations Act, 1996 (Public Law 104–61).

H.R. 3610

OFFERED BY MR. SHAYS

AMENDMENT NO. 29: At the end of the bill, after the last section (and before the short title), insert the following new section:

SEC. . Total appropriations made in this Act are hereby reduced by $1,813,703,000 .

H.R. 3610,

OFFERED BY: MR. SKELTON

AMENDMENT NO. 30: Page 87, after line 3, insert the following new section:

SEC. . Of the funds provided in title IV for ''RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE'', the amount available for National Missile Defense shall not exceed $802,437,000.

H.R. 3610

OFFERED BY: MR. SMITH OF NEW JERSEY

AMENDMENT NO. 31: At the end of the bill (before the short title) (page 87, after line 3), insert the following new section:

SEC. 8095. (a) Except as provided in subsection (b), none of the funds available to the Department of Defense under this Act may be obligated or expended to reimburse a defense contractor when it is made known to the Federal official having authority to obligate or expend such funds that such reimbursement is for restructuring costs associated with a merger, acquisition, or other business combination of the defense contractor.

(b) Subsection (a) does not apply when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the reporting requirement in section 818(e) of Public Law 103–337 (108 Stat. 2821; 10 U.S.C. 2324 note) has been completed.

(2) the decision by the defense contractor to undertake the merger, acquisition, or other business combination was primarily based on the availability of Federal restructuring payments as certified by the Comptroller General based on the best available information;

(3) the reimbursement will reduce the overall budget deficit for fiscal years 1996 and 1997, as certified in writing to Congress by the Director of the Congressional Budget Office based on the approximate number of persons to be laid off or dismissed as a result of the combination; an estimate of the reduction of Federal tax revenues that such unemployment will produce; and an estimate of the increase in Federal expenditures in other Federal adjustment programs, including food stamps, housing assistance, the program of aid to families with dependent children, medicaid programs, and any other programs the Director determines that unemployed persons are likely to use at a rate higher than employed persons; and

(4) the merger, acquisition, or other business combination with respect to which the restructuring costs are associated took place after July 1, 1993.

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Senate

The Senate met at 11:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Gracious Lord, the divine Potter of our lives, our days are in Your hands. Shape the clay as You have planned. May the day work out exactly as You have arranged it for Your glory and our growth. We say with the psalmist, ''I delight to do Your will, O my God, and Your law is within my heart.''—Psalm 40:8. We long to know what is best for our Nation. Now at the beginning of another day, we commit to You the challenges and decisions that are ahead of us. We desire to glorify You, so show us what You desire. With inspired intentionality, we put our relationship with You first and make our primary goal what is best for our Nation.

This morning, gracious Lord, we thank You for the newly elected Republican leadership. We ask Your special blessing to be upon TRENT LOTT and DON NICKLES as they work together closely with TOM DASCHLE and WENDELL FORD and the leadership of both parties to seek Your glory and to do Your will.

We pray this prayer in the name of the way, the truth, and the life. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The new majority leader, the able Senator TRENT LOTT from Mississippi, is recognized.

Mr. LOTT. Thank you very much, Mr. President. We appreciate your leadership and all that you do for your State and for our country.

A DAY ALL SENATORS WILL REMEMBER

Mr. LOTT. Mr. President, yesterday was a day of ceremony and tribute in the Senate. It was a day of testimonials, emotional farewells, and I think really a high point for this institution in the years that I have been here, because in a very bipartisan way, we all talked about the institution of the Senate and what it means to us as individuals, the uniqueness of how it operates, and what it means for our country.

Obviously, the Republican Members were touched by the moment that we saw our leader of so many years, Bob Dole, exit the Chamber. But I also was struck by the fact that the Democratic leadership—in fact, all of our colleagues on that side of the aisle—showed emotion and felt the specialness of that moment, as was exhibited by the outstanding remarks of the distinguished Democratic leader who sits here today.

It was a day that all Senators will remember, just as we will always remember the leadership of Bob Dole.

Today, the Senate returns to business, and I am honored and humbled to stand here as the Senate majority leader. It is also a pleasure to have with me in our leadership team the distinguished Senator from Oklahoma, Senator NICKLES, who will serve as the assistant majority leader, the whip. I know that he will do a great job, and I look forward to working with him and us working together as a team with the Democratic leadership. We have already met with their entire leadership team, and I think we are off to a very positive start.

Also, I want to, again, refer to my distinguished colleague from Mississippi. We have stood together now through 23½ years in the Congress. He is truly a great leader for our State and for our country. He sort of blazed the trail in our State for a Republican Party that used to meet in a very small room with room left over. He was the first Senator who was elected as a Republican from our State of Mississippi. So he has set an example for all of us. He is an important part of a team for our State that I will always enjoy working with. He will continue as the chairman of our conference.

He will be joined by the secretary of the conference, CONNIE MACK of Florida, and the newly elected chairman of the policy committee, Senator CRAIG of Idaho.

Just as Senator Dole did yesterday in his final speech from this podium, I begin my first remarks as majority leader by thanking those to whom I am indebted for the privilege of serving in the Senate.

Foremost among those, other than my beloved Mississippi constituents, are the members of my family. People who know me best know that my highest priority on this Earth is my family. I love my work in the Senate, but I will always give the highest priority to my family. To my parents, who instilled the values which still guide my life, and my wife and our two children, Tricia, Chet, and Tyler, they have always been patient and understanding as I pursued public service. They have been my inspiration. And they are today.

I thank the people of Mississippi for honoring me with their trust each time I have asked for it. And, of course, I thank my Republican colleagues for allowing me to serve in a role that has been filled by so many giants in the Senate in the past.

I am the first majority leader in history from my State of Mississippi, a poor State but a State that is struggling to pull itself up and move forward. It is a State that has gone from the bottom rung of every economic indicator to now being identified as one

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

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of the 10 top growth States in the Nation. We are proud to be a part of the Nation's team. Mississippi will always, in the future, do everything we can to play our part of contributing to a better America.

It is no wonder that we are humbled when we reach these positions. I am most humbled because I know of the work we have to do. In fact, I had a friend this morning ask me, ''Where's the party? Where's the celebration?'' I said, ''Well, there'll be no party. There'll be no celebration. There'll be a lot of 'thank you's,' and then this comment: Let's go to work.''

To friends on the other side of the aisle, let me say that one lesson I learned very well from Bob Dole is that this place cannot operate effectively for our country if the two leaders do not have a relationship of complete trust and respect. Senator DASCHLE had that relationship with Senator Dole. And he will have it from me. We have been friends for many years in the House, now in the Senate. I have talked to a lot of his colleagues. I believe we can work together. Oh, we will disagree. We will have some good debate. But we will always remember that the best thing for us to do is to work together for our country. We can find a way to do that.

Mr. President, I do have just some brief comments on today's schedule. I am glad to withhold those if the Senator would like to comment at this point.

Mr. DASCHLE addressed the Chair.

The PRESIDENT pro tempore. The able Democratic leader is recognized.

CONGRATULATIONS TO THE NEW MAJORITY LEADER

Mr. DASCHLE. Mr. President, I will be very brief. Let me compliment the distinguished majority leader on his remarks, and congratulate him on his election. His leadership team sits among those on the floor today who demonstrate, in my view, a new generation of leadership, a generation that has had a good deal of experience, a generation that represents geographical diversity, a generation that I believe recognizes the importance of governance. We look forward to the opportunity of serving together.

As I consider the past, as I consider the record and the résumé of the distinguished majority leader, I find many things in common. He is from a small State, as am I. He was a staff member, as was I. He was a Member of the House, and now a Member of the Senate for not that long a period of time. And so given those similar experiences and given what I know to be his desire to lead and to govern and to work together, I begin this day and this new period in this session of Congress with great expectations, with optimism, with the belief that we can, as he just indicated, come together, as Senator Dole suggested we do yesterday.

I thought it was revealing yesterday in the remarkable speech made by the former majority leader that the most significant accomplishments that he chose to recognize as he looked back over his past were those accomplishments that were forged through bipartisan efforts. That included, of course, the legislation for the disabled, it included nutrition legislation, it included an array of issues dealing with civil rights.

The majority leader looked back fondly at those accomplishments and called upon all of us to remember the great Senators who have come before, Senators on both sides of the aisle.

I have no doubt that if, indeed, we are to rise again to that standard, that there can be no other alternative but for us to work together. So it is with that intent and with a sincere desire to do so that I congratulate the new team. And I look forward to working, beginning today, to forge that compromise, to strike the opportunities that we have while they are there, and to work to make this a better country.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDENT pro tempore. The distinguished majority leader.

Mr. LOTT. Mr. President, I thank the distinguished Democratic leader for his remarks, and the remarks made in other forums by my good friend from North Dakota, Senator DORGAN.

SCHEDULE

Mr. LOTT. Mr. President, today there will be a period for the transaction of morning business until the hour of 12 noon, with Senators permitted to speak for up to 5 minutes each. Following morning business, the Senate will resume debate on the budget resolution conference report.

Under the order of last night, a vote will occur on the conference report at 3:30 today if the official papers have been presented to us from the House. I understand that the conference report may not be received by 3:30; therefore, the vote may occur on the budget later on today or even Thursday morning. But certainly I will consult with the Democratic leader on the exact time, and we will notify the Members as soon as that decision is made. The Senate may also be asked to consider any other legislative or executive items cleared for action.

I yield the floor, Mr. President.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. THOMAS). There will now be a period for morning business.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

CONGRATULATIONS TO THE NEW MAJORITY LEADER

Mr. COCHRAN. Mr. President, I am very pleased to be able to rise on the floor of the Senate today to congratulate my good friend and State colleague, TRENT LOTT, upon his election as the majority leader of the U.S. Senate.

You have to go back to 1937 to find an instance of a Mississippi Senator being so close to the powerful position that my friend now occupies. Senator Pat Harrison of Dove Port, MS, first was elected to Congress to represent the gulf coast district in Congress, and so was TRENT LOTT some many years later, 1972. Senator Harrison came to the Senate after serving several terms in the House and rose to become chairman of the Finance Committee here in the Senate, and he lost by one vote in a race to be the majority leader of the U.S. Senate. Incidentally, the Senator who won that election was Alben Barkley of Kentucky. After that, he became President pro tempore of the Senate. I mention this to put in context what has happened today. For the first time in history, a Mississippian has been elected majority leader of the U.S. Senate.

I feel very honored and pleased that I have had the pleasure and the privilege of serving with TRENT LOTT for almost 24 years in Congress, first in the House and now in the Senate. I want to commit to him my wholehearted support and my cooperation in helping make his service as majority leader of the Senate the most successful ever for any Senator.

We have been very fortunate in our State in having some outstanding representation, even though none had ever been chosen to serve as majority leader. As a matter of fact, this desk here has written in the drawer the names of some of those distinguished Senators, beginning with Jefferson Davis, who resigned his seat in the Senate from this desk when Mississippi seceded from the Union. It also contains the signatures of Pat Harrison, whom I mentioned, and John Sharp Williams, who was the minority whip in the House before being elected to the Senate.

So TRENT LOTT joins a list of very distinguished leaders of both Houses in representing our State in this very important capacity.

We know that the days ahead are going to be difficult. And I know all of the Members on our side are going to work very closely together. I trust the Members on the other side will, too, to help move the business of the Senate along.

There are some who are predicting gridlock, confrontation, mean-spirited, election-year posturing. Well, let us not have it happen. I challenge the Senate—and I know others feel this way, too—that we can achieve results that help solve problems for the American people in the time we have ahead of us this year. We can do it under the able, energetic, and very experienced leadership that TRENT LOTT brings to the job of majority leader.

So I appreciate very much having the opportunity of being in the same contest with him. Frankly, I learned a lot.

I had never run against TRENT LOTT for anything before. In the conference he spoke in a very precise, clear way.

We were asked in the news conference about the election. I mentioned that I started off in this campaign with a small base of support, and during the campaign it got smaller. That was because of the proven leadership ability of TRENT LOTT and his obviously excellent qualifications for this job.

I am confident that he will be a great success as majority leader. And I am honored to work with him.

Mr. WELLSTONE addressed the Chair.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I would be pleased to defer to the Senator from South Carolina. I ask unanimous consent that I follow the Senator from South Carolina.

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

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to congratulate Senator TRENT LOTT upon becoming the majority leader of the U.S. Senate. He is a man of integrity, ability, and dedication, and, in my opinion, will make one of the finest majority leaders that this country has ever had. I believe as time goes by that people will see the wisdom of this man being elected. We are proud of him. We are proud of the State he comes from, the leadership it has produced. We predict great things to happen during the term of Senator LOTT as majority leader.

COMMENDING SENATOR THAD COCHRAN

Mr. THURMOND. Mr. President, while I am talking, I also commend the other Senator from Mississippi, the able Senator THAD COCHRAN of Mississippi, for the great service he has rendered to his State and Nation. He has been steadfast and sound in his positions, and he has ably represented his constituents. We are proud of him and congratulate him on his accomplishments throughout his entire career.

Thank you, Mr. President.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

THE SENATORS FROM MISSISSIPPI

Mr. WELLSTONE. Mr. President, I actually came to the floor to speak about another issue, but I do want to, first of all, congratulate Senator LOTT and Senator COCHRAN. I cannot pledge to my friend from Mississippi my wholehearted political support, but I certainly can pledge my personal support.

I wish you well, Senator LOTT. And Senator COCHRAN, I do not think there is anybody that at least I have had a chance to meet on the floor of the Senate, that is more honorable and more personable. When Senator COCHRAN talks about civility and when he talks about good politics, of bringing people together, he epitomizes that. I mean that very sincerely.

MENTAL HEALTH AMENDMENT

Mr. WELLSTONE. Mr. President, I rise to talk about what I hope will be a bipartisan approach, but I speak with a considerable amount of concern. I have worked very closely with my colleague from New Mexico, Senator DOMENICI, a Republican, and very closely with my colleague from Wyoming, Senator SIMPSON, on a mental health amendment to the insurance reform bill.

That amendment passed, Mr. President, by a 68-to-30 vote. What that amendment said was that as we look at insurance reform, we do not mandate benefits, but once plans are put into motion, and once there is an agreement about a particular plan for employees or for citizens, this ought not to be discrimination against people who are struggling with mental illness, illness that is diagnosable and treatable. That amendment passed by a 68-to-30 vote.

What we were simply saying is, for gosh sakes, do not put people in a position where they cannot work because they will not get the coverage, and they have to be on medical assistance. Do not put people in a position where they could do well in school, but they cannot do well in school. Do not put people in a position where they are homeless, and they should not be homeless. Do not put people in a position where they wind up incarcerated, where that is not where they should be.

Mr. President, we had strong bipartisan support. It then went to what will, hopefully, be a conference committee. It is with profound disappointment and some indignation that I say on the floor of the Senate that what has now happened on the part of my Republican colleagues on the House side is they have essentially knocked out the whole amendment.

Mr. President, working with Senator DOMENICI, Senator SIMPSON, people like Senator CONRAD, we came up with a pared-down formulation that said at least for lifetime limits, at least for annual limits, have the same caps as for physical illness, so that people who are struggling with mental illness are not put under economically, so that people can receive the care that they need. We should end this discrimination.

This particular compromise would cost, according to CBO, 0.2 of a 1-percent increase. That is it. Mr. President, there is no good policy reason, I say to my colleagues on the floor of the Senate today, there is no good policy reason why this compromise that we presented to members of the conference committee on the House Republican side should not have been accepted. It is fair. It is equitable. It economically makes sense. It is just. It is the right thing to do. There is not one single article that can be made against it. Not one single argument that can be made against it.

Now what we hear on the House side from Republicans is that what we will get is a commission to study the problem. Senator DOMENICI does not consider that acceptable. I do not consider that acceptable. Senator SIMPSON does not consider that acceptable. That is not even the point. It is not acceptable for families all across this country who thought we were going to finally end this discrimination.

Mr. President, there will be a press conference this afternoon at 2 o'clock. A lot of the families, men and women and children who are struggling with mental illness, will be there. Several of us will be there. I think what they will say is they are going to visit with every member of that conference committee on the House side, Republican and Democrat alike. They are going to visit, I say to my good colleague from Mississippi, Senator LOTT, they are going to visit with leadership, and they are going to say to leaders and they are going to say to Democrats and Republicans alike: ''Tell us why it is still not time to end the discrimination. Tell us why you are unwilling to end this discrimination against our children, against our wives, against our husbands. Tell us when it is not time to end discrimination.''

Mr. President, I say to my colleague from Mississippi, if I could get his attention, I want to mention this afternoon at 2 o'clock we will have a press conference with some wonderful families who have been struggling with mental illness. You know Senator DOMENICI cares so much about this. They are going to meet with leadership and say, ''Look, the formulation that we now came up with,'' not the commission, ''at least should not have arbitrary caps on lifetime and annual limits, costs 0.2 of 1 percent.'' It helps end the discrimination. Please do not shut our families out.

I hope you will give them your utmost consideration.

The PRESIDING OFFICER. The Senator from Maine.

CONGRATULATIONS TO SENATOR LOTT

Mr. COHEN. Mr. President, let me first add my congratulations to the new majority leader. I think that TRENT LOTT will do an outstanding job and one that will certainly make our party proud, but the country proud as well. I was pleased to have his colleague, THAD COCHRAN, with whom we both entered Congress, stand up in a true southern fashion, extend his warmest wishes and willingness to work with you. It will be a great team from Mississippi and for the rest of the country. I add my accolades to you, Mr. Leader.

HEALTH CARE FRAUD AND ABUSE

Mr. COHEN. I want to take a few moments to talk about something that is of great importance to me. As is so often the case in Washington, misinformation is flying about the effects of legislation being considered in Congress. It is customary in this country and in this Congress, to have, just as we are negotiating the last-minute details to legislation, some interest group come forward, place a provocative ad in the newspaper, and try to destroy that legislation.

I am referring to the fraud and abuse provisions in the Kennedy-Kassebaum health care legislation that is now in the final stages of a conference. Recently, the American Medical Association placed a full-page ad in the Wall Street Journal. The ads are slick and very clever—it shows a doctor, with a stethoscope hanging down, in the ''docks.'' It says, ''We (the AMA) are opposed to fraud and abuse. We know it is a serious problem, but if doctors willfully and knowingly violate our Nation's laws, they should be punished.''

Mr. President, this is precisely what the legislation does. Then the ad goes on to say, ''But honest mistakes should not make physicians or any other citizens candidates for incarceration.'' We agree.

This legislation has been worked on for the past 3 years. As a matter of fact, this particular ad is not only misleading, it is false. It is absolutely false advertising that the AMA has engaged in, along with other physician groups who have written articles.

To distort the intent and scope of the provisions in this fashion minimizes the very real threat that fraud poses to our health care system and, indeed, to the solvency of Medicare. Medicare trustees have said the trust fund is going broke—not in 6 years—but in 5 years. One of the reasons it is going broke is because so much fraud and abuse is being perpetrated on the American people. As we are asking Medicare beneficiaries and honest providers to share the burden of changes to arrest the growth of Medicare, it is our duty to do all we can to get the waste, fraud, and abuse out the program.

According to the General Accounting Office, we are now losing as much as $100 billion from fraud and abuse every year. The losses to Federal health care programs, such as Medicare, Medicaid, and CHAMPUS, is about $40 billion or 40 percent of the total.

Mr. President, it is a grand scale of theft that is taking place. We have heard testimony that organized crime has moved into health care fraud. We heard testimony that drug dealers have moved into health care fraud because there is more money and it is easier for them to perpetrate this crime rather than trying to sell drugs with the FBI breathing down their neck. As Willie Sutton said, ''that's where the money is.''

Let me give you a couple of examples that have come to my attention. I have had hearing after hearing on this subject matter. Seven months ago, a physician testified before the Senate about his involvement in a clinic scam in Los Angeles. The physician participated in a scheme that involved phony prescriptions, paid patients, and resulted in losses over $800,000 to the Medicaid Program.

In another case, the owner of a home health care company built a beautiful $2.5 million mansion with money he made from phony Medicare billings.

A New York physician defrauded the Medicaid Program of more than $1.5 million by fraudulently charging for 25,000 drug treatments never given to recipients.

We have even heard of a case where a psychiatrist billed for 50,000 phantom therapy sessions never given to patients.

That is just a small sample of what we are trying to deal with today. And that is why we passed this important legislation by overwhelming numbers in this body.

The health care fraud provisions now being considered by the Senate and House conference committee do address this problem in a reasonable, measured manner that does not infringe on personal liberties nor penalize innocent mistakes. The bill closes loopholes in current law and provides criminal penalties for a defined set of serious and egregious violations such as embezzlement. The fraud and abuse provisions substantially mirror existing fraud statutes and are designed to give enforcement more precise tools to protect consumers against fraud and abuse. Contrary to claims that the bill will unleash an army of intrusive investigators trying to entrap innocent doctors, the proposal simply provides adequate resources for prosecutors and investigators, long strapped by budget cuts and under staffing to go after serious patterns and cases of abuse.

The AMA's claim that ''honest mistakes'' of doctors or any other citizens makes them ''candidates for incarceration'' is simply false. Far from going after honest mistakes, the criminal sanctions will be used to prosecute egregious, intentional acts of fraud against health plans.

Mr. President, the final thrust of the attack ads that are being leveled against this legislation is that this is Clinton's health care plan revisited. That, too, is absolutely false. This legislation was developed in response to the recommendations put forth by a task force put together by President Bush, which was headed by a Justice Department that was dominated at the top level by President Bush appointees. It has been endorsed by Bob Dole, our former majority leader, and virtually everybody in our leadership for many years. These provisions have passed twice before during this Republican-controlled Congress and have been the subject of numerous hearings in both the Senate and House. The notion that somehow this is Clinton II slipping through the cracks at the last moment is completely false.

We have to deal with health care fraud in a direct and responsible fashion. The legislation we passed by an overwhelming majority in this body, unanimously, as I recall, deserves not to be undercut by false and misleading advertising. I hope my colleagues reject these kinds of last-minute scare tactics which the AMA and others are engaged in. The only ones to gain from failing to pass this antifraud package are those who are intentionally ripping off the system. All the rest of us are the big losers—the vast majority of honest health care providers, taxpayers, and families who are footing the bill for the fraudulent providers in the form of higher taxes and health care costs.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

(The remarks of Mrs. FEINSTEIN pertaining to the introduction of S. 1865 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

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

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

CONGRATULATING THE NEW MAJORITY LEADER

Mrs. FEINSTEIN. Mr. President, I see that the new majority leader has entered the Senate. I personally want to extend to him my very sincere congratulations on his election. As he knows, we have had occasion to work together on one bill, and it was ill-fated. It was a postponement of the base closure process. As I recall, we got 16 votes. However, with your election, I look forward to occasions where we will have a majority of votes. I congratulate the Senator. I know he will do just fine.

Mr. LOTT. Mr. President, I want to thank the distinguished Senator from California for her comments. I look forward to working with her. I remember that occasion very well. I think one of the reasons we did not get more than 16 votes is the Members could not figure out what the two of us were doing working together. I think they have since realized that is going to happen more than just once or twice. I look forward to working with the Senator for the good of our respective States and our country.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997—CONFERENCE REPORT

Mr. BOND. Mr. President, I have been authorized to allocate myself such time as may be required from the time allocated to the majority on the conference report.

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

Mr. LOTT. Mr. President, will the distinguished Senator from Missouri yield for a bit of information?

Mr. BOND. I am delighted to yield.

Mr. LOTT. Mr. President, first I want to thank the Senator from Missouri for the good work he has been doing in this area. I have seen the questions he has asked about the outyears in the budget as proposed by the administration, and how in the world they plan to meet those numbers. In fact, you have had administration officials say, ''Well, we do not really plan to.''

So I hope you will continue to pursue this because this is a very important question of whether or not we are getting accurate information, what this means for the future in terms of trying to get a balanced budget.

So I hope you will continue to pursue aggressively those questions because we need to know the answers.

Mr. LOTT. Mr. President, I would like to take a moment to advise Members that it appears that the House will not be able to complete action on the budget resolution conference report by the 3:30 hour, and possibly not until much later this afternoon.

Therefore, there will not be a vote on the budget resolution conference report today. We will consult with the Budget Committee leaders and the Democratic leader and announce this afternoon exactly what time the vote will occur on Thursday.

I thank you for yielding.

Mr. BOND. I thank the majority leader and join my colleagues in offering congratulations and tell him that we are delighted to have his leadership. We look forward to working with him, and I also appreciate your comments about this measure.

Mr. President, I am here today to commend our chairman of the Budget Committee, and the staff who worked together to put an honest budget together which will get our budget to balance in the year 2002. It is an honest budget, and, therefore, it makes some tough choices. Some people do not like it because it makes tough choices. It makes those tough choices honestly.

I think it is a fair subject to debate. We have had those debates in this body. They had it on the other side, and we are now going to act on a conference report.

I am a strong supporter of this budget even though it does have to make some tough restrictions on our spending. Because I believe we have a solemn commitment to our constituents, to future generations of Americans to bring our budget in balance. I have been very disturbed in the last several weeks to hear our budget attacked in comparison to a budget submitted by the President which is far more generous in election years and then purports to get to a balance by the year 2002 by making some draconian cuts in many discretionary spending programs.

In addition to serving on the Budget Committee I have the privilege of serving as chairman of the appropriations subcommittee that deals with the Veterans' Administration, HUD, and independent agencies. As my colleagues know, we have a number of very large and very important entities that are funded in that budget. So I have been holding hearings in the appropriations subcommittee over the last several weeks knowing how important budgets are for planning, and for implementing our fiscal decisions down the road. I have been asking the administration officials who have come before me how they plan to handle the large cuts proposed by the President's budget for the years 1998 to 2002.

We do not have to emphasize the fact that 1998 comes after the current election cycle. Apparently, some people may think that the heat will go off and they will not have to be quite so accountable.

Mr. President, I have been asking questions in the appropriations hearing as one who has dealt with budgets and agencies for many years. How can you cut 23 percent out of the Veterans' Administration medical care without some plan in place to close hospitals; to consolidate or switch to outpatient care? If you intend to continue the care that we owe to our veterans and you believe, as the administration purports to recognize in its budget—this document published at great expense at the cost of many, many trees which shows that there will be almost $13 billion cut out of the Veterans' Administration in the next 6 years—how can this be done?

I was so concerned about it that I asked Secretary Brown how they planned to live with the 23-percent reduction. Imagine my surprise when the Secretary told me that he had no plan; that in fact he had no intent of creating a plan because he had been assured that the cuts were not going to happen.

Mr. President, this book is what we are supposed to be operating from. This book is what we are supposed to be comparing as the administration's budget plan versus the plan that will be before us for a vote we hope later this week.

The numbers in the President's budget show that VA medical care drops from an annual appropriations of $17 billion to $13 billion over the next 4 years. But the VA Secretary tells me that those are not real, that the President's budget is not what he really proposes to do, that he would be shocked if it were actually to happen.

So why are the numbers in the budget, in this booklet, if they are not the President's plan? I did not have an opportunity to listen. But I have seen the transcript of the President's comments in his Memorial Day radio show which seemed to be geared along the same lines as was stated by the Secretary of Veterans Affairs.

He did not follow the line and warn the veterans on Memorial Day that he would be proposing cuts that would shut down one-quarter of the VA medical care system, hospitals, clinics, and nursing homes at a time when the veterans population is rapidly aging and in need of services.

The President said in his Memorial Day message:

> Even as we balance our budget, my administration is working to keep our solemn commitment to America's veterans by improving the health care they receive.

So a fair question, I think, would be, Whose budget is that he is talking about? Which budget is he talking about? Is there another budget that perhaps has not been printed up that we have not seen?

I thought perhaps it was just the Veterans Administration which was suffering from these mixed signals and maybe they were confused or maybe they thought the best way to avoid the potential political consequences of calling VA medical care unnecessary or a low priority was to issue confusing statements to the veterans by saying, ''Don't worry about it, it won't really happen.''

So the next agency that came before our committee for a hearing was that of the National Aeronautics and Space Administration. I asked the NASA Administrator Dan Goldin how he was going to plan for the over $3 billion cuts in the 6-year plan for NASA, because they have already taken very serious cuts. I commended Administrator Goldin for having done a very responsible job in downsizing that agency. It seems to me those cuts were unduly harsh and would, perhaps, imperil the mission of that vital agency.

Much to my amazement, the NASA Administrator told me that OMB had told him not to worry about the outyear cuts either.

Wait a minute, what is going on? Let me stop just for a moment and explain why this matters.

The cuts I was asking about are those which the President needs and which he sets forth in his budget to be able to claim to the public he has presented a balanced budget proposal. We need to have these budget plans, not only for what we expect to happen in the future, but how we plan to appropriate money for this year. If, for example, there is a way to eliminate $12.9 billion out of the VA Administration budget and not harm veterans medical care, then maybe we ought to be looking at that plan right now so we can make sure that we meet all our commitments for housing for low-income people in this country, because we are

going to be very mightily squeezed to achieve the necessary funding that we need for our ongoing commitments.

The President's budget asked for a couple of new hospitals. How is he going to build new hospitals when he is looking at a 23-percent cut that is going to wind up shutting down at least one-quarter of the institutions now in the VA system? That makes the cuts on other facilities even greater. There is no way responsibly you can be building new hospitals and planning for an increase this year if you are going to take a 23-percent cut immediately thereafter. It does not make any sense.

What appears to be going on here is that there are two sets of books. One is what the President talks about whenever he wants to say he has a balanced budget, because there are a lot of people—I know, I have talked to a lot of people in my State who say we have to balance the budget, we have to cut spending, and I agree with them, because we are mortgaging our future and threatening our children's security by spending more than we take in.

On the other hand, the President has another set of books whenever he wants to tell them that he is protecting their priorities and not causing any political pain. It is truly breathtaking to see the ease with which the President shifts effortlessly back and forth between the two sets of books. Using this set of books, he is a tough budget cutter.

Now, in the next speech, when he gets on the radio and talks to veterans on Veterans Day, he is the mainstream protector against those extremists, Republicans and other budget cutters, who are gutting these favorite programs, cutting programs that are vital for the services we must provide.

My question very simply is, Mr. President, which set of books are we to believe? That is why I, along with several of my colleagues on the Budget Committee, have written a series of letters to OMB Director Rivlin asking for clarification and the details on which budget is going to be followed. We have also written to several agencies asking them what actions they are taking to plan for the outyear cuts. We want to know from the Food and Drug Administration, the Federal Aviation Administration, Federal Highway Administration, the Under Secretary of Agriculture for the School Lunch Program and WIC Program how they would work with those cuts.

Then, in a hearing before our committee, I asked the EPA Administrator Browner what their plans would be for handling the reductions. The Administrator of EPA told me that EPA was a priority. She was absolutely sure that EPA would not face the 10-percent cut in 2001 and an additional 18-percent cut in 2002, as prescribed in this book.

Then I joined another subcommittee on which I serve to question the Secretary of Health and Human Services, Secretary Donna Shalala, about the cuts that are being planned in her agency. Secretary Shalala told me that in her budget, she was absolutely convinced that NIH would not be cut, Indian Health Services would not be cut, HCFA administrative costs would not be cut, Head Start would not be cut, the Ryan White AIDS Program would not be cut, and there may be others as well.

So far, what I am getting back is, we see these drastic cuts proposed, but nobody is going to be cut. That has to be the best of all possible worlds. You are going to balance the budget with cuts, but you are not going to cut anybody.

I received an interesting followup, a response—actually, it was addressed to Senator SHELBY who had joined with me in the letter I sent to the Food and Drug Administration. We sent a letter to Dr. Kessler asking how the FDA would handle their cuts. Well, they must have placed a high priority on our request, because it was signed by the Acting Associate Commissioner for Legislative Affairs, and she wrote back with this very clear statement:

> FDA is moving ahead with Agency budgeting plans for the immediate future based on the budget authority by function and program as contained in the health function forecasted to the year 2002 of the President's fiscal year 1997 budget.

Let me interpret. As best I can understand, that means that the FDA is planning on a budget that reflects the figures in the initial book presentation prior to the triggered cuts. In other words, the figures in this book show spending that would be about $81 billion out of balance. The only way the President gets to balance is to employ a trigger mechanism to make 10 percent cuts in 2001 and 18 percent cuts in 2002.

So it appears that the FDA is planning on smooth sailing. They are going to sail along in the out-of-balance budget because they, too, apparently do not plan on making any cuts.

So no one is being cut, yet somehow the budget is being balanced. Let us get at the truth. Which set of books is the real Clinton budget? Now that the cat is out of the bag and we know that there are two sets of books, what is the administration's response?

Well, this is really interesting. I have just seen a Monday Associated Press article, I believe it was printed June 11 in the Washington Times. It says:

> In an unusual public admission, two top Clinton administration officials say the White House will not necessarily pursue some cuts in veterans and space programs.

Then they went on to say that the comments by the people who had testified before my committee were politically awkward.

> . . . another official said privately that Mr. Brown and Mr. Goldin would be talked to.

That means somebody in the administration is going to talk to VA Secretary Brown and NASA Administrator Dan Goldin. They are going to be talked to? Talked to about what? About telling the truth that the administration has no intention of balancing the budget? That their budget is a sham, exposing the second set of books to the light of day? Or does that mean they are going to be told to go back and start planning on making those very serious cuts in their Agency?

Somehow, Mr. President, I do not believe they are being told they have to go back and make those cuts. Now, I may be wrong. I am from Missouri, and you can show me. If the Veterans' Administration comes in with a set of figures that shows how they take $12.9 billion out of their budget in the next 6 years, then we will take a look at it. But that is why I have said recently that we want some honest answers to the questions we have posed to OMB Director Rivlin: Where will the $67 billion in triggered spending cuts fall? Are certain programs exempt from cuts as claimed—education, environment, law enforcement? Are the numbers in their budget real for VA? Is Secretary Brown wrong or right in his claim that the President assured him the cuts proposed would not happen? And if the VA numbers are not true, what else in the President's budget should we disbelieve?

If none of these programs are to be cut, are there really other cuts that are going to be made in the administration's implementation of their budget? Too often in Washington, no one is accountable, but this issue is too important to be treated as if it were business as usual and it does not really matter.

A Cabinet Secretary and an agency head have apparently let the cat out of the bag, and for their candor, they are being talked to.

The administration officials who keep playing the Clinton budget game, described in a column by David Broder on Sunday, have been talked to. But what are the creators of the two sets of books designed to fool the public into doing? Are they being talked to? Only those two officials who happen to tell Congress and the public what is actually going on, they are the ones to blame, according to this news article. That is wrong.

Until we get some answers to the basic simple questions of which set of books is the real set, I will continue to pursue these questions.

Mr. President, I ask unanimous consent that the article from the Monday Associated Press and the article by David Broder be printed in the RECORD.

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

[From the Washington Times, June 10, 1996]

VA, NASA CHIEFS CONTRADICT CLINTON PLANS FOR CUTS

In an unusual public admission, two top Clinton administration officials say the White House will not necessarily pursue some cuts in veterans and space programs that it proposed in its budget-balancing package just three months ago.

The recent remarks by Veterans Affairs Secretary Jesse Brown and NASA chief Daniel Goldin put the administration in the position of disavowing details of its own plans for eliminating deficits by 2002. And the comments come during President Clinton's reelection campaign, in which one Republican

strategy has been to attack his commitment to balancing the budget.

''They're keeping two sets of books, one to balance the budget, the other to avoid cuts in agencies that would cause problems in the election,'' said Sen. Christopher S. Bond, Missouri Republican, who elicited the comments from Mr. Brown and Mr. Goldin.

''This is well thought through as a political avoidance strategy, a downside-avoidance strategy,'' said Senate Budget Committee Chairman Pete V. Domenici, New Mexico Republican.

Administration officials and Democrats said Mr. Clinton was sticking to his overall plan to eliminate annual deficits by 2002 but would review details every year, a fact of life in the government's annual budgeting process.

''The president is committed to the overall numbers. They reflect his commitment to getting to a balanced budget by 2002,'' said Alice Rivlin, director of the Office of Management and Budget. ''But the priorities will be revisited annually, as they are on the Hill.''

But conceding that the comments were politically awkward, another official said privately that Mr. Brown and Mr. Goldin would be talked to.

Mr. Clinton has proposed slight increases for education, environment and technological research. Because there is a fixed amount of money for these and other annually approved programs, other areas must be cut.

Mr. Brown and Mr. Goldin made their comments in separate appearance before the Senate Appropriation subcommittee that oversees space, veterans and other programs, which was holding hearings on the budget for fiscal 1997. The fiscal year begins Oct. 1.

On May 3, Mr. Brown told the panel the Department of Veterans Affairs ''cannot live'' with the cuts proposed in the agency's budget beyond fiscal 1997 by either Mr. Clinton or Congress. He said the Clinton cuts would force the agency to deny care to 1 million veterans and close the equivalent of 41 hospitals.

''The president has told me personally . . . he will negotiate the VA's budget each and ever year with the veterans of this nation,'' Mr. Brown said.

Asked by Mr. Bond, the panel's chairman, whether he expected to see the future-year cuts Clinton has proposed, Mr. Brown responded, ''I would be shocked.''

On May 16, Mr. Goldin told the panel that ''the White House has instructed us to make no precipitous action'' on cutting NASA programs after 1997.

Mrs. Rivlin said the spending figures Mr. Clinton proposed for many programs after 1997 were ''not finely tuned assessments of what exactly would be needed each year.''

''That's a normal thing,'' she added.

Democrats said GOP-written budgets have long included unworkable long-range assumptions. For example, they said, the new GOP budget-balancing plan assumes that proposed tax cuts will get smaller in 2002, and that less should be spent for defense than Mr. Clinton wants. Both are considered politically unrealistic.

[From the Washington Post, June 10, 1996]

CLINTON'S BUDGET GAME

(By David S. Broder)

A recent exchange between Sen. Christopher (Kit) Bond (R-Mo.) and Secretary of Veterans Affairs Jesse Brown casts a clear light on the reality behind the partisan rhetoric of the past week's budget debate.

Bond is chairman of the appropriations subcommittee that handles the VA budget. He was grilling Brown on President Clinton's budget proposal for veterans' health care and hospitalization. For next year, Bond noted, Clinton is urging a level of spending for this politically important constituency more than $1 billion higher than it was in 1995. But in the following two years—after the election—Clinton's budget would cut that spending from $17 billion down to $14 billion, and then slice it further.

How can you meet your obligations to veterans under that budget? Bond asked. ''Sen. Bond, we cannot,'' Brown replied. If funding were to remain flat (as Republicans have proposed), ''it would force us to deny care to about a million veterans and it would force us to close the equivalent of 41 hospitals. So obviously . . . we will not be able to live with the red line'' showing the postelection cuts suggested by Clinton.

And then Brown made this eyebrow-raising statement: ''The president understands that. I talked with him personally about it and . . . he gave me his personal commitment that he was going to make sure that the nation honors its commitments to veterans and that he will negotiate the budget each and every year . . . with the veterans of the nation.''

Bond: ''So you are saying that these out-years mean nothing. It is all going to be negotiated in the future, so we should not worry about the president's budget plan. . . . You are not planning to live with that budget?''

Brown: ''I am not planning to live with it. I am not planning to live with your budget . . . nor am I planning to live with the president's line.''

Bond: ''You do not work for us. You work for the president. You are saying that you do not like our budget, but you know that his budget does not mean anything.''

After this remarkable exchange, Bond made similar inquiries of the director of another huge agency, Dan Goldin of NASA. He too said that White House budget officials had told him to make no plans based on the sharp cuts indicated for future years in Clinton's budget. As Goldin put it, ''the White House has instructed us to take no precipitous action on out-year budgets, and we are taking them at their word.''

To Bond and other Republicans, this looks suspiciously like a shell game. The president has told Congress and the country that he can achieve a balanced budget by 2002, without the serious savings in Medicare and Medicaid that Republicans have proposed. At the same time, he has said that he can keep spending in five or six priority areas at least even with inflation.

He can do all that, he has said, by cutting ''Less important'' spending. Veterans and space budgets are not on his priority list. But the men running these programs say they have assurances that the numbers the White House has given Congress are just paper figures—not mandates to prepare for belt-tightening.

White House Budget Director Alice Rivlin has assured Bond and his colleagues—and then tried to convince me—that there is no contradiction. ''Simply put,'' Rivlin wrote Bond, ''the president is committed to the discretionary savings needed to help reach balance in 2002 . . . but will continue to revisit decisions about specific programs one year at a time.''

''Nobody is cheating,'' Rivlin insisted in an interview with me.

''I don't think it washes,'' Bond said. ''It's not an honest budget.''

Two things are going on here. Clinton, in his desire to dodge serious cuts in politically popular programs such as Medicare and Medicaid, while promising more spending for education, the environment and law enforcement, is projecting cuts in other programs that are so severe they will be very hard to achieve. That is why people like Brown and Goldin say the cuts are unimaginable.

And second, in order to postpone the pain, Clinton is telling not just the constituents of the endangered programs but their managers that they will have plenty of opportunities in future years to stave off the cuts.

That may not be ''cheating,'' as Rivlin says, but it is playing a game that is too clever by half. Balancing the budget means making tough choices. Clinton is postponing those choices and—by giving people the sense that the goal can be reached without giving up anything that is important—making it that much harder when the crunch comes.

Mr. DOMENICI. Will the Senator yield?

Mr. BOND. I will be happy to yield to the distinguished chairman of the Budget Committee.

Mr. DOMENICI. First, I want to congratulate the Senator on this effort. For a couple of months he has been trying to tell the American people that there were two sets of books and that, indeed, if you use the set of books that gets a balanced budget in the same way that we do—because the President now says, ''You asked me to get a balanced budget using Congressional Budget Office assessments''—of the two sets, if you use the same set of numbers of economic assumptions that we have been compelled to use, then all of those cuts that are called triggered cuts have to be in the budget or it is not in balance. Is that not correct?

Mr. BOND. That is correct.

Mr. DOMENICI. So what the President has done is he has two balanced budgets, one using the same economic assumptions that we have used, which he told the American people, ''They have told me to use that, and I've used it, and I'm in balance,'' but he has another budget when he does not use those same economic assumptions. He uses his own, prepared by the Office of Management and Budget, under the direction of the executive branch. And that is the second set of books.

Which set of books are we telling the American people balances the budget? I believe the President is making it very clear that he balances the budget the same way we do. But then he produces a second set of books where he does not have to have as many cuts, he does not have to have these triggered cuts because the economics are so much better that he can get by with less.

Let us make it very clear, if we talk about the President's budget that is just like our budget in terms of which level you are jumping over, where is the stick that you are doing your high jump over? Using the same one for both, then there is no way that the President can be in balance without cutting, in the last 2 years of this budget, discretionary programs by 10 percent and 18 percent respectively. Is that not correct?

Mr. BOND. That is correct.

Mr. DOMENICI. Is it not in that regard that the Senator has been inquiring, and has the Senator not been saying, under the real budget, the budget

using the Congressional Budget Office numbers, what are you going to do to the veterans? Is that not when the Senator is getting the answers that they do not believe they are going to do this? Is that a fair assumption?

Mr. BOND. Mr. President, it is actually worse than that. It is actually worse than that. It is not just the triggered cuts that fall very heavily on the veterans.

But let me say, earlier in my remarks, I came to the floor to say that the Senator from New Mexico, under his leadership, has produced a balanced budget, an honest balanced budget that makes some very difficult choices. People do not like it because it is an honest budget, and it has had to make some difficult choices. But the President has submitted a budget which he claims is in balance, but he has told his people not to worry about it.

Now the cuts in the Veterans' Administration are not just the result of the triggered cuts.

Mr. DOMENICI. No.

Mr. BOND. The cuts in the Veterans' Administration begin precipitously in 1998, even under his OMB assumptions. Even using the rosy scenario, he would still chop that Veterans' Administration budget by 23 percent prior to the time that the triggering budget cuts would have to be implemented in 2001 and 2002.

So regardless of which set of assumptions he uses, even under his favorable budget, the favorable budget that he set up originally that did not have the triggered cuts in it, he slashes VA by 23 percent, and that was the first thing that tipped us off that maybe there was another set of books that we had not seen.

He had apparently convinced the Secretary of Veterans Affairs, the Veterans' Administration, that those cuts, even the ones he had in his OMB-approved numbers beginning in 1998, were not going to happen. That is why we cannot make an honest comparison between the numbers that the Senator has presented and the numbers that the Clinton administration claim come to a zero deficit in the year 2002, if we are being assured by all of the agencies that they do not have to plan for these cuts. They have no intention of making these cuts because the President and OMB have told them, ''Don't worry about making the cuts.'' Something is amiss here.

Mr. DOMENICI. I ask the Senator, one of the reasons that that precipitous fall occurs, even under the OMB budget, is because the President desires to tell the American people that certain parts of Government are going to get increased and so he has built into that budget these very large increases for education, for the environment, which end up, if you go that high on them, you have to take it out of somewhere else. That is where the veterans get that big cut the Senator has spoken to.

Mr. BOND. That is what happens when you establish priorities. If that, in fact, is his priority that he wants to put veterans that far down on the list, then we ought to be debating it. And we did have a debate on this floor. The Republicans voted to amend the President's proposal by taking additional savings out of welfare. Even my Democratic colleagues, who did vote for that proposal, had voted for another one that restored those cuts. Nobody agrees with those priorities that the President has proposed.

Mr. DOMENICI. I want to thank the Senator once again for the excellent work he has done. And it ought to be clear to everyone, the President of the United States does not have a balanced budget. He does not have a balanced budget using the Congressional Budget Office numbers, which he has touted across the land, unless he is willing to admit that these programs get tremendous cuts starting in 1998, 1999, 2000, 2001, 2002, which he clearly does not want to tell the American people. That is how I see it.

These Cabinet members who are seeing these cuts are being told, ''We'll look at them once every year. We're evaluating them every year.'' You can evaluate them every year, but if there is a very large cut in a program, somebody has to be cut, right?

Mr. BOND. I thank the chairman of the Budget Committee for that very important clarification.

Mr. DOMENICI. I thank the Senator.

Mr. BOND. Frankly, if it did not matter what we are going to spend in the outyears because we would negotiate it anyhow, we would not present multiyear budgets. We have to do that as part of a responsible plan process, Mr. President, so we know if we are on a path to get our Federal spending machine under control.

When we see a budget presented that claims to have significant cuts, but the people who would be affected have been assured by the President and OMB that those cuts will not be made, we can only conclude that either there is a very secret second set of books which eliminates programs we have not been able to identify, or the President and his Office of Management and Budget are not serious about balancing the budget and making the limitation in cuts in discretionary spending to achieve that balance.

Mr. President, I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I ask unanimous consent that I be able to proceed for 20 minutes.

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

Mr. BIDEN. Mr. President, I did not come to respond to my friends from Missouri or New Mexico, but I find it kind of interesting. You know, we deal with names and these issues so much, and we use the jargon so much, that sometimes it is pretty interesting and pretty confusing to the American people. I am not suggesting that the things that either of my colleagues have said is not substantively correct, but I would suggest it is out of context.

Mr. BOND. Mr. President, would the Senator——

Mr. BIDEN. I will not yield until I explain what I said. Then I will be happy to yield.

First of all, the Republican-appointed Director of the Congressional Budget Office states in the latest CBO report—and I quote from the summary page:

> Both the Congress and the President, however, have proposed changes in policies that would balance the budget in 2002.

Let me read it again.

> Both the Congress and the President, however, have proposed changes in policies that would balance the budget in the year 2002.

I am reading from the ''Economic and Budget Outlook, Fiscal Years 1997 to 2002, Report to the Senate and House Committees on the Budget, Congress of the United States, Congressional Budget Office.''

The second point that I will make: That does not suggest that what my friend said is not true, but it is kind of like you have to watch the pea and the shells here.

The idea of these dual books, the President all along has said the economy is going to grow more robustly, has all along said that the CBO's estimates are too cabined, that things are going to be better than they say. So far he looks like he is right. But he said, ''You want me to do it according to the way you want the numbers,'' which I do not think are realistic numbers. I think they are too conservative. Business thinks they are too conservative. Everybody thinks they are too conservative except our conservative Republican friends.

He said, ''OK, if that's the deal, I'll submit a budget based on that.'' And he submitted a budget based on that. Their Republican-appointed Director of the Congressional Budget Office said, ''Yeah, he submitted one on that, and it balances that way.''

It is not, then, inconsistent for the President to say, ''By the way, I submitted it,'' but basically saying, ''I am predicting to you things are going to be better than these economic forecasts called for. If it turns out the economic forecast is as bad as you all say it is going to be, then this is what we're going to have to do to balance it. I will balance it under those conditions.''

But what he is saying makes it sound sinister, this two-book thing. He is saying, ''But my prediction to you is, you won't have to do it this badly, you won't have to cut this much.'' He is not saying, ''I won't do it if the economic forecasts turn out this way.'' He is just saying, ''I don't think the economic forecasts are going to be that way.''

You know, it is kind of like my saying to my son or my daughter when they were teenagers—they say, ''Dad, I want to go away to camp, and I would like to go for 2 weeks to camp.'' I say, ''How much is camp, honey?'' They say,

''Well, it's $100 a week.'' I say, ''I don't have $200. I've got $100. We'll sign you up for camp for 1 week. You're going, but I think I'm going to find another $100, and I think before it's time to go to camp you'll get to go for 2 weeks because I think economically I'm going to find another $100. But if I don't, you only go for 1 week.''

These guys make everything sound so sinister. Like, you know, ''Well, let's find the fingerprints on budget No. 2.''

So all I am saying to you is, keep your eye on the ball. The bottom line in this budget debate, no pun intended, is the summary of the Republican-led Congressional Budget Office that says—unless they changed their mind in the last couple hours—both the Congress and the President, however, have proposed changes in policy that would balance the budget in 2002.

Now, Mr. President, a number of our colleagues, including two who have just spoken, have once again attacked the President's budget as providing too little in appropriated spending. I find this a fascinating debate. They say, ''By the way, you are not going to balance the budget because you have two books. You really do not mean it. You are really going to cut something you have not told us,'' et cetera. But then they say, ''By the way, one of the reasons we do not like this President's budget is it provides too little in appropriated spending.''

They criticize the President's cuts as being too painful. It is true, the President's budget does make substantial cuts in discretionary spending. But the cuts in the Republican budget are far deeper. Over the 6 years of the budget, the Republican budget cuts appropriated spending by $68 billion more than the President's budget. In the year about which the Senator from Missouri most complains, 2002, the Republican budget cuts appropriated spending by $16 billion more than does the President's budget, using the assumptions that we are both using.

If the Senator from Missouri and others find the President's budget cuts too painful, and they are painful, he must find the Republican budget positively deadly.

Mr. President, I ask unanimous consent two tables comparing the cuts in the Republican budget with those of the President's budget be printed in the RECORD.

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

COMPARISON OF BUDGET PLANS: 6-YEAR TOTALS

[In billions of dollars]

	President's budget	Republican budget	Difference
Spending cuts:			
Discretionary	−230	−298	−68
Mandatory:			
Medicare	−117	−168	−51
Medicaid	−54	−72	−18
Other health [1]	9	10	1
Welfare	−38	−53	−15
EITC	−5	−19	−14
Spectrum auctions	−37	−19	18
Other mandatory	−24	−34	−10
Subtotal	−265	−355	−90
Revenues: [2]			
Tax relief and other	99	180	81
Corporate reforms	−40	−21	19
Other proposals	−5	(?)	5
Expiring provisions	−43	−36	7
Subtotal	11	122	112
Policy savings	−485	−531	−46
Debt service	−41	−49	−8
Total savings	−525	−580	−55
2002 deficit/surplus	0	5	5

[1] Health care reforms in President's budget; GME add-back in Republican plan.

[2] The Republican plan reconciles a net tax change of $122 billion over 6 years, but includes reserve fund language that allows for additional tax cuts on a revenue neutral basis. The revenue figures for the Republican plan show gross tax cuts assuming that the Republicans adopt the corporate reforms contained in the Balanced Budget Act and certain tax provisions that have expired since last year.

COMPARISON OF BUDGET PLANS: SAVINGS IN 2002

[In billions of dollars]

	President's budget	Republican budget	Difference
Spending cuts:			
Discretionary	−84	−100	−16
Mandatory:			
Medicare	−34	−53	−19
Medicaid	−22	−30	−8
Welfare	−8	−13	−5
EITC	−1	−4	−3
Spectrum auctions	−23	−7	16
Other mandatory	−5	−4	1
Subtotal	−92	−110	−18
Revenues:			
Tax relief and other	3	29	25
Corporate reforms [1]	−7	−5	2
Other proposals	−3	(?)	3
Expiring provisions [1]	−8	−7	1
Subtotal	−15	17	32
Policy savings	−190	−193	−3
Debt service	−20	−22	−2
Total savings	−210	−215	−5
2002 deficit/surplus	0	5	5

[1] The Republican plan reconciles a net tax change of $122 billion over 6 years, but includes reserve fund language that allows for additional tax cuts on a revenue neutral basis. The revenue figures for the Republican plan show gross tax cuts assuming that the Republicans adopt the corporate reforms contained in the Balanced Budget Act and certain tax provisions that have expired since last year.

Mr. BOND. Is the distinguished Senator from Delaware ready to respond to a question?

Mr. BIDEN. If you let me complete, I will take 12 minutes and respond to any questions you have. I know that if I start to respond—I did not come to make the statement I just made. I am just responding to what I heard. Let me make the statement I came prepared to make and then yield to the Senator for anything he wants to say or ask.

Mr. President, to state the obvious, a budget, whether it is a household budget, whether it is a company's budget, whether it is the Nation's budget, is the formal expression of our priorities as a company or as a family or as a nation. It tells us, after all the talk is over, where we decided to spend our hard-earned money. In this case, the hard-earned money of taxpayers like all of us.

Unfortunately, Mr. President, the budget resolution before the Senate, in my view, fails to address the most fundamental issues before the country. It fails to take care of the basic priorities that have made our Nation great, the priorities that can help us meet the challenges of the future. Again, I think we can all agree on one thing. I used to be on the Budget Committee. I am delighted I am no longer on the Budget Committee. I was on it for a long time. When I used to be on the Budget Committee and had to give it up to move over to other committees, new members come and say, ''What do you think about getting on the Budget Committee?'' Or I speak to university groups or constituents at home and they say, ''What about the Budget Committee?'' I say that the single most important thing a new Member of the Congress can do is be a member of the Budget Committee. Just like the single most important thing you can do if you go with a big company is look at the company's budget.

When all the rhetoric is gone, and everything is stripped aside, where we spend our money says volumes about what our real priorities are. If we say we care about education and do not spend money on education, then we obviously do not care about it very much. If we say we care about crime in dealing with crime and do not allocate our resources there, we do not care about it very much. If we say we care a lot about a national defense, and we do spend our money on it, it establishes we do care a lot about national defense. We say to students, if you want to know what a company really does, what a family really cares about, what a nation cares about, go look at its budget, its budget. I do not think anybody could disagree with that, have any reasonable disagreement with that. It lays out our priorities as a nation.

The point I want to make in the next few minutes, I think we have in the budget before the Senate, the Republican budget, our priorities out of whack. It is not a bad budget. It is not an awful budget, not a draconian budget. We can say a lot of political things about it. The real debate on this budget is no longer about no matter what you hear people say here, we are going to balance the budget, are we committed to balance the budget; it is how we balance a budget, how we balance a budget.

It is just like a family can decide if your child gets into Harvard University whether you are going to spend $25,000, meaning that you cannot buy a car for the next 4 years. Or you can buy a new car for the next 4 years and send your kid to my alma mater, the University of Delaware, which will cost $7,000. There are priorities. I happen to think a Delaware education is better than a Harvard education, but that is a personal thing.

It is real important when we talk all the mumbo jumbo out of this and understand what this debate is about. It is about where we are going to spend money, and even more importantly in

this environment, where we will cut. There is no way to get from here to balance under anybody's numbers, anybody's numbers, any assumptions, short of divine intervention by the Lord, without cutting.

It is a question. You can measure one's value system based on how much more they spend on something, how much more they cut. When you have to cut, who do you cut it from? Do you cut it and decide you are going to cut it from your children's education and still go to the beach for 2 weeks, or are you going to decide to cut the beach and spend it on your children's education? It says something about how much a family values education. It says something about how much they value vacations. I am not making a value judgment. A vacation for one family may be more therapeutically needed than an education for another child. That is literally what it does. That is what this fight is about. That is the difference between Democrats and Republicans here. It is not that we both decided to say, ''I like being with a party that has a letter that begins earlier in the alphabet.'' That is not the reason why I am a Democrat or why my friends are Republicans. We have different priorities here.

How do you best make the Nation function? I do not doubt for one second the positive patriotic intentions of my Republican colleagues. They proposed this budget not because they are mean-spirited. They proposed it because they believe this is truly the best way for the most Americans to do the best. We have a disagreement. I think America will not prosper spiritually, morally, economically, politically, as well, under their set of budget priorities than they do under mine or my parties or the President's. That is what this is about.

You all are going to get the smokescreen out. ''There are a secret set of books buried somewhere in the Capitol, and in the year 2002 we will open them and you will find the fingerprints of John Q. Wilson who worked for the FBI in 1974''—what are we talking about? We should have a straight up-and-down fight. They do not want to spend as much money on education as we want to. They do not want to spend as much on the environment as we want to spend. They do not want to spend as much money in law enforcement as we do. We do not want to spend as much on defense, or as much on the wealthy as they do, and so on. They are legitimate, fundamental, disagreements. I think we should do the American people a favor. Have a referendum on what they want, which theory they buy into.

My comments, the remainder of them, are directed at why I think my theory, my party's theory, my party's priorities, are better not only for average Americans but for the community of America, than are those of my Republican friends. I do not doubt their good intentions, I want to make it clear. I do not think they sit in the Cloakroom and say, ''You know, how can we make sure that John Kluge makes more money?'' Some of my left-wing friends think they sit there and say, ''Well, how are we going to get the wealthy to do better at the expense of the poor?'' I no more believe that than I think this chair can get up and levitate. They believe the way to help the poor the best is to see that those who have the most have the greatest freedom and prosperity to invest. I found that theory does not necessarily follow. I have a disagreement.

Let me make it clear, lest anyone come out here. I do not question the intentions, motivation, or sincerity of any of my Republican colleagues. I think they are wrong—not morally wrong—wrong. They will not turn out as you predict.

Mr. President, each year education becomes ever more important to keep our economy growing and to enable our citizens to become productive members of society. This budget in question cuts, in my view, too much from education.

(Mr. BROWN assumed the chair.)

Mr. BIDEN. By eliminating the guaranteed student loan program it makes college education even more expensive, in my view. And far from increasing our commitment to a better-trained work force, the budget provides less and less money for education and training as we move into the next century. In real terms, adjusted for inflation, their budget cuts spending by $25 billion for spending in this area over the next 6 years.

Look, we can argue about elementary and secondary education, we can argue about whether or not prayer in school will change it, or we can argue about whether or not spending more money in title I will change it, and we can argue about how bad off our education is. There is one thing there is no argument about. We have the best higher education system in the world—in the world. It is the only place we do not have to look at any little thing and say we rank 7th, 17th, 91st—we rank No. 1 in the world in higher education.

So what are we doing? As more and more people from different countries are beating their brains out to get into our higher education system, we are—I suspect unintentionally—making it harder for Americans to get into educational institutions of higher learning. We are not arguing about the quality of that education.

My Republican friends—in my State, at least—like to argue what Ronald Reagan argued: You know the best way to cure education is to spend less money on it. The one place nobody makes that argument is higher education. That is what I mean when I talk about guaranteed student loan programs. As for our country's commitment to our parents' generation, Mr. President, this budget's Medicare cuts will make health care more expensive than our proposal will. Its cuts in Medicare will make nursing home and long-term care a greater burden for families of those whose seniors depend on them.

Whenever we talk about Medicare, we always talk in terms of the effect on seniors. That is not how I talk about it. Where I come from, I talk about it based on the values I was raised with. Can you imagine, I say to anybody listening here, if your mom or dad comes to you and says, ''You know, honey, under the changes taking place, I am no longer able to see Dr. Smith, and I have to do'' this, that or the other thing—can you imagine any decent child in a position to financially take care of them not saying, ''Do not worry, mom, I will pay for it.''

Who do you think is going to pay for this? Middle-class parents. The people who are 45 to 55, who have children coming up through school trying to get into higher education and have moms and dads with increasing medical bills or needs. I wonder how many Americans—men or women, husband or wife—are going to turn to their mother and father or mother-in-law and father-in-law and say, ''It is too bad that they changed the system that way. You have less money for health care, and I am not chipping in.'' This is going to increase the burden on my generation, which is getting squeezed.

Now, again, I do not suggest that is why it is being done. I suggest that we have different priorities, because one of the things my friend said is that if we spend more money on education, we have to cut something else here. If we spend more money on Medicare, we have to cut something else down here. This is not a zero sum game. This is not one of these things where I can say if you buy into my proposal, you get everything. I am not saying that. This is different priorities.

In my view, the place where we should be putting all of our energy is to deal with the shrinking middle class, which is getting their brains kicked in. We all acknowledge that.

Mr. President, most troubling for me is the failure of this budget resolution to fully fund the most basic function of Government—that is the purpose of my being here today—which is to protect our citizens from violent crime.

Mr. President, let me first review the facts that underscore just how we have come to face a budget resolution that cuts funding for the administration of justice account—that is a fancy Senate term for the money we spend on law enforcement—below what the President requested, below what the U.S. Senate has passed, and below what the House of Representatives has passed. Let me review what has gone on so far. The President requested a total of $23.5 billion for 1997, $5 billion of which is for the crime law trust fund—which I am proud to say I was the author of, along with several others—to fund the entire Justice Department, which includes the FBI, DEA, prisons, other Federal law enforcement, and the courts—they are all included. Then the House-passed

budget resolution proposed by the Republican leadership of the House of Representatives, by a narrow partisan vote—that sounds pejorative; I mean a narrow vote that was based on party lines—226–195; 221 Republicans voted for it, 4 against, and 190 Democrats voted against it, 5 for.

What did that House budget resolution do? It cut the President's $23.5 billion request for law enforcement, and all the functions related to that, to $22.1 billion, a cut of $1.4 billion. Included in this was a $317 million cut for the crime law trust fund. That is the thing that funds all the cops—the State cops, local cops, the 100,000 cops—and that is the thing that funds prison money for States. That is the thing that funds that whole crime law.

Then the Senate passed a budget resolution offered by Chairman DOMENICI. Unlike the House, to his credit, Chairman DOMENICI fully funded the $5 billion requested by the President for the crime law trust fund. But the Senate budget resolution cut the total from the administration of justice account—that is everything else—to $21.7 billion. That is a cut of $1.8 billion below what the President wants.

Again, we are talking priorities here. We acknowledge that if we spend $1.8 billion more on crime than the Republicans want, we have to find $1.8 billion somewhere not to spend it. We acknowledge that. The point I am making is the priorities here. We do not think we should cut it from there.

Finally, the House and the Senate Republicans offered the Senate a conference report. For those listening, that is when the House passes their bill and the Senate passes their bill on the same subject, but they are different in detail. So we have a conference and literally meet in a room in the middle of the Capitol somewhere and work out the differences. Then we send back a compromised version, called a conference report, to the House and Senate, which has to be voted on again.

Now, the House and Senate Republicans offered the Senate a conference report that makes even deeper cuts than were made by either the House or the Senate in the Senate-passed resolutions to the President's request for crime-fighting dollars.

The conference cuts the President's $23.5 billion to $20.9 billion, a cut of $2.6 billion. So it has gone from $1.2 to $1.8 to $2.6 billion less being spent on crime fighting. In fact, this cut would put the administration of justice account, in 1997, below the 1996 level by $45 billion. We will spend less next year than this past year if this budget resolution were to become law, if we do what it proposes.

Mr. President, by the way, what happened to all the tough-on-crime rhetoric that we have been hearing from all sides—Democrats and Republicans? Neither side is immune from being shameless in talking about how tough on crime they are. It seems that the President held up his end of the bargain. He requested the largest ever annual budget for the FBI, DEA, U.S. attorneys, and help for the State and local prisons and police. But a majority of the Congress has been AWOL—absent without law enforcement leave here. If the proposed cut of $317 million for the crime law trust fund is allowed to stand, there can only be one result: Fewer Federal dollars will be able to combat crime.

As my colleagues know, the general numbers of the budget resolution do not specify which programs will be cut. But it is clear that some programs, when they get to the appropriators, will have to be cut below what the President and what I and others want. What specifically might this mean? Let us just review the law enforcement efforts funded by the crime law trust fund. We fund Federal prosecutors out of that fund in the amount of $55 million; the FBI, $40 million; the DEA, $200 million; border enforcement and deportation of aliens who break the law, $525 million. By the way, we spent weeks on the floor talking about why that is so important. The violence against women efforts including more police and prosecutors and more shelters for battered women, $254 million. A billion dollars for the construction of prisons and reimbursing States from imprisoning criminal aliens. And an additional $2.6 billion is to aid State and local law enforcement.

We all know there is no free lunch. So if there is a cut in the total for the trust fund, at least some of what I just read will have to be cut. It is going to be less border patrol, less efforts to combat violence against women, fewer FBI agents, fewer DEA agents. There are going to be cuts.

Again, I am not questioning the motivation. I am just saying there is an honest disagreement. I think we should cut other things rather than cops, or the FBI, or prison construction. Just because I was the author of the law that this funds, I have to acknowledge that. So I lay it out. I do have a bit of an interest in it in the sense that I spent 6 years trying to get it passed, but that is not the reason alone. I think it is the single highest domestic priority we have.

To review the potential impact of the total cuts of $2.6 billion, let us look at how the President proposed to spend his $23.5 billion that he proposes for the administration of justice accounts. Again, we cannot be sure specifically what will be cut, but it is clear that there will have to be significant cuts of the President's request.

He wants $2.5 billion for the FBI, $818 million for the DEA, $2.2 billion to build Federal prisons and maintain them, $949 million for Federal prosecutors, $372 million for interagency drug enforcement task forces which every State in the Nation is asking for help on, and $1.7 billion for immigration enforcement.

None of us can say where the cuts will have to be made, but if this budget passes, the appropriators are going to have to go out and find that money—hundreds of millions of dollars to cut from each or all of those accounts. There is no way to avoid it. None. Granted, everyone can vote for this budget, and when the FBI says, ''You voted to cut our budget,'' they say ''No, no, I didn't vote to cut your budget. The President said $2.5 billion, and I want to spend it at $2.5 billion.''

Tell me where you are going to cut the $2.7, or whatever the number is when we finish here? None of us can say where the cuts will be made, but it is clear there will have to be some significant cuts in all of these key law enforcement initiatives.

Is there anyone in this Senate, though, who thinks our Nation will be better served by a smaller FBI, by a smaller DEA or fewer Federal prosecutors? I would like for them to come forward and tell me that. Again, that is a little unfair.

That implies, by the way, that I said that people really want to do this. I am not even sure, if we had all the money in the world—economic assumptions are different—that we would have little disagreement about spending all of this money. Maybe a little, particularly by some of our friends on the House side who may think that all Federal agents are jack-booted thugs and who want to cut it out and who probably think the Freemen are doing the right thing, and so on. If they exist, they are overwhelmingly in the minority. I know of none in the Senate.

But what we are doing here is, we are saying this is the place we should cut more than we should cut tax exemptions for individuals. This is the place we should cut for corporations. This is the place we should cut rather than cut money for the Defense Department. That is what we are saying. That is what I have difficulty agreeing with.

If there are no additional resources, no more FBI agents, no more DEA agents, no more Border Patrol, no more prosecutors, no more State and local police added to our streets, no more drug testing of offenders, no more prisons built, all the new laws we can pass will not be worth the paper we write them on. If you are going to pass tough laws and say, ''Put them in prison,'' you have to have a prison to put them in. It costs money. It even costs money to shoot them. It even costs money to hang them. It even costs money to inject them lethally. It costs money.

Mr. President, this budget resolution shortchanges, in my view, the national effort against crime. I submit that this Congress could pass a new terrorism bill, or any other criminal justice reform, every single week from now until the end of the session, but if it does not require more agents, nor more law enforcement officers, nor more Border Patrol, nor more prisons, nor more prosecutors, it ain't worth a darn. But this is not the only reason I urge my colleagues to vote against this budget resolution.

America became a great economic power because we developed an educational system. Any hope we have to maintain our Nation as the world's most productive economy depends on our willingness to commit resources to our workers for the skills which they need. Ours is a great country because we respect the contributions of those who have gone before us—our parents' generation who made us into a leader of the free world.

We committed to support them. We committed to support what they have done to guarantee them the health care they need and deserve. We made that commitment. We made the commitment not only because they are parents but for what they did to build this country. Americans everywhere want and deserve clean air and clean water and not backing off.

All this stuff, by the way, about the environment, I just want to say again what I said several times before. I have not had a single, solitary Delawarian come to me and say, ''You know, BIDEN, you are spending too much money on determining whether or not my water is clean. I don't want you paying that much attention to it.'' I have not heard one single, solitary Delawarian come to me say, ''BIDEN, you are spending too much money on monitoring whether or not the water in my State is clean.'' It seems to say, to me, that is what the American people, the Delaware people, want their money spent on: clean air and clean water. We do not spend enough in this budget on those things.

On each and every one of these fundamental priorities—fighting crime, educating our children, particularly higher education, caring for our elderly, and protecting the environment—I believe this well-intended resolution fails to take care of the most important priorities that have been made by us in past generations, and continue to be the priorities we all say we care about, priorities that help us meet the challenge of the future.

Mr. President, education, crime, caring for our elderly, and protecting the environment are the priorities upon which we do not disagree on whether we should do them. I want to make it clear again. I am not suggesting that there is any Republican who does not want to protect the elderly, have clean air and water, have a good education system, and fight crime.

I am suggesting that the tools they have given us to do those things in this budget are not sufficient, and they give more than is needed for other areas which should not be priorities. If, in fact, we had all the money in the world, we will not have to make these hard choices. But, ultimately, a budget is about deciding what you think is most important, and today we measure ''most important'' by what we do not cut as much as something else. I think their priorities are not the ones that I would like to see.

And, therefore, I will urge my colleagues to vote against the budget resolution.

I see the distinguished manager on the Democratic side is here.

I yield the floor. I thank my colleagues.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I yield myself such time as I might need.

I start out by thanking my friend from Delaware for the excellent remarks that he has made on the budget in general. Once again, I listened with keen interest to the very solid presentation that he has made.

Mr. President, yesterday the Director of the OMB, Dr. Alice Rivlin, sent a letter laying out the administration's objections to the budget resolution conference report that we are now discussing. Dr. Rivlin provided a very good analysis of the budget and its many failings.

I ask unanimous consent that the text of the letter be printed in the RECORD at this point.

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

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, June 11, 1996.

Hon. PETE V. DOMENICI,

Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to transmit the Administration's views on the conference report on H. Con. Res. 178, the concurrent resolution on the budget for fiscal years 1997–2002.

As you know, the President has proposed a plan the Congressional Budget Office (CBO) said would reach balance in 2002. It targets tax relief to middle-income Americans, makes prudent savings in Medicare and Medicaid, and provides enough in discretionary funds to finance the President's investments in key priorities. Clearly, a balanced budget does not necessitate extreme cuts in programs on which tens of millions of Americans rely.

With H. Con. Res. 178, the Republican majority has crafted a resolution designed to appear more moderate than the budget policies it pursued last year; however, the resolution continues the extreme policies first contained in the reconciliation bill that the President vetoed last fall.

For instance, the plan calls for Medicare cuts of $168 billion—more than $50 billion higher than the savings in the President's budget, according to CBO. Since the Budget Committees have claimed that their level of Medicare Part B savings is identical to the President's, the full difference must come from Medicare Part A. Cuts of this size could limit beneficiary access to hospital health services and lead to lower payments to hospitals even in nominal terms—not just cuts in the rate of growth. This could place huge stress on hospitals, leading to lower quality and threatening the financial viability of hospitals—particularly rural and urban hospitals. In addition, the structural changes proposed in recent Republican plans would seriously threaten the long-term health and viability of Medicare.

The conference agreement also includes $72 billion in Medicaid savings, far more than in the last Republican Medicaid restructuring proposal (if estimated under CBO's new baseline). If the resolution assumes previous Republican proposals that allow for lower State matching contributions, the actual cuts in Medicaid services and coverage could reach $250 billion. Along with these cuts, recent Republican proposals have included damaging structural changes, including the block granting of Medicaid, that would undermine the guarantee of coverage. If these provisions are retained, the resolution would mean, for example, an end to the Federal guarantee of coverage for up to 2.5 million children from ages 13 to 18. It would also mean an end to the guarantee of meaningful benefits for over 36 million Medicaid beneficiaries, including 18 million children and over 6 million people with disabilities.

With regard to taxes, the resolution would raise income taxes on working Americans by assuming cuts in the Earned Income Tax Credit (EITC). In fact, the cuts of between $17–$20 billion actually would make working Americans even worse off than the latest Republican offer in the President's negotiations with congressional leaders, which called for cuts of $15 billion. We can balance the budget without raising taxes on working Americans.

In addition, the tax cuts—which purport to be $122 billion—are understated and misleading. For one thing, the cost of the child tax credit inexplicably falls in the year 2002, meaning either the revenue estimate for the credit is too low or part of the credit itself disappears. For another, the level of permitted tax cuts is actually higher. In fact, Republicans have talked about total tax cuts of $170–$185 billion. The resolution appears to reserve billions of dollars in revenues to pay for these excessive tax cuts—$36 billion from extending expiring provisions (from last year's vetoed reconciliation bill) and $26 billion from closing corporate loopholes and other tax measures (from the last Republican offer). Rather than finance excessive tax cuts, these revenues could offset some of the unnecessarily deep cuts in Medicare, Medicaid, and other priorities. By contrast, the President proposes and pays for targeted tax cuts to help middle-income Americans raise their young children, pay for postsecondary education, and save for the future.

On welfare, the President supports real bipartisan welfare reform that would move people from welfare to work and protect children. The President has consistently said he wants to work with Congress to reach that goal. The resolution, however, assumes cuts in low-income assistance programs of $53 billion over six years—$2 billion more than the recently introduced Republican welfare bill that does not meet that objective. While the new bill has more child care funding than the Republican welfare bill that the President vetoed in January, the cuts outside Aid to Families with Dependent Children and child care are actually deeper than in the vetoed bill. Like the vetoed bill, the new bill couples deep cuts with severe structural changes and bans on benefits for legal immigrants—policies that would harm children.

Moreover, the resolution instructs congressional committees, as part of the first reconciliation bill, to link welfare reform with the proposed changes to Medicaid and with tax cuts. The President wants real welfare reform, but he will not accept any legislation that would block grant Medicaid and undermine its guarantee of health coverage to millions of vulnerable Americans. Congress should not link welfare reform to Medicaid policies the President has consistently said are unacceptable. In addition, it should not pay for tax cuts by making excessive cuts in Medicaid and welfare. Finally, this reconciliation package would make virtually no progress on deficit reduction.

On student loans, the resolution assumes that reconciliation legislation will impose a cap on the amount of student loan volume in the Direct Loan program, which would eliminate hundreds of colleges from the program and deprive millions of students of the benefits of the flexible repayment options under that program, including income-contingent repayment. And the reconciliation instructions appear to require the opening of the Alaska National Wildlife Refuge, a national treasure, to oil and gas development—a policy the President has said he would veto.

On discretionary spending, we recognize that the conferees added non-defense discretionary spending for 1997 to the House-passed level. These levels, however, are still inadequate—more than $15 billion in budget authority below the President's request. In fact, the President's budget proposes higher total and non-defense discretionary levels than the conference agreement in every year through 2002—while still balancing the budget according to CBO. The non-defense discretionary levels are inadequate to fund key investments in education and training, the environment, science and technology, and law enforcement. For example, the resolution provides $57 billion less for education and training from 1997 to 2002 compared to the President's budget, jeopardizing adequate funding for such priorities as Head Start, Education for the Disadvantaged, Goals 2000, School-to-Work, education technology, Pell grants, summer youth jobs, and dislocated worker training.

In the near term, the resolution shifts more resources into defense programs than necessary, squeezing investments in non-defense programs. The resolution provides over $11 billion more in defense budget authority for 1997 than the President's defense plan—which already commits historically high levels of resources to readiness, as measured in funding per troop. At the same time, the resolution does not provide enough budget authority, compared to the President's defense program, in the critical years of defense modernization at the turn of the century—the years when new technologies come on line.

In their negotiations last winter, the President and congressional leaders found more than enough savings in common to reach balance by 2002. The President wants to finish the job, and he has repeatedly asked the Republican leadership to return to the negotiating table.

As you can see, while the Administration and Congress share the goal of a balanced budget, we have grave concerns about the approach contained in this resolution. We also hope Republicans learned from last year's experience, which included two government shutdowns and 13 continuing resolutions, that we need to work together. We want to work with Congress, as the process moves forward, to give the American people the balanced budget they deserve.

Sincerely,

ALICE M. RIVLIN,
Director.

Mr. EXON. Mr. President, we have additional speakers that will be seeking recognition. In the meantime, I suggest the absence of a quorum and ask that the time be equally charged to each side.

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

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DORGAN. Mr. President, we are now in debate on the budget conference report, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. Mr. President, is there a time agreement at this moment?

The PRESIDING OFFICER. The time is controlled under the Budget Act.

Mr. DORGAN. Mr. President, let me just yield myself 7 minutes from our side.

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

Mr. DORGAN. Mr. President, we find ourselves once again debating a budget conference agreement that some have dressed in new clothes and wrapped with new ribbons and brought to the floor of the Senate to say, ''Gee, we've made changes. This is a new budget. It's a different approach. And we seek support for it.''

The Senator from Nebraska, Senator EXON, I think said yesterday quite appropriately, there is nothing new about this. This is the same approach for 2 years that has been trotted out on the floor of the Senate by the majority party saying, ''Here's what we insist on in a budget agreement.'' The dilemma I see in this budget agreement is this. The conference report is designed to try to reduce spending and balance the budget, but it also includes at the same time a substantial tax reduction.

Would the American people like a tax reduction? Of course. Would it be popular to talk about cutting taxes rather than cutting spending and reducing the deficit? Yes, of course it is more popular to talk about cutting taxes. But our problem is, we have got deficits in this country that need to be brought down. There are a couple ways of doing that, but not proposing a very large tax cut is not on the list of ways to bring the deficit down. The majority party brings this conference agreement to the floor and downplays the tax cut.

I want to show my colleagues a quote from the chairman of the Budget Committee on the other side of the Capitol Building, a Congressman for whom I have great respect, Congressman KASICH, who is the chairman of the House Budget Committee. He says in response to a question:

> We will have a capital gains tax cut. We will have all the . . . Contract With America items that we originally proposed. . .. So what you ultimately get is . . . a gross tax cut number that will approach $180 billion.

The paradox is, as we are trying to reduce the budget deficit, we have folks here who want to serve dessert before they serve dinner. It does not make any sense.

The most responsible position, it seems to me, is for the majority party to set aside tax cut questions at this point and let us deal with the issue of cutting Federal spending in appropriate ways to reach a balanced budget. When we have reached a balanced budget, then let us turn our attention to the question of how we can appropriately cut taxes to reduce the burden on middle-income families.

But it is not appropriate in my judgment, to be bringing a budget to the floor of the Senate that purports to reduce the Federal budget deficit but also includes in it a substantial tax cut, much of which will go to the wealthiest Americans.

Let me quickly say I have nothing against those who have made a great deal of money in our country. Many of them are wonderful Americans who have been enormously successful. They are resourceful people who deserve and have received the benefits of doing well in our system. But it is also true that the small group on the top of the economic ladder in our country has had substantial, substantial economic gains and their tax burden has not kept pace. They have been treated very, very well.

It seems to me that when we are attempting to reduce the budget deficit, it makes very little sense for us to decide at the same time we should provide significant tax cuts to those who need them least.

Let me give you one little example. Some Americans will remember when we would read in the paper reports about studies on the amount of taxes paid by some of the largest enterprises in America. We would discover while reading the morning paper that some of the largest corporations in America have made billions of dollars and pay zero in income taxes—not a lot, not a little—zero in income taxes.

People were wondering, ''Well, if I make $20,000 a year, and work hard all day, and try to do the best I can, why do I have to pay taxes when a corporation that makes $3 billion in income pays zero?'' It is a good question. So the Congress began to address that in the mid-1980's and said, ''Well, let us put together what is called an alternative minimum tax so if a big company were able to use tax loopholes to pay zero in income taxes, they at least must pay an alternative minimum tax, a minimum tax.''

Have you heard lately of a big corporation that makes a lot of money that pays zero in income taxes? No. Why? Because there is what is called an AMT, an alternative minimum tax so they must pay some taxes.

Well, guess what is deep in the bowels of this budget? You got it. A change in the alternative minimum tax that will say to some of those corporations, ''Let's go back to the good old days. You can start zeroing out again.'' It just does not make sense for us, when we are here to try to reduce the Federal budget deficit, to say, ''By the way, let's bestow a little gift here on some of the biggest enterprises in America and say to them, 'You can go ahead and zero out, make lots of money and pay no taxes anymore.' ''

I just do not understand the mindset of people who refuse to keep their eye

on the ball. The ball is the budget deficit. The menu of changes needed to address the budget deficit does not include new tax breaks for some of the biggest corporations in the country. It does not include new tax breaks for people who make $50 and $100 million a year. And, yes, there are some people in this country who make that and they do not need a tax break.

So I ask the majority party, and instead of advertising a tired old product as something new, let us go back to the drawing boards, set the issue of cutting taxes aside, especially cutting taxes for the wealthiest Americans, set it aside and let us deal with one specific element in our responsibility. Let us use the budget in the 7-year budget cycle to reach a balanced budget. When we have done that, then let us turn to the proposition of changing the Tax Code so that it is less of a burden on middle-income families.

Let me make one important point that needs to be cleared up. I heard earlier today a discussion by, I believe, the Senator from New Mexico and the Senator from Missouri and some others. They were talking about the President's budget, the majority budget, and a balanced budget here and there. None of these budgets balance the budget. None of them—not the President's budget and not the budget that is brought to the floor of this Senate from this conference. They fall short, because in the year 2002, they will use the Social Security trust funds as ordinary revenue in order to claim they have balanced the budget. None of them balance the budget. Yet, even though they still fall short in the year 2002 of balancing the budget, the majority party says, ''We are proposing $180 billion in tax cuts during the 7-year period.''

I suppose I would probably not protest so much—I still would protest, but not so much—if the tax cuts were going in the right direction. They so fundamentally distort who ought to be paying what. These tax cuts are wrapped gifts to the biggest economic interests in America. It makes no sense to do this.

I just think, generally speaking, we ought not be talking about tax cuts until we have met our responsibility to balance the budget. This resolution on the floor demonstrably does not balance the budget, no matter what has been said on the floor today by those who push this proposal here in the Senate.

If I had the time, I would speak at length about a range of priorities. Let he finish with one point about the issues inside the budget. We must fix our Medicare Program. It is a good program. It has helped a lot of Americans. It is a program that works well. It is a program whose costs are outrunning our ability to pay those costs. We must make adjustments to it.

No one ought to come to the floor selling some snake oil that says, ''Let us cut approximately the same amount from Medicare spending so we can make room for the same amount of tax cuts. Let us take from those who do not have much by reducing the Medicare Program, and give to those who have plenty, with tax cuts for upper-income folks.'' I find that to be a strange, twisted set of priorities.

Even as I say that, I recognize all of us must find a way to reduce the kinds of budget claims the Medicare Program has in the Federal budget. We can do that sensibly, thoughtfully. We cannot do that if we want to use savings from the Medicare Program in order to make room for a tax cut. That is an inappropriate subject in the first instance while we are trying to balance the Federal budget. It will be interesting in the next week or two to see the manifestation of this philosophy.

The majority party says they are the ones that want to balance the budget. They also want to bring to the floor of the Senate a defense bill that will spend some $13 billion more than the Pentagon asks for, a star wars program that will cost some $60 billion in money we do not have to build something we do not need.

It seems to me the real test of what you stand for is not what you say, but what you bring to the floor. What specific proposals do you have? How will you require the American people to pay for them in the future? As soon as the American people understand exactly what are the details of this plan, I think they will understand the twisted set of priorities embraced by this budget conference report.

I see my colleague from North Dakota is on the floor prepared to speak about the budget. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from North Dakota.

Mr. CONRAD. I thank the Chair, and I thank my colleague from North Dakota, who has spoken clearly and well on the basic point that none of these plans is a truly balanced budget. One of the most frustrating things I have felt during our discussions—about what is a balanced budget and what is not a balanced budget—is that somehow when we get inside this Chamber, our financial common sense goes right out the window. I say that because I come from a financial background. My colleague who just spoke from North Dakota has a financial background.

Frankly, Mr. President, if we were in any financial institution and said we were balancing the budget, when in part what we were doing was taking the retirement funds of our employees and throwing those into the pot, we would be laughed out of the room. Mr. President, that is not a balanced budget. The Chair knows that. I think every Senator in this room knows that. That is not a balanced budget.

In fact, this budget shows a $103 billion deficit in the year 2002 if we are to exclude Social Security surpluses. Of course, we have to exclude them if we are going to be basing our determinations on honest accounting and on the law. That is not a balanced budget.

I would point out that last year I offered the only plan that did balance the budget without counting Social Security surpluses. That was the fair share plan, and it got 39 votes here in the U.S. Senate.

I think in the interest of honest disclosure, we have to acknowledge the President's plan is not truly a balanced budget plan. The Republican plan is not truly a balanced budget plan. In fact, the centrist coalition, which I was a part of, did not produce a truly balanced budget plan. All of them were significant deficit reduction plans, but none of them achieve a truly balanced budget.

Mr. President, I want to take a few moments to talk about the budget before the Senate. I believe the most important work that any Congress does is its determinations on the budget, because that determines where the nation's resources are going to go for the next year, and beyond.

Mr. President, yesterday was a remarkable moment in this Chamber. Senator Dole, who has been here in the U.S. Senate for 27 years, retired and left this Chamber to pursue his candidacy for the Presidency of the United States. Yesterday, when he stood in the well and at the majority leader's desk and gave his final farewell address to the Members, I was struck when he talked about the things that he was most proud of, the things that he had done here that he will remember and be proud of.

What did he talk about? He talked about a series of legislative accomplishments that were all bipartisan in nature. He talked about working across the gap between Republicans and Democrats, working across the aisle to accomplish things that were important for our country.

Mr. President, I think all of us know, in our heart of hearts, when this institution works best, it works in a bipartisan way to achieve legislative advances for the American people that we are all sent here to represent.

Mr. President, it was that sense of bipartisanship that was palpable in this Chamber yesterday, but that is so lacking in this budget proposal before the Senate today. This is the same song, second verse, of a Republican budget plan that was offered last year and was vetoed by the President. There is very little difference. It is rewrapped with new packaging, but if you open up the package and look at what is inside, you find there is very little difference between what the Republican majority offered last year and what they are offering to us this year.

The press has reported, and reported widely, this is a kinder, gentler Republican budget. Frankly, they have been fooled, because this has gone from being a 7-year budget plan to a 6-year plan. They are comparing last year's 7-year plan to this year's 6-year plan, so all of a sudden the numbers look better.

Mr. President, that is not a fair comparison. You have to compare apples to apples and oranges to oranges, a 7-year plan to a 7-year plan, not a 6-year plan to a 7-year plan. If one does that, you find there is almost no change. Yogi Berra said, ''Deja vu all over again.''

Mr. President, let's look at a real comparison, a 7-year comparison, to what the majority offered just last year and what they are offering us this year. On Medicare last year, they offered $226.8 billion in cuts over 7 years. This year, if you adjust their 6-year plan to a 7-year plan, it is $228 billion of cuts in Medicare. Very little difference.

On Medicaid, last year it was $132.6 billion in cuts; this year it is $106 billion. On welfare last year, the Republican plan was $65.6 billion; this year, they have actually increased the cuts, if it is over a 7-year period, to $66.7 billion.

Last year, on the earned-income tax credit, a provision that will increase the taxes for moderate-income Americans who work, they are actually going to increase those folks' taxes, $21.2 billion in last year's plan; they have taken $1 billion off this year, and it is a $20 billion increase. Tax breaks, last year, the plan was $246.7 billion over 7 years; this year, on a fair comparison, it is $220.4 billion. Very little change.

Mr. President, I oppose this budget resolution. I do not think it is bipartisan. I do not think it represents the kind of settlement between the two sides that can be sustained. If we are serious about reducing the budget deficit and getting our fiscal house in order, we know there is only one way to accomplish that goal. We must march together, Republicans and Democrats, so we can actually enact into law what we propose here on the floor of this Chamber.

(Mr. GREGG assumed the chair.)

Mr. CONRAD. Mr. President, I want to emphasize that it is critically important that we succeed in this endeavor. Make no mistake about it, we are on a fiscal course that cannot be sustained. As I have said repeatedly to my colleagues on the Budget Committee and on the floor of this Chamber, it is true that we have seen a substantial reduction in the budget deficit, and that is certainly good news.

Without question, this chart shows what happened to the unified Federal budget deficit as a percentage of the economy from 1980 to 1996. Back in 1980, the deficit was about 3 percent of our economy, about 3 percent of gross domestic product. It then shot up to 6.3 percent in the early 1980's, worked its way back down in 1990, when it was back down to around 3 percent, and then it jumped up again to nearly 5 percent. During the tenure of Bill Clinton as President of the United States, the deficit has come down 4 years in a row. We are now down to a deficit that is less than 2 percent of our gross domestic product. That is the lowest deficit as measured against the size of the economy of any industrialized country in the world. So we have made great progress.

But no one should be under any illusion. While we have made significant progress, if we do not keep working, if we do not keep putting on the pressure of deficit reduction, all of these gains are going to be lost as we start to move toward the time that the baby boom generation retires.

Mr. President, we face a demographic time bomb in this country. It is the baby boom generation, because when they start to retire, the number of people who are eligible for programs like Medicare and Social Security is going to double. We are going to go from 24 million people eligible for Social Security and Medicare to 48 million people eligible. None of us can put our heads in the sand and say it is not going to happen. It is going to happen. And the consequences are going to be enormous, and they are going to be severe. We have been told by the Entitlements Commission that if we fail to change course, by the year 2012 every dime of Federal revenue will go for entitlements and interest on the debt. There will be no money for any of the other functions of the Federal Government. There will be no money for roads. There will be no money for parks. There will be no money for education. There will be no money for research.

Mr. President, that is not an acceptable result. We were also told last year that if we stay on the current course, future generations will face either an 82-percent lifetime net tax rate or a one-third cut in all benefits. Let me repeat that because I think it is so jarring that most people almost cannot hear it when you say it. We were told last year that if we stay on the current course, future generations will face either an 82-percent lifetime net tax rate or a one-third cut in all benefits. Does anyone believe we are going to have an 82-percent tax rate in this country? I do not believe it. That is never going to happen. So the alternative is a one-third cut in all benefits. What a disaster that would be for those who are anticipating and counting on those programs to be present when they retire.

Mr. President, it is not only for those reasons that we must move to reduce the budget deficit further, it is also because balancing the budget will provide an enormous boost to our economy. Economists have told us repeatedly that if we reduce the deficit, that will expand the pool of national savings that are available for investment. It is only through investment that we are able to improve future economic growth. We have to have investment to grow.

Where do you get money to invest? You have to have savings in order for there to be investment. Where do those savings come from? Well, they come from the private sector. But they also come by eliminating the budget deficit because the budget deficit eats into the pool of savings that are available for investment—that investment that is necessary to improve the economic performance of our economy.

Mr. President, all we have to do is look back and see what we accomplished by the 1993 budget plan that cut spending and, yes, raised income taxes on the wealthiest 1 percent in this country. That plan significantly reduced the deficit. There were certainly other factors, as well, that contributed to that deficit reduction. But because we reduced the deficit, the pool of societal savings was increased, interest rates came down, business investment went to a 30-year high, 9 million jobs have been created, and the American economy has been on a path of sustained growth.

Mr. President, we should not let this opportunity pass us by again this year. We should seize this opportunity and, on a bipartisan basis, form an agreement to reach a budget accord that would get this job done, that would move us toward fiscal responsibility, that would move us toward balancing this Federal budget. Let me just say that, very often, people talk about balancing the budget in moralistic terms. Unfortunately, I think that turns off a certain segment of the American people who think, all that is in deficit reduction is pain, all that is in it is cutting programs we like, or raising our taxes, or some combination of both. None of it is good news.

Mr. President, there is enormous good news in deficit reduction. The good news comes when you lower interest rates and save the American people money. A 1-percent drop in interest rates, as a result of deficit reduction, means individual savings of almost $5,000 over 5 years on a conventional mortgage. Just think of what that means to the average American family. A 1-percent reduction in interest rates on their home mortgage means, to the average American family, nearly $1,000 a year, or $400 a year on a 5-year car loan. And to people in my State—my State is a farm State, North Dakota—it means nearly $1,000 a year of savings to a North Dakota farmer.

So not only is balancing the budget better for the average American now, it is also of the utmost importance for economic growth and our children's future. We were told last year by a GAO study that if we would balance the unified budget by the year 2002, this economy, by the year 2029, would be 25 percent larger than if we failed to change course. Think of what that means in terms of jobs and opportunity and economic growth. Think of what that means in the quality of our children's lives.

Mr. President, I know the occupant of the chair is somebody who has been dedicated to deficit reduction. I must say of my colleagues here in this Chamber, I think few match the occupant of the chair for his dedication and seriousness and commitment to deficit reduction. I applaud him for it, because

I think all of us can see that it is clearly in the interest of our country. Somehow we ought to find a way to work together to achieve that result.

Let me say that the budget before us troubles me in many respects. First of all, the first reconciliation package that the budget resolution conference report provides for—that first reconciliation bill provides for $124 billion in mandatory savings for Medicaid and welfare, but up to $122 billion in tax reductions. That is a fine way to begin a deficit reduction effort—to start by spending every penny that we save.

Mr. President, that is not my idea of a path toward deficit reduction.

Let me say that the Republicans in this latest proposal have made some improvements in their Medicaid package, but the proposal remains fatally flawed. It does not provide a guarantee of a meaningful benefits package, and it gives away Federal dollars to the States through changes in the Federal matching formula and the repeal of a restriction against State scams to tap into the Federal Treasury. Well, I can understand why some of the Governors of this country are lined up behind this proposal. I can understand why those Governors support it. It is great for them. They are able to tap into the Federal Treasury to replace some of the money that they are currently spending.

Mr. President, we have seen the scams that have gone on in the past by way of provider taxes in which the States would engage in what is really an accounting sham to shift their spending onto the Federal Government in order to relieve State budgets and make it a Federal budget obligation and responsibility.

Mr. President, that is the last kind of high jinks we need if we are serious about reducing the Federal budget deficit. The Federal budget is out of balance. The last thing we need to do is shift responsibility and obligations from State governments to the Federal Government, when the Federal Government cannot meet the obligations it currently has.

In sum, might I say that the assumptions contained in this budget resolution with regard to Medicaid are designed as a poison pill to ensure that the President does not sign a welfare reform package. They have linked Medicaid changes that are totally unacceptable to the President with welfare reform knowing that he cannot accept the Medicaid part of the package. So they know he cannot accept the package as a whole.

What we have here is a political game. It does not serve either side well. It does not serve the American people well. And it does not lead us to resolution of anything.

With respect to welfare reform, let me say that I am a strong advocate of welfare reform. I think it is intolerable that we have a system that abuses everyone in the system, abuses the taxpayers that pay for it, abuses the recipients who receive it, and abuses all the rest of us who must witness the results of a system that clearly is failing.

Last year Congress debated welfare reform, and one of the most important lessons we have learned is that in order to have successful welfare reform, we must work together. We had a package that passed the Senate overwhelmingly on a bipartisan basis. I wish the same could be said of the budget proposal that is before us. But I cannot. It was not done in a bipartisan way. As a result, we have a package that is not going to work.

Last year, I introduced my own sweeping welfare reform package that emphasized work, that protected children, that safeguarded taxpayers. Those are the principles that we ought to, on a bipartisan basis, apply to writing a budget resolution as well.

A few weeks ago, Republicans introduced their new welfare reform package. I must say I have concern about many of the provisions contained in this proposal, including decreasing the maintenance of effort to 75 percent. This proposal has the potential to allow States to supplant, rather than supplement, State spending on low-income families with Federal dollars. That is not what we ought to do as we go about the important task of reforming the welfare system.

The proposal also lacks provisions to promote Government accountability and to ensure the integrity of Federal funds.

Another major deficiency, in my judgment, in the Republican proposal is the State option to block grant the Food Stamp Program. The Food Stamp Program is the anchor for the Nation's nutritional safety net. The program has an impressive history of responding to economic fluctuations in our country and changes in child poverty levels.

Senator Dole stood at the majority leader's desk yesterday and said one of his proudest accomplishments here in the Senate was the Food Stamp Program. Mr. President, Senator Dole was right. That is a proud accomplishment. The program can be improved, and it must be.

But we should not take steps that might undermine and destroy that program that has made such a difference in the lives of millions of Americans. No American ought to go to bed at night hungry. That is what the Food Stamp Program has changed.

I remember very well coming here as a teenage boy and listening to testimony before the Senate Agriculture Committee—Senator Dole was a member—about hunger in America, and the very real circumstances that families faced up and down the east coast of the United States, and in the central part of America where hunger was prevalent before we had a Food Stamp Program.

Senator Dole spoke movingly yesterday about what he himself saw in a hearing that was held in South Carolina—hungry people that were helped by a program that was passed on a bipartisan basis.

The conference report of the budget resolution also provides for a reconciliation bill to consider Medicare reform in July and a tax cut bill coupled with other mandatory savings in September. I am disappointed that a reconciliation bill to provide tax cuts, which may not be fully offset, is provided for in this conference report.

When the Senate considered the budget resolution, much was made of the fact that the first two reconciliation bills would have to be enacted first in order for the Senate to consider the third reconciliation bill which would have the tax cuts in it. Now, all of a sudden, that is all out the window. It shows, I believe, the real priority of some in this Congress to cut taxes regardless of whether they are accompanied by tough budgetary decisions to make certain that the deficit is not increased as a result.

This approach really makes me wonder if we have learned anything from the disastrous fiscal policies of the 1980's. Are we really going to embark on that course once again of cutting taxes and not having the spending cuts to go with them and seeing the deficit mushroom and seeing the economic security of this country once again threatened? Is that really the course we are going to embark on? I hope not.

Mr. President, I also want to comment briefly on the discretionary spending proposals that are contained in this budget resolution. This proposal contains huge and completely unrealistic cuts in discretionary spending. Behind the scenes it is kind of laughed at by everybody who has really spent time on these budget proposals.

Whether it is the President's proposal or this Republican proposal, these domestic cuts are totally unrealistic. Everyone knows they are not going to happen. It is kind of the dirty little secret of these budget plans. They are back-end loaded, both of them.

I have another chart that shows what we are faced with by both of these budget plans—how truly unrealistic they are. This shows the distribution of the total savings in the budget plans, both the President's plan and the Republican plan before us. It shows by 2002 what the savings are.

But look at what happens under both of these plans. The Republican plan has 64 percent of its savings in the last 2 years. The President's plan is no better. He has 66 percent of his savings in the last 2 years. Over the last 3 years, they are identical. Both of them have 82 percent of their savings in the last 3 years.

A big chunk of this is domestic spending cuts in both the President's plan and the Republican plan. They are not going to happen. They are unrealistic. We would be much better off to be honest with each other and have a spending plan that might really be sustained by future Congresses so that we can be on a path that really gives the result all of us seek—getting the Federal budget deficit under control. That

is in our common interest. It is in our country's interest. It is what we ought to do.

I will just close by saying I will oppose the conference report on the budget resolution. I think it sets in motion another partisan political war over budget priorities and contains misguided priorities. As I indicated earlier, I think it is the same song, second verse, of what we saw last year—very little difference if you compare it on a 7-year basis to what was offered by the majority last year and what is being offered this year.

I close by saying, there is another way. There is another way different from what the President has proposed and different from what the Republican majority has given us in this budget resolution; that is, the centrist plan that got 46 votes here on the floor of the Senate just a few weeks ago. Twenty-four Democrats voted for that plan and 22 Republicans voted for it, even though the leadership on both sides were opposed to it. I think that sends a signal that we were on the right path.

I would be the first to assert that it is not a perfect plan. It was the product of compromise. But it was the product of bipartisan work—the only place where there has been a successful effort to reach across the aisle to try to bring agreement and closure to a plan that would really put us on the path to serious deficit reduction, and not just deficit reduction until 2002, but deficit reduction beyond that time.

As I said earlier, that plan is not a balanced budget plan either because, as I have indicated, of the use of Social Security surpluses.

Mr. President, I hope that before this year is over we can go back to a process of bipartisanship, of reaching out and working together to achieve a result that is important for our country.

I thank the Chair. I yield the floor.

Ms. MIKULSKI. Mr. President, I rise in opposition to the budget resolution conference report. I oppose this conference agreement because it fails to meet the day-to-day needs of the American people. I oppose it because it threatens the economic and retirement security of our most vulnerable citizens. And, I oppose the conference report because it fails to make the investments in education and training that are needed to prepare our work force to meet the challenges of the global marketplace.

Mr. President. Let me be absolutely clear. I believe we need a balanced budget. I voted for just such a plan when the Senate considered the budget resolution. I joined with 44 of my colleagues in voting for the President's budget plan, which would achieve balance by the year 2002.

The President's plan cut spending by $528 billion over 6 years. But it made these cuts without jeopardizing the Medicare Program, without jeopardizing Medicaid, without harming the environment, and without excessive cuts in education and training.

Unfortunately, the conference report before us is the same old wolf in new sheep's clothing. Let me mention one area of particular concern to me. Under this conference report, once again, Medicare and Medicaid are under assault. This plan would cut Medicare spending by $168 billion. These massive cuts, coupled with the structural changes proposed by the Republicans, will turn the Medicare Program into a second-class system for the sickest and poorest of our seniors.

The Medicaid Program would be cut by $72 billion, and under Republican Medicaid proposals some 36 million people will lose the guarantee of access to health care, while others may be forced to accept a reduced level of benefits. Together these Medicaid and Medicare cuts make the promise of health security impossible to achieve.

What is particularly distressing is that these massive cuts, cuts which will be felt most seriously by our most vulnerable citizens, are being made to pay for tax breaks for the wealthy. While the budget plan I supported eliminated special interest tax breaks, providing $40 billion in additional revenues, the Republican plan contains absolutely no savings from this category. Instead it contains tax breaks in the order of $180 billion.

I think that is an outrage. And I believe it does not reflect the needs and priorities of the American people.

Mr. President, I was elected by the people of Maryland to save lives, to save jobs, and to save communities. I work every day to meet people's day-to-day needs, and I want a budget that reflects those priorities.

This budget plan sets us on the course for the same painful and divisive budget battles that we fought all last year. It is a prescription for gridlock.

Yes, we must balance the budget. But the way to do that is to follow a steady, responsible course toward deficit reduction. We have made much progress under the Clinton administration in moving toward a balanced budget. In fact, the budget deficit has declined to $130 billion, less than half of the $290.4 billion deficit President Clinton inherited from the previous administration.

We have tightened belts and made many tough decisions to achieve this success. And we will continue to do more. But we have done that while protecting people and priorities. That is what the citizens of Maryland sent me here to do.

That's why I believe we need to reject the extremism of this conference report, and reach for the sensible center in our budget negotiations. And that is why I will vote against this conference report.

Mrs. MURRAY. Mr. President, I rise to express my displeasure with House Concurrent Resolution 178, the Republican budget resolution, and my disappointment that the budget was not improved during the House-Senate conference. Rather, the budget has grown even more troubling since going into conference. And I want to take a few minutes to discuss some of the provisions that concern me.

Two weeks ago, I voted against the Senate Republican budget resolution because it failed to reflect the priorities and values held by most Americans—the belief that we need to ensure our quality of life, educate our children, and care for our elderly and disabled.

The majority party could have improved the budget in the House-Senate conference meeting. They could have acknowledged the growing support for the centrist budget and the strong desire to reach a true balanced budget compromise. We should not forget the Chafee-Breaux balanced budget proposal received 46 votes, and I was proud to be among them. It received strong bipartisan support, and it is proof that Congress can get the job done.

Mr. President, House Concurrent Resolution 178 took an extreme Senate Republican budget and made it worse. Rather than moving toward the centrist budget, the Republican leadership yielded to some disturbing House positions. Their actions lead me to believe some Republicans want gridlock—they do not want a balanced budget compromise.

For instance, House Concurrent Resolution 178 includes a section known as the Government shutdown prevention allowance, or section 307. This section quite simply confirms the Republican strategy not to reward the American people with a balanced budget agreement this year. This section acknowledges the fact that the Republican budget is too extreme to be accepted by mainstream Americans.

Section 307 states the Budget Committee chairman can increase appropriation spending caps by $1.3 billion if the appropriators pass a continuing resolution. This language makes it very clear the Republicans intend to pass a long-term CR rather than work toward a comprehensive budget agreement. Mr. President, the American people expect and deserve better. The American people do not want to see us throw the towel in early.

The budget conference also reveals the fact that Republicans again wish to give tax breaks to the wealthy by cutting Medicaid coverage for the poor. Mr. President, after last year's budget debate, I would have thought the Republicans learned Americans are not in favor of giving tax breaks to the wealthy by cutting health care coverage to our children, elderly, and disabled. As written, the Republican budget cuts Medicaid by $72 billion over 6 years. Along with welfare reform, the Medicaid cut will offset $122 billion worth of tax cuts.

A year ago, I was opposed to cutting back Medicaid because it provides health care for our poorest children and it ensures quality nursing home standards for our parents. But, after

talking to health care experts in Washington State, I concluded my home State could still serve our most vulnerable populations while absorbing a significant cut to Medicaid. I am willing to concede that point, and I know now that if we all give a little, we can reach compromise.

However, we should not be cutting Medicaid simply to hand out politically-popular tax breaks. That does not make good sense—that would not fall in line with our recent efforts to become more fiscally responsible.

And, Mr. President, let us remember exactly where we are on this road to ending the deficit. Since 1993, we have made great progress toward reducing this Nation's deficit. CBO estimates the 1996 deficit will fall to $130 billion—the fourth straight year the deficit has declined. We have cut the budget deficit in half in less than 4 years, and today's annual deficit is the lowest percent of our gross domestic product since 1980. I'm proud of this fact. I am proud to have been involved in crafting the omnibus budget package of 1993. That deficit reduction package has us on the right track.

Our need to do more, however, spawned a bipartisan group of Senators to come together and formulate a well-reasoned, well-balanced budget proposal. I commend Senators CHAFEE and BREAUX for their leadership and hard work on this matter. I voted for their budget alternative because it is exactly the kind of bipartisan teamwork congress needs. Certainly, I would like to see less savings come out of discretionary accounts that include education, job training, trade promotion, and the environment. And the tax cuts may be too generous.

The Chafee-Breaux plan may not be perfect, but I believe it is probably the most realistic compromise one could craft. I am hopeful this centrist plan will become the framework for future budget negotiations.

Mr. President, this past year has taught us we can reach a balanced budget. We learned we can formulate a balanced budget that uses common sense and reflects America's values and priorities. That is why Senator KERRY and I offered an amendment to restore education and job training funds in the Republican budget. As my colleagues know, this amendment failed despite the fact that the Republican budget will cut education spending 20 percent from current levels.

Americans understand how important education and job training investments are for our children, and the future success of this Nation. A recent USA Today poll found that education has become the most important issue for Americans—ranking above crime, the economy, and the quality of one's job.

Mr. President, we have a lot of work to do if we are going to reach a balanced budget. But the truth of the matter is that both parties have agreed to enough savings that we could balance the budget today if we really want to. When considering the entire budget, the difference between the two parties amounts to less than 1 percent of the Federal Government's spending. A balanced budget plan is possible. All we need is the courage to find compromise.

I look forward to working with my colleagues on the Appropriations and Budget Committees in order to make sure this Congress' spending priorities are balanced and in line with our constituents' wishes. Unfortunately, today's budget resolution fails to strike a balance. It is simply a replay of last year's failed Republican budget. And I will be fighting to make sure this Congress does not lose sight of what is truly important to our friends and families.

We have made tremendous progress in the past 3 years. The 1993 budget reconciliation enabled us to cut the deficit in half, and create over 9 million jobs in the process. This is great news; but that is not all—last year we narrowed the differences in the competing budget plans to just a few, and a centrist plan to bridge the gap fell short by only five votes. We are close. We are very close to finishing the job.

I urge my colleagues to reject this partisan plan and rededicate themselves to reaching a workable compromise.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent to speak as in morning business.

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

COMMUNICATIONS DECENCY ACT

Mr. FEINGOLD. Mr. President, this morning, the three-judge panel sitting in the U.S. district court in Philadelphia issued its decision in the case involving the Communications Decency Act, which was included in the telecommunications bill signed into law earlier this year.

I opposed the Communications Decency Act when it was first proposed in the U.S. Senate, because I believe this measure would have a chilling effect upon communications transmitted over the Internet, and it would stifle the expansion of this important and exciting new communications vehicle.

My concern was that the Communications Decency Act injected Government censorship into communications over the Internet that would not withstand a first amendment challenge and would be harmful to the development of technology to do what the proponents of the Communications Decency Act said they wanted to do, and that is to protect minors from exposure to pornographic material transmitted or made available on the Internet.

I also joined the Senator from Vermont [Mr. LEAHY] in introducing legislation to repeal this patently unconstitutional infringement of first amendment rights. Let me take my hat off to the Senator from Vermont who has been a great leader on this issue. It has been a bit of a lonely fight out here, given the vote we had on the Communications Decency Act, but the Senator from Vermont has been very instrumental in raising this challenge.

I am delighted to report that the court this morning acted in a decisive manner and issued a preliminary injunction blocking the Federal Government from enforcing the act. In a decision which I believe recognized the unique nature of the Internet, the court wrote:

> As the most participatory form of mass speech yet developed, the Internet deserves the highest level of protection from Government intrusion.

Mr. President, let me repeat. The court has said ''the Internet deserves the highest level of protection'' of any form of communication or mass speech.

This decision followed an extraordinary court proceeding in Philadelphia where the three judges were actively involved in learning about how people communicate across the Internet and the limitless potential the Internet now provides. They were also exposed to detailed information on how this same technology can and should be used to block access to certain material by minors. What they found, as some of us tried to note in the congressional debate, was there were far less intrusive means of achieving the goal of protecting minors than the approach utilized in the Communications Decency Act, which would impose content-based restrictions on information transmitted by adults over the Internet.

It is a longstanding constitutional doctrine that when the Government chooses to interfere with fundamental constitutional rights, even for a very good cause, it can only do so in the least restrictive means available. Clearly, the Communications Decency Act has failed to meet that test.

I firmly believe that if Members of Congress had this kind of tutorial that the members of the court had on the workings of the Internet and the alternatives available to protect access by minors to certain material, I think the Communications Decency Act would never have become law in the first place. This measure was pushed through Congress with minimal understanding or debate over the far-reaching implications of its provisions, and I think that was a mistake.

The issues relating to the Communications Decency Act are larger than the so-called adult expression or communication. The core issue is whether Government, and in particular the Federal Government in Washington, DC, should decide what we see, hear, and write. The Constitution protects every American from this kind of censorship, except for very narrow circumstances, which did not exist in this case.

So today, the court in Philadelphia affirmed our basic fundamental right to freedom of expression in this new mode of communication. I think it is a victory for those who support freedom of speech and for those who want to see this new dynamic communications technology develop safe from the chilling threat of Government control and censorship.

Mr. President, I yield the floor.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997—CONFERENCE REPORT

Mr. HOLLINGS. I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, the explanation of the conferees has come to my attention. It is a joint explanatory statement of the committee of conference on this particular conference report, and on pages 32 and 33, starting at the bottom of page 32, it reads:

> The first use of reconciliation was for legislation that reduced revenues. In 1975, the applicable budget resolution, House Concurrent Resolution 466, provided an instruction to both Ways and Means and Finance to report legislation decreasing revenues. Notwithstanding the fact that the authors of this 1974 Budget Act were neutral as to the policy objectives of reconciliation, since 1975, reconciliation and reconciliation legislation has been used to reduce the deficit. The cited conferees notes while this resolution includes a reconciliation instruction to reduce revenues, the sum of the instructions would not only reduce the deficit but would result in a balanced budget by the year 2002.

On the last point, of course, Mr. President, we only have to turn, once again to the facts. This is almost getting to be an exercise in futility. Somehow this is the only place in America where the truth cannot be recognized, even when they print it for you in black and white.

I refer specifically to the concurrent resolution on the budget for the fiscal year 1997. At the top of page 4, you will see where they have listed deficits for the purpose of the enforcement of this resolution. ''The amounts of the deficits are as follows,'' and it lists fiscal years 1997, 1998, 1999, 2000, 2001, and for the fiscal year 2002, where the distinguished conferees, and particularly the chairman of the Budget Committee, is using the expression ''balanced budget,'' his own document, for fiscal year 2002, shows a deficit of $103,845,000,000.

Reading further down the page to section 102 on page 4, you will find that in the fiscal year 2002, the amount of the increase in the public debt, subject to limitations, are for that year $130 billion. So how do you balance the budget by the year 2002, and yet you have to go out and borrow $130 billion?

My point here is to change this record with respect to reconciliation, because the truth, as stated by the distinguished Senator from New Mexico at that particular time—is shown here on page S. 15351 of the CONGRESSIONAL RECORD of the U.S. Senate dated December 3, 1980—not 1975. And I read the words of the distinguished chairman, now chairman of the Budget Committee, Senator DOMENICI of New Mexico:

> I think it is fitting that that last event signifies the possibility of a new beginning because, as a matter of fact, this is the first time in the history of our country that we will send a bill to the President that is called a reconciliation bill, and that means that some of the laws of this country have been reconciled with the budget. That means that they have been changed so that they come more into sync or more harmonious with a budget that is left unchanged. That is what reconciliation means. With all the years that our distinguished Republican leader, Senator Bellmon, has spent patiently working with the institution to bring some real support for this process into fiscal restraint reality, I think it is at least reaching fruition when we have a reconciliation law that will go to the President. I hope after the Senate votes today I commend him for that. Also obviously, it is an extremely fitting event for Senator HOLLINGS. He did not have the privilege of being chairman of the committee for very long, but he worked on the committee for years, and I think he must feel very good today knowing that under his leadership, this first reconciliation act will become a reality.

That is the record made by the now chairman of the Budget Committee in 1980 and not 5 years previous thereto in 1975.

Specifically, Mr. President, in 1975, and I read from page 40297, dated December 12, 1975:

> Mr. MANSFIELD. Mr. President, for the information of the Senate, I have a few announcements. At 12 o'clock today, we will be proceed to the consideration of the conference report, of the defense appropriations conference report. After that, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the tax bill, H.R. 5559 that is to be laid before the Senate and be the pending business.

The majority leader called it a tax bill. A wrangle ensued. My good and very clever friend Senator Long, the former distinguished chairman of the Finance Committee, was trying to limit debate and limit amendments. He very liberally referred to it as a reconciliation bill, but it was not a reconciliation. It was a tax bill.

At that particular time, the former chairman of the Budget Committee, Senator Muskie, was momentarily misled trying to back Senator Long. But if you will read the RECORD, they finally ended up, Mr. President, by calling it a tax bill and entering into a unanimous-consent agreement requiring that all amendments be germane except for one nongermane amendment to be offered by Senator Hartke, the then-Senator from Indiana. The RECORD is clear that the bill was a tax bill despite the erroneous use of the word ''reconciliation.''

Having worked on that budget, having been a part of the process during the 1970's, having helped Senator Muskie on budget conferences, we know that the first reconciliation bill in the history of the United States was in December 1980.

That is not only supported by the statements made by the Senator from New Mexico, but also by the statements made by our House colleagues. I could refer to what Congressman Dick Bolling called it, Congressman Latta, Congressman Panetta, and others as well.

So the precedent relied upon by the Parliamentarian which we had to appeal quite simply misrepresents what actually happened. I hope that it will not have any standing whatsoever in this body because when they look at the facts, the truth will have out that reconciliation throughout its history has always been used as a budgetary tool to reduce the deficit, not increase the deficit.

My point is, Mr. President, that under this reconciliation bill, the Republicans have perverted the process in order to cut taxes somewhere between $122 and $180 billion. It is very difficult to estimate it at this particular point.

Mr. President, I ask unanimous consent that I be yielded 2 more minutes.

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

Mr. HOLLINGS. Mr. President, what they have in mind is to split up the reconciliation bill. To use the process for political purposes in sending the President a legislation that combines Medicaid and welfare reforms to pay for tax cuts. Even the casual observer should be able to see what's going on. The Medicaid cuts will have to be vetoed by the President because they take away the fundamental protection that we give children in the United States of America. Even the Governors do not want to do that.

Then it comes down to September and last of three bills that they will call a reconciliation bill. And in the heat of a national presidential campaign, they will come forward with the political gift of a tax cut.

But a tax cut for wealthy corporations, or for the poor, or for the rich, or for the middle class, or for anybody is sheer nonsense.

We are running deficits right now, according to this conference report that we are going to vote on. I started to say, they know no shame. But I have to amend that comment for the simple reason that the House Members know some shame. I say that because somebody over there has held the budget up that we were going to—bam, bam—put through the House, put through the Senate, and finish this afternoon. The reason we do not have it this afternoon—it increases deficits.

Under this conference report, for the year 2002, the Government will run, under a best case scenario, a deficit of $103.8 billion.

In sum, Mr. President, we do not have the luxury of revenues to cut. We cannot go in two different directions at once, but that is exactly the road that this conference report takes us down.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. Mr. President, I ask unanimous consent for 1 more minute.

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

Mr. HOLLINGS. We have to pay the bills. We have to stop playing games and telling the people that somehow you can get tax cuts, when the resolutions says that next year we will be running deficits in excess of $227 billion.

Mr. President, it is obvious this is just a sordid political game that is totally shameless. They come in here with these political, long pass plays. Let us get rid of the gasoline revenues—but just temporarily until after the Presidential election.

Nobody ought to appear in the U.S. Congress where we are supposed to be responsible with that kind of nonsense. But they come in here with that. Now with deficits projected at $227 billion for fiscal year 1997, they say, ''We can get a tax cut and balance the budget.'' I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the sole issue before the U.S. Senate that is being debated this afternoon and voted on at such time as the House has completed action, is whether or not we accept a budget resolution agreed to by a majority of conferees on the budget.

Once again, we are engaged in debate in which the opponents of this resolution, without exception, give lip service to a balanced budget. But as has been the case this year, last year, in 1994, in 1993, and every year back through the 1970's, it is always a different balanced budget, not this one, not the resolution we have before us right now.

More taxes, says the Senator from South Carolina; more cuts in defense says another Senator; less in the way of a restriction on entitlement growth, says a third.

Mr. President, I am convinced that it is that kind of ''I'm for a balanced budget, but not this one, not now, not this year, not this way,'' that causes us to have a national debt that exceeds $5 trillion.

If I had my way, Mr. President, this would not be the balanced budget that we would be adopting. If the Presiding Officer had his way, this would not be the balanced budget we would be adopting. If my close and distinguished friend, the Senator from New Mexico, who chairs the Senate Budget Committee, had his way, it would not be this balanced budget that we would be adopting.

But I believe that each of us has said, even though he has not gotten his own way as against 99 other Members of the Senate, it is more important to take this step and to move forward in a correct and responsible direction than it is to say, ''Not now, not this year, not this way. Do it my way or don't do it at all.''

I listened with great sympathy to my friend on the other side of the aisle, the distinguished Senator from North Dakota, and I listened to him with great sympathy because of his obvious and evident dedication to reaching this goal. He and I and the Senator who is now presiding all were a part of the bipartisan group to which he referred.

We worked for months on a proposal which would balance the budget and which could join together Republicans and Democrats. In spite of the opposition of the leadership in both parties and the President of the United States, we got 46 votes for our proposal. But 46 is not a majority of 100 Senators.

I believe that was superior to the resolution that is before us now, but I do not believe it was perfect. As the Senator from North Dakota pointed out, each of us who was involved in that set of negotiations gave up something for the greater good.

But we do not have that proposal before us right now. I must say that I am disappointed in my friend from North Dakota because the question is not whether or not there is a better way to do this—each of us can find something that he or she would use to improve this proposition—the question is whether or not we are going to do something that moves us decisively in the right direction or nothing at all.

I regret to say that, I guess, Mr. President, in the ultimate analysis we may do nothing. Oh, yes, we are going to pass this resolution. This is a responsible resolution which allows American working families to make at least a slightly greater judgment over how they spend the money they earn than they can do at the present time by lowering taxes on those families. That moves modestly, though not decisively enough, in the direction of reducing the growth of entitlement programs which are destroying the fiscal stability of this country and eating the heart out of the futures of our children and our grandchildren, and a resolution that deals responsibly with our need to fund something else through this Government than just a handful of huge income transfer programs and entitlements. We have that choice on one side, perhaps too modest on entitlements, too modest on tax relief for American working families, I think perhaps too stringent on much of our discretionary spending.

Nonetheless, we have a choice of doing that or saying, ''Oh, no, this is not perfect. We will vote against it. We will do nothing. We will leave it until next year.'' Almost inevitably, a President of the United States running for reelection is going to end up vetoing all of the formal major statutory changes that would move us in this direction.

I can only be reminded in connection with his actions, most regrettably, Mr. President, by the supposed comment of Louis the XV of France on his deathbed: ''After me, the deluge.''

The President sees a Medicare trust fund report that says that the Medicare hospital trust fund will go bankrupt in the year 2001, and even if he is reelected President of the United States, that is after his watch is over. So we do not need to do anything now. We can continue on the status quo road, at least until after this next election. It is exactly that attitude, which certainly is not exclusively held by the President of the United States, ''Let's wait until after the next election,'' that has given us this $5 trillion in debt.

I hope against hope, Mr. President, of course, that in addition to a degree of responsibility of party discipline on this side of the aisle, we will have Members of the other party who say, ''This is not exactly what I wanted, but it certainly moves us in the right direction as a country. It certainly provides a degree of relief for this Nation. It will certainly help generations who are going to come after us who cannot vote in the elections of 1996. So I will swallow some of my reservations, and I make that move in the right direction.''

I hope against hope that the President will believe that is at least as advantageous as demagoging the issue. I will hope next year we come closer to doing something like the bipartisan budget that failed by so narrow a margin. I hope for all of those things, Mr. President, the only actual duty that I have right now and that every other Senator has right now is to say yes to this proposal that moves in the right direction, or, no, we can go another year without doing anything at all, letting the situation get worse and worse and worse.

Mr. President, the overwhelming argument is in favor of the passage of this budget resolution.

Mr. HOLLINGS. Mr. President I ask to be recognized for 10 minutes.

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

Mr. HOLLINGS. Mr. President, my distinguished colleague from Washington, who I have the privilege of serving with not only on the Budget Committee but on the Commerce Committee, and for whom I have the greatest respect, says that what we are hearing now is nothing but lip service from people who do not want to do anything. People who say, ''Not this way, not that way.''

The truth of the matter is, Mr. President, he knows otherwise. This particular Senator, his colleague, voted for a balanced budget in 1968, offered a freeze that they still refer to as the ''Fritz freeze,'' and coauthored Gramm-Rudman-Hollings with cuts across the board. We passed that, got President Reagan to sign it. We followed that up in the Budget Committee with a bipartisan proposal to increase taxes because we found out that you could not choose this way or that way, but rather needed all of the above. We needed to freeze spending, we needed to make cuts, we had to withhold new programs, and we had to increase taxes in order to get a balanced budget.

That brings me to the point. Do not come here and blame the President, saying that he has put off the tough decisions until after the next election. In December 1994 the leaders of the new Republican majority appeared on ''Meet the Press'' and said the President was irrelevant, they didn't care what he said. But as this conference report lays bare, the Republicans have their sights set on the White House in 1996. That is why almost two-thirds of the tough choices under their plan are deferred until the Presidential election in the year 2000.

So the 7 year, ''do nothing in two Presidential elections'' approach was what the contract crowd proposed. That was the arrogance of the whole thing. This debate is not about President Clinton. In 1993, he proposed a budget that did something about deficits—the only President that has reduced the deficit in the past 30 years. He cut the deficit $500 billion. He taxed Social Security and gasoline. He cut Medicare $57 billion. And he did it without a single Republican vote.

The unmitigated gall of those who will stand on the floor of the U.S. Senate and say the President is tricky or the President backloads or the President does not care about deficits. There ought to be ashes in their mouths. They are the ones that caused this fiscal cancer. President Clinton has moved us in the right direction.

We are trying to get together and get something done. But to come and call this a balanced budget, where their own document shows that they have a deficit of $103.8 billion in the year 2002, is a pure sham. It is all politics.

It is sordid legislation they are bringing up here in the months before the election. They ought to be ashamed of themselves.

I yield the floor.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, to be equally charged.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I might say to Senators—I am sure Senator EXON would agree with this statement—the hour of 3:30 is going to arrive and the House will not have sent us the resolution, so we cannot vote. The unanimous consent said we would vote at another time tomorrow, to be established by the majority leader in consultation with the minority leader.

I think, for Senators who might want to speak this afternoon, we are trying to get off of the resolution at 3:30, which was when we were going to vote, and then have a reasonable amount of time left, by agreement, for when we bring it up tomorrow. So, if other things have to get done, they can today. Clearly, there is no reason to sit here without the resolution and using the Senate's time.

Mr. President, I think Senator HOLLINGS, the distinguished former chairman of the Budget Committee and ranking member for some period of time, has in his own way attempted to make a case against one of the reconciliation instructions in this budget resolution.

Frankly, I now have in my hands the second concurrent resolution on the budget for fiscal year 1976, Mr. Muskie, chairman, conference report. I just want to read it, and perhaps I might engage with the current Parliamentarian in a few parliamentary inquiries about the content of this resolution and what some of the content has been construed to be by the Parliamentarian. I do not know that it is earth-shaking that we are doing three reconciliation bills. I do not believe we are going to change our mind. And I do not believe we have done anything to dramatically alter reconciliation or to offend the Senate and its processes in some irrevocable way. So we are going to continue down our path.

I am having a great deal of difficulty understanding how my good friend, Senator HOLLINGS, can say we have never heretofore reconciled a committee to reduce taxes when I read from a conference report that, among other things, says, ''The Congress determines and declares pursuant to section 310(a) of the Budget Act of 1974 that for fiscal year beginning July 1, 1975''—and then I will move down to paragraph 4 and read the following:

> The recommended level of Federal revenues is $300.8 billion, and the House Committee on Ways and Means and the Senate Committee on Finance shall submit to their respective Houses legislation to decrease Federal revenues by approximately $6.4 billion.

Now, there are other provisions, but I am just going to read that one. I think I am going to ask now, if I might, the Parliamentarian, if he has that language before him and the precedence of the Senate. Parliamentary inquiry. Was that provision not construed in that year to be a reconciliation instruction?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. You were not the Parliamentarian then, but is it recorded in the precedence of the Senate as a decision regarding a reconciliation instruction, Mr. Parliamentarian?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. What does the precedent say with reference to that parliamentary inquiry, Mr. President?

The PRESIDING OFFICER. On December 15, 1975, the Senate began consideration of H.R. 5559, which as passed by the House was not a reconciliation bill, and which contained only one substantive provision: to exclude from income certain earnings derived from payments by common carriers for use of railroad rolling stock owned by foreign corporations. After the Senate began its consideration, and the chairman of the Finance Committee asserted that the bill as reported with a substitute was intended to carry out the reconciliation instructions contained in the most recently adopted concurrent resolution on the budget, the Chair stated that there would be 20 hours debate on the bill, 2 hours on first-degree amendments, 1 hour on second-degree amendments and motions, and that amendments, except those specified in an earlier unanimous consent agreement, would have to be germane. These were the conditions specified in the Budget Act for the consideration of reconciliation bills.

Mr. DOMENICI. I thank the Chair and the Parliamentarian.

Mr. President, I want to just take one more opportunity, while we wait for others who might want to speak and wait for clearance on the proposal that I have just stated to the Senate that we might try to accomplish—that is, try to get off of the resolution at 3:30 and save a reasonable amount of time, hopefully 1 hour on a side, for the time preceding the actual vote, which would be determined for tomorrow by the joint leadership.

I want to speak just about two issues one more time. Mr. President, in this budget resolution, there are discretionary appropriations for the Defense Department and discretionary appropriations for all of the rest of Government, the domestic portion of our Government. When I say discretionary appropriations, what I am talking about is program authority that must be passed upon and enacted every year. That is the way the current law is. So if you appropriate $286 billion for the defense of our country, it is for 1 year. Come the next year, you have to appropriate again. Likewise, in the 10 predominantly domestic discretionary appropriations bills, whether it is the Treasury-Postal bill, the energy and water bill, the Labor, Health and Human Services bill, this is a 1-year appropriation of money. It lasts for 1 year. It must be passed every year. Without it, there is no money to spend for any of those programs and activities.

Now, last year, we got into a very big debate with our President over the domestic discretionary budgets, these various subcommittees that I have described. There were two big problems. One was that in both Houses we had put riders on the appropriation bill, which is not an uncommon thing.

Second, in some instances, some programs were cut more than the President wanted, and we got ourselves into a political hiatus, and Government was closed down and reopened and closed down and reopened and closed down and reopened.

Now, what we have done in this budget resolution is we have asked the Congressional Budget Office how much money do we need to have a freeze on

all of these domestic accounts—no cuts, a freeze. They gave us the dollar number that we needed in these bills to continue, without any cuts, a freeze on all of these domestic programs that require appropriations this year, for the fiscal year beginning October 1, 1996, through the end of September 1997.

So this budget does not propose any significant cuts in domestic programs. It proposes a freeze. What does the President propose? The President proposes in his 6- or 7-year budget that in 1997 those appropriated accounts go up $15 billion. So while on the one hand we talk of balancing the budget, the President produced a budget that said let us spend $15 billion more than we spent last year. Obviously, that gives the President for 1 year the latitude to say he is increasing education, he is increasing this, he is increasing that. We say freeze them, if you are serious about a budget. You can take a freeze, if you are serious about a balanced budget.

What is interesting about the budget differences—we do not have the President's budget before us because it was voted down in the Senate. Nonetheless, what is interesting is that the President's increases continue only for an election year and then start down. Then he produces two budgets, not one. He produces one using his own numbers, his own economics, and he says, ''This is what I am going to do over the next 7 years.'' And it comes tumbling down in the last 2 years, and this is where you have the argument that Senator BOND is making that since the President wants to spend even during that downturn more money for certain areas like education and others, it is inevitable that the veterans' function gets cut dramatically. Many others programs get cut dramatically. The space program is disassembled for all intents and purposes. But the Cabinet members run around telling the constituency ''We are not bound by that. The President has told us we will take it one year at a time.'' That is one budget. The President has another budget. That budget is the one, the second one, that permits him to say, ''They told me to do it their way, and I have done it their way. I have a balanced budget.'' It is the same kind of balance as Congress has excepting that in that budget he has to really cut. He has to really cut the veterans. He has to really cut the domestic accounts, except you wait until the last 2 years and then cut $67 billion out of those accounts. But that is not the budget he is telling the people about. He is telling them about the easier budget, the one where he uses his own economics and his own assumptions which is kind of the rosy scenario budget. Then in turn Cabinet people send out to our respective States how much has to be cut under our budgets with silence about how much has to be cut in theirs; in fact, disavowing that anything necessarily has to be cut because, if asked, they say, ''We will take it one year at a time.''

I believe it is only fair that we set the record straight here. We are going to deliver appropriations bills—it is not my responsibility except for one subcommittee—but our distinguished chairman, Senator HATFIELD, I am certain with the cooperation of Democrats is going to produce these bills that are very close to a freeze in every case. I am very hopeful that the public understands that it is really kind of phony to say we ought to spend $15 billion more because this is an election year only to find as soon as the election is over we will start reducing them and actually 2 years after this President would leave office, even if he is reelected, is when we get serious about making some real cuts. So I think the freeze is fair.

My second point has to do, just for a minute one more time, about Medicare and the huge misrepresentation in the President's Medicare proposal. So let me tell Americans one more time how the President is handling Medicare.

First of all, I repeat that Medicare is going broke. I do not say this with any joy. I did not do the estimating. My committee staff did not. Three Cabinet members and the head person of Social Security are four out of the five people who review it annually and tell us the truth. Three of them work for the President. One of them is appointed by the President. What did they say? They said things are getting worse since last year when you did nothing and the fund is going to be bankrupt in 5 years. Let us throw out that word ''bankrupt'' and let us say what it means.

Each year the trust fund is spending more for seniors who are entitled to the coverage than the taxes coming in. There was a surplus, Mr. President. So we are still able to pay the bill. The surplus is disappearing and the money coming in is not enough to pay the bills going out. So in the fifth year they now say—5 years—there will not be any money to pay the bills. How else can we say it? Everybody's paycheck keeps having that money taken out of it for Medicare and it keeps going in. Nobody is cheating in terms of putting it in there.

One of the most enforced laws around is that for withholding for Social Security and Medicare. These trustees told us in the following language, and I do not quote but I paraphrase: It is imperative that you make the fund solvent by restraining and curtailing the costs of the program. What did the President do? The President finds a magic asterisk of $55 billion, a master stroke of magic. He says let us take $55 billion of the expenditures for our seniors and let us just take it out of there. Let us not spend it for seniors, $55 billion. And the $55 billion happens to be the fastest growing account in Medicare, home health care.

Now, watch, when this becomes an issue, and it is getting there, there will be some kind of argument. The argument will be, ''Well, home care should never have been in there to begin with.'' The point of it is, when the trustees write about this fund going bankrupt, they are writing about the fund and the expenditures and programs of today. It just happens we are paying home health care and hospitalization out of that trust fund; point No. 1.

Point No. 2, if that fund is going broke, the fastest contributor to it going broke is the home health care costs. So, is it not interesting, magically take out those costs and put them someplace else and, of course, you can say Medicare just got $55 billion more solvent. What happens to home health care costs of $55 billion and growing? The President says let the average taxpayer pay for it. He did not just kind of slip it through and say whatever you have been paying, taxpayers—struggling, working, both of you with a job, trying to make ends meet—whatever you were paying taxes for, I just decided to add $55 billion more to that tax burden.

Frankly, I do not think that is right. I do not think the President ought to be able to say he has fixed Medicare without having to change the cost structure and save real money, just slip the payment over, change it around, move it someplace else onto the already burdened taxpayer and abracadabra, magic, the fund is now more solvent.

We had to do what the trustees told us to do. We had to restrain those costs, so instead of growing at 10.5 percent, they are growing at 7 percent. They are not getting cut, they are growing at 7 percent. We will be spending $7,000 per capita under Medicare in 6 years, and it is $5,200 now. It is not less, it is $1,800 more. But we will reform the system, offer options, change the way we pay the various providers, and create a new, modern program where cost containment and restraints will benefit the senior in that the fund will become solvent as will the taxpayer, in that you will not switch $55 billion of the program to the taxpayers of America.

I think it is imperative that everybody begin to understand the situation. Second, the second part of Medicare is an insurance policy. Back yonder, perhaps under Lyndon Johnson or somewhere around there, we said we ought to give seniors more than hospital coverage, so we gave them an optional insurance policy. When we started it we said we will pay 50 percent, the senior will pay 50 percent. We got generous some years ago and said let us make it 75 percent taxpayers, 25 percent seniors.

Six years ago we said let us let the senior pay a little bit more, 31 percent and the taxpayers pay the rest. It has now come back down to 25, because that number of years that we made the change has now expired. And we contend, in order to make that a reliable program, we must save $44 billion over 6 years. Interestingly enough, the President says we need to do 44 billion dollars' worth, too. He does it one way,

we do it another way, but there is no argument on how much has to be done.

So, as we began to look at one of the major issues, and this is one, instead of an issue of making this solvent and getting rid of this disaster that is pending right around the corner, it has become the political issue that is who is doing best by the seniors, who is making the fund more solvent for a longer period of time, and who is doing it most fairly.

I submit it is pretty easy to fix the Medicare fund if you just want to take away its responsibilities and its liabilities and the costs imposed and just take them out, take them away and let somebody else pay for them like the general tax coffers, general taxpayers. That is essentially a substantial portion of the way the President chooses to solve it.

I believe a freestanding bill in this place, and in the U.S. House, and thoroughly aired across America, that said do you want the general taxpayers to pay $55 billion of the health trust fund for seniors or do you want to continue with the trust fund and the payroll situation we have now—I do not believe very many people would vote to take general tax dollars and put them in that trust fund. We are doing it, kind of by just a slip of the pen here, just a turn of the page and write in something on a budget that says it is all changed.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Quickly, Mr. President, because the hour of 3:30 is arriving, the Senator from New Mexico and the Senator from South Carolina do not have a differing view with respect to the Finance Committee bringing out a tax reduction bill. There is no question they can do that, subject to the instructions, particularly back in 1975 where we had several budget resolutions. But not the reconciliation process, that is exactly what it was and that is what they stated.

Mr. Mansfield said, ''I ask unanimous consent the Senate proceed to the consideration of the tax bill, H.R. 5559'' on December 12. Then, on December 15, as the distinguished Senator referred, the assistant legislative clerk read as follows: ''A bill, H.R. 1559, to make changes in certain income tax provisions of the Internal Revenue Code of 1954.''

However, it was clearly obvious from the full RECORD, and we can make that RECORD here as a part of this RECORD if we wish, that Senator Long was trying to limit debate and not have the Hartke amendments, which were not germane. And in that discourse, even though Mr. Long had called it reconciliation, the chairman said, and I quote Mr. Hartke:

> The chairman of the Finance Committee can make a statement but that does not make it the situation. The Committee on Finance has not acted upon this being a reconciliation bill. There is no record of its being a reconciliation bill. There is no mention of it in the report as being a reconciliation bill. Therefore, I think the point of order would not be well taken in regard to any amendment because it is not a reconciliation bill. This is a tax reduction bill.

And finally, Senator Muskie, the chairman, and the rest of them, after a long debate, including Senator DOLE who was on Finance and supporting the position taken by Senator Hartke, allowed the Hartke amendments. And somewhat in defeat, when he finally was there, on December 15, Mr. Muskie said, ''I wonder if I might not yield the floor. I think I have made whatever contribution I can with discussions of the problem.'' And he yielded to the whole thing whereby they brought the amendment up.

Now, Mr. President, I would hope the Senator from New Mexico would agree with his own words. We know Mr. Ullman, I have here; Mr. Panetta, Mr. Bellmon, Mr. REGULA, Mr. Bolling and the numerous Senators on this side, but particularly Senator DOMENICI. I quote, on December 3, 1980, where 5 years hence, and I quote him:

> And also obviously it is an extremely fitting event for Senator HOLLINGS. He did not have the privilege of being chairman of this committee for very long, but he worked on the committee for years and I think that he must feel very good today, knowing that under his leadership this first reconciliation act will become a reality.

It was the first. And all reconciliation, as Mr. Pickle from Texas and everyone else pointed out—reconciliation was the process to bring the deficits down, bring the spending down into a particular budget target, not to increase deficits with tax cuts.

Mr. President, I ask unanimous consent that an article by Bill Dauster, dated May 30, in Roll Call entitled ''The Day the Senate Died: Budget Measure Weakens Minority'' be printed in the RECORD.

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

[From Roll Call, May 30, 1996]

THE DAY THE SENATE DIED: BUDGET MEASURE WEAKENS MINORITY

(By Bill Dauster)

The Senate died last week. At the very least, it suffered a blow that leaves it clinging to life.

You may be forgiven if you missed it. It happened while the Senate considered the budget resolution, a budget whose fiscal priorities pretty much repeat last year's endless budget failure.

But while most observers of Congress yawned, the Republican majority used the budget process to fundamentally alter the way the Senate works. From now on, the Senate will conduct much of its business at its hallmark deliberative pace only if the majority wants it that way.

It is the Senate's deliberative pace that has distinguished it from the House of Representatives and other parliaments. Yes, the Senate does apportion its membership by state instead of by population, but its true uniqueness flows from the way its rules preserve the rights of determined minorities.

Once the presiding officer has recognized a Senator, the Senate's rules allow the Senator to speak as long as humanly possible, unless 60 Senators vote to end the filibuster. The mere threat of filibuster—called a ''hold'' can detain legislation.

As well, when the Senate is considering one subject, Senators have the perfect right to offer amendments on entirely different subjects. These powers to debate and amend make every single-United States Senator a force to be reckoned with. They give dedicated groups of Senators substantial power. And they give 41 Senators the absolute right to kill a bill.

All that changed last week. Sen. Pete Domenici (R–NM), the Budget Committee chairman, brought to the Senate floor a budget resolution that markedly expanded the use of a procedure called ''reconciliation.'' The reconciliation process creates bills that the Senate considers with only limited debate and limited opportunities to amend.

Because reconciliation bills limit debate, Senators cannot filibuster them. A simple majority can pass them. Because Senators may offer only germane amendments to reconciliation bills, Senators must stick to only the subjects chosen by the majority in the committee process. Because of the reconciliation process's power, the Senate has limited it solely to deficit reduction through the ''Byrd Rule,'' named after the Senate's parliamentary conscience, Sen. Robert Byrd (D-WVa).

This year's budget will generate an unprecedented three reconciliation bills—on welfare, Medicare, and tax cuts—designed to maximize partisan confrontation with the President. And in a marked departure from past practice, the Republican budget resolution devotes one of the three reconciliation bills—the one to cut taxes—solely to worsening the deficit.

On May 21, Senate Minority Leader Tom Daschle (D-SD), backed by Sens. Jim Exon (D-Neb), Ernest Hollings (D-SC), and Byron Dorgan (D-ND), formally challenged the procedure. The Republican-appointed Parliamentarian gave it his blessing.

In a series of exchanges with the presiding officer, Daschle demonstrated that the new procedure has few limits. Daschle appealed the ruling, but the Senate sustained the procedure on a straight party-line vote.

From now on, the majority party can create as many reconciliation bills as it wants. And the majority can use them to increase spending or cut taxes, worsening the deficit. From now on, the majority can use the reconciliation process to move its entire legislative agenda through the Senate with simple majority votes and few distractions.

The old Senate is dead. Some may say, ''Good riddance.'' After all, as a Democratic Member of Congress once said, ''In the Senate, you can't go to the bathroom without 60 votes.''

If a simple majority can now pass important legislation in the Senate, perhaps a lot more will get done. Democrats will recall their frustration with Republican filibusters. Indeed, then-Budget Committee Chairman Jim Sasser (D-Tenn) once tried to convince Byrd to allow the Senate to consider the Clinton health care reform bill using the reconciliation process. Byrd did not want that done.

Also, the Parliamentarian at that time advised that it would not be in order for a budget resolution to instruct the creation of a reconciliation bill that solely worsened the deficit.

One can think about efficiency and Congress in two ways. The current conventional wisdom thinks in terms of legislative efficiency: How many bills become laws?

But as Nobel Prize-winning economist James Buchanan has argued, societal efficiency may be better served by a Congress

that has hard time enacting laws. Under those circumstances, laws would change less often, less frequently disrupting peoples' lives, less often intruding into them. If you agree with Thoreau that the best government is that which governs least, then the most societally efficient government is the one with the most checks and balances.

The Republican majority may thus have served legislative efficiency at the expense of societal efficiency. Good or bad, the Senate has changed.

As Daschle warned on May 21, ''What goes around comes around.'' Democrats will remember the lessons the Republicans have taught them of how to use the power of the majority.

So say ''bye, bye'' to this slice of American pie. This'll be the day that it dies. This'll be the way that it dies.

Mr. HOLLINGS. 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. DOMENICI. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that we proceed in morning business, and that each Senator have 5 minutes to speak in morning business.

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

Mr. DOMENICI. I yield the floor.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

THE PERPETRATORS OF HATE CRIMES

Ms. MOSELEY-BRAUN. Mr. President, I will speak in morning business in relation to the rash of hate crimes that we have experienced in this country lately.

Mr. President, the perpetrators of the rash of hate crimes and church burnings in this country are no more than cowardly domestic terrorists. They work under cover of darkness and anonymity to intimidate some and encourage others precisely because they have neither the will nor the courage to be associated with the evil they seek to unleash on the land. It has been suggested that the objective of their actions is to start a race war. However, there is every indication that the arsonists are confused about the country in which their crimes are taking place.

Most Americans, Mr. President, are appalled and outraged. Our Nation as a whole, without regard to color or religion, is shamed by this horror. The outpouring of support and comfort for the victims of the terrorism has been consistent and has been multiracial. The religious community has closed ranks with the targets of the arson in rejection and repudiation of the evil these crimes represent. From the President of the United States to the neighbors in areas which have witnessed these crimes, the leadership taken by individual citizens to affirm a climate of respect and community gives truth to the fact that our Nation will not fall prey to the forces of fear.

Mr. President, I recently talked with the victim of a cross burning in my own State of Illinois, who lives in Glen Carbon, IL. I spoke with Mr. Ellis who had been victimized by a cross being burned on the front lawn of his home. And the comment that I was most struck with is that he said how nice his neighbors had been. This is an integrated community. His neighbors, black and white alike, have come to the aid of this family that has suffered this heinous crime.

Mr. President, America will not go back. As we enter the 21st century, America is anxious to put the ugly legacy of racial divisions behind us. Unlike a century ago, the masses of people who make up our national community cannot be seduced by the messages of hate and conflict which consumed us in the past. Those messages lost their power with the moral victory of the civil rights movement, and our country has matured in ways which cannot be undone by racist terrorism. We are not intimidated, but embarrassed, and challenged by these criminals and their destruction.

Make no mistake but that they are criminals. The act of arson is a crime, when directed at a church it is a crime of unspeakable dimension. But that is precisely why we are called upon, each of us, to speak and act in ways which will demonstrate our collective intolerance of such hate crimes. Our community, as a whole, must dedicate itself to the rebuilding of the churches. We must engage our Government and law enforcement apparatus to investigate and uncover the perpetrators of this terrorism. No stone should be left unturned in our search for the truth. Federal, State, and local law enforcement must approach these hate crimes with the same vigor and sophistication as would be given the most heinous foreign threat.

My late mother would often say, ''The Lord works in mysterious ways, His wonders to perform.'' And she was right. The resurrection of the burnt places of worship may well provide the kind of redemption which can only come of suffering. We will move our Nation forward to the elimination of racism if we dedicate ourselves to restore the symbols of love and unity, and in so doing put to rest forever the forces of division based on race which these acts of terror seek to unleash.

Mr. President, this is one of those historic moments for America, when the path of our future will be chosen. In our collective repudiation of domestic terrorism, in our aggressive prosecution of its perpetrators, in our vigilance against hate and in the vitality of our response to it, we will build the New Jerusalem of a stronger, more moral, and more inclusive country.

With that, Mr. President, I will send later to the desk a resolution which I hope will be cleared quickly for action by this body and which I hope and pray will receive the unanimous consent of my colleagues. Thank you very much, Mr. President. I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. 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. EXON. Mr. President, the Senator from California is a very valuable member of the Budget Committee. We had saved some time for her. I request we move back to the budget resolution, and I yield up to 8 minutes to the Senator from California, or whatever time she needs.

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

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997—CONFERENCE REPORT

Mrs. BOXER. Mr. President, thank you. I want to thank my leader on the Budget Committee, Senator EXON, who will be sorely missed when he retires. This is a man who has stood for a real balance in our Government, a balanced budget, and a balance in our priorities. I hope as America listens to him, and some of us who do not believe this budget is the right budget, I hope Americans will understand the fight over balancing the budget.

Mr. EXON. Will the Senator yield?

Mrs. BOXER. I am happy to yield to the Senator.

Mr. EXON. I appreciate your kind remarks, and I yield 5 hours to the Senator from California.

Mrs. BOXER. Mr. President, thank you so much.

As I was saying about the Senator from Nebraska, he has stood for real balance in the budget, both in terms of dollars in and dollars out, so that we do not add to a debt, but also a balance of needs. What is very interesting to me, in particular, Senator EXON, as the former chairman of the Budget Committee, and now as its ranking member, has always been one who has stood for the strongest possible defense that America must have. When I hear him stand up and talk about some of the excesses in that area, it means a lot to me.

What is interesting to me, when we had an opportunity to vote on budgets, we had three budgets. We had the Republican budget before the Senate today, coming back from the conference; we had the Democratic budget, which, basically, was President Clinton's budget; and we had the bipartisan

budget, which was put together by Republicans and Democrats in this U.S. Senate.

I had the privilege of voting for two budgets, the Democrat budget and the bipartisan budget. I did not vote for the Republican budget. Although many people's eyes glaze over when you talk about the budget, it is really a very simple document when you think about it. It is a statement of our priorities, and a statement, really, of what we think we ought to be doing as a nation, just as we and our families will determine every year what our priorities are, where we will spend our dollars. We do that here.

One would think that the cold war had not ended if you look at this budget. That is what is so terribly confusing to me, because we know we have to be lean in this budget. We know we are not doing as much for education as we would like. We are not doing as much to clean up the environment as we would like, at least most of us. We are certainly not doing enough health research as we would like.

Every dollar that we can find to make these investments is a dollar, I think, that is well spent when we make them. Yet, we have this Republican Senate and House throwing $12 billion more at the Pentagon than they asked for in budget authority. That, to me, is nonsensical.

We need the strongest military in the world, and we have it, and we will always have it. We do not need to throw dollars that the generals and the admirals do not want. What is the point of it? It is wasting money, money that we need elsewhere, money that could even reduce the deficit further.

To me, it is not a close call as far as how I will vote. The Republican budget left the Senate, and I think the priorities were out of whack. Too many cuts in Medicare, too many cuts in Medicaid, too many cuts in education, too many cuts in the environment, and too much spending on the Pentagon—more than they asked for. It is something I hope that the American people will look at, because it is not pie-in-the-sky and it is not rhetoric. It is not politics. It is budgeting. It is hard dollars that will go to pay for what the American people need to have.

Mr. President, we do have an election coming up in November. Frankly, I think a lot of these issues will be issues in that election. I can think of no greater honor than to serve on the Budget Committee. When I was in the House, I spent 6 years there, and here in the U.S. Senate I am finishing the fourth. To me, it is one of the most important things that I do, because the hopes and dreams of American people, their aspirations, are really contained in that budget.

All you have to do is look at education, and see how the Republicans are slashing it, to understand that will translate into fewer scholarships for our young people to go to college, fewer slots that can be filled in Head Start so our kids can get off to a good start on a level playing field, fewer ways to clean up Superfund sites. Frankly, in California, we have many that are languishing and are dangerous, with toxins seeping into water supplies, because we do not have enough resources there.

This is the greatest Nation in the world. We can do better.

The Democratic budget, the Clinton budget, the bipartisan budget, I think all of those are quite mainstream in their approach, compared to this budget that is before the Senate today. We do not have to hurt our seniors the way they will be hurt with this. We do not have to hurt our children the way they will be hurt with this.

Now we have a whole new idea. We will go back to star wars. We will build a full star wars. I think we ought to prepare, in case we have to. We should do all the research. I have always taken that position. But to get ready to deploy a star wars system—we will be facing that in the defense bill—it will cost us billions of dollars, billions of dollars, when we do not even know exactly what we need to do, and we are being told the threat is not defined yet. It just does not make sense.

I submit, Mr. President, if you went to a supermarket or shopping center in Tennessee, or I went to one in California, or my friend went to one in Nebraska, and you said to the person who was coming in to do his shopping: Out of these few things, which do you feel most threatened by, crime in the street and that you might get mugged or attacked, or somebody in your family getting breast cancer or prostate cancer, or a ballistic missile coming over and hitting you in your house? I honestly think that people would say we should have the strongest military in the world, but the threats that are facing me are absolutely that someone in my family would get such a dreadful disease or that, yes, someone could be a victim of a crime. Yet, you look at this budget and it has the opposite kind of priorities.

So I thank my friend from Nebraska for his leadership, his very down-to-earth Nebraska leadership. I will sorely miss it next year. I think he stands for mainstream America in his opposition to this budget.

I urge my colleagues to vote against this budget. It got worse when it went into conference. It has more of the NEWT GINGRICH approach to budgeting, and I frankly think we ought to vote ''no.''

I yield the floor at this time.

Mr. EXON. Mr. President, I want to briefly thank my dear friend and colleague from California. I said earlier that she is a valuable member of the Budget Committee, and her earlier training over on the House side has served her and us well. She is very consistent and tender, one who becomes involved in the details of the budget process. It has been a great pleasure for me to see this relatively new Senator come in and take her place as a very influential member of the Budget Committee. I thank her for her kind remarks.

MORNING BUSINESS

Mr. EXON. Mr. President, I ask unanimous consent that the Senate now move off of the budget temporarily and return to a period of morning business with Senators allowed to speak for up to 5 minutes each.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

A NEW CHANCE FOR PEACE IN NORTHERN IRELAND

Mr. PELL. Mr. President, I welcome the news that negotiations on Northern Ireland are back on course. Fractious though they might be, the talks involving the British and Irish Governments, as well as representatives of Northern Ireland's political parties, offer hope to all of us who long for a permanent peace in Northern Ireland.

The talks, which opened Monday, had hit a significant impasse over the role of our former colleague George Mitchell, who was chosen by the British and Irish Governments to chair the negotiating sessions. Due to the courage shown by all those involved, but particularly Prime Minister Major and Unionist leader David Trimble, the impasse has been resolved and a possible deadlock has been averted. The talks will proceed with Senator Mitchell at the helm.

I regret that there are still some Unionists, however, who object to Senator Mitchell's chairmanship, for the sole purpose, I suspect, of obstructing the peace process. Having served with George Mitchell for many years in the Senate, I can personally attest to his even-handed and judicious approach to the issues. Here in the Senate, he was admired by members of both parties for his ability to build bridges and cut across partisan lines. George Mitchell is quite frankly, one of the most fair-minded individuals with whom I have had the pleasure of working.

Senator Mitchell has already demonstrated great wisdom and balance with regard to the peace process in Northern Ireland. In January, Senator Mitchell issued an excellent report examining the link between the decommissioning of weapons and all-party talks. As head of the international body charged with studying this issue. Senator Mitchell drew upon his background as a judge. He did an excellent

job of reaching out to the various parties to hear their views on this difficult matter, and of characterizing the opposing views on that issue. For this reason, the report was hailed across the board. It provides a solid set of principles for the negotiations. I am confident that Senator Mitchell will continue to demonstrate even-handedness and great insight as he takes up the gavel at Stormont Castle, the site of the talks.

The talks on Northern Ireland will proceed without the participation of Sinn Fein, the political wing of the Irish Republican Army. Sinn Fein is barred from the negotiating sessions because the IRA has failed to commit to a cease-fire. That is as it should be. The ground rules for the talks make clear that all parties must offer their total commitment to the principles of democracy and nonviolence.

But there is a place reserved at the table for Sinn Fein. The IRA need only recommit itself to nonviolence to take its seat at that table. Genuine all-party talks cannot take place without Sinn Fein or without the Unionist parties which have thus far eschewed the process.

A great deal of progress has been made toward achieving a lasting peace. Let us hope that the momentum can be continued.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, too many Americans have not the foggiest notion about the enormity of the Federal debt. Every so often, I ask various groups, how many millions of dollars are there in a trillion? They think about it, voice some estimates, most of them not even close.

They are stunned when they learn the facts, such as the case today. To be exact, as of the close of business yesterday, June 11, 1996, the total Federal debt—down to the penny—stood at $5,136,928,256,903.23.

Another astonishing statistic is that on a per capita basis, every man, woman, and child in America owes $19,380.69.

As for how many millions of dollars there are in a trillion, there are a million in a trillion, which means that the Federal Government owes more than five million million dollars.

REFERRAL OF S. 1718

Mr. WARNER. Mr. President, I ask that bill S. 1718, the Intelligence Authorization Act for Fiscal Year 1997, be referred to the Committee on Rules and Administration, pursuant to section 3(b) of Senate Resolution 400. This committee, which has jurisdiction over legislation pertaining to Senate committee structure, desires an opportunity to consider a provision affecting the structure of the Senate Select Committee on Intelligence.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of a letter advising the Select Committee on Intelligence of this action.

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

U.S. SENATE, COMMITTEE ON RULES AND ADMINISTRATION,
Washington, DC, June 12, 1996.

Hon. ARLEN SPECTER,
Chairman, Senate Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR ARLEN: This is to advise that I have requested sequential referral of S. 1718, the Intelligence Authorization Act for Fiscal Year 1997, which was marked up by the Select Committee on Intelligence on April 30, 1996. It is my understanding that this bill contains a provision affecting the structure of the Select Committee on Intelligence, which, as you know, is an issue of significant interest to, and clearly within the jurisdiction of the Committee on Rules and Administration.

To this end and pursuant to S. Res. 400, I have requested that S. 1718 be referred to the Committee upon its discharge from the Senate Committee on Governmental Affairs, to which the bill was referred on June 6, 1996.

With kind regards, I am

Sincerely,

JOHN WARNER,
Chairman.

AMERICA'S FAMILY FARMS: A WAY OF LIFE WORTH PRESERVING

Mr. DASCHLE. Mr. President, I recently visited the farm of Doug Henderson in Beresford, SD, and discussed with Doug and his neighbors issues facing southeastern South Dakota farmers. There was much give and take on the new farm bill, the state of cattle prices and, of course, the weather. The discussion put in bold relief the frustrations and challenges South Dakota farmers and ranchers face every day, and raised legitimate questions about current agricultural policy.

I also had the opportunity to meet privately with the Henderson family in their home prior to the broader public discussion. It was an experience I will remember forever.

Keeping the family farm together for the past 4 decades has not been easy for the Hendersons. Their secret to survival has been an enduring appreciation of the land and hard work on the part of each and every member of the family, including the children.

The rewards for the Hendersons' dedication to farming have been numerous. They speak eloquently about raising their children in a tight-knit community steeped in strong values. They clearly love their chosen profession, which allows them to see the tangible results of a good day's work.

Despite their love of farming, the Hendersons' story also has a sad side—the continuous struggle to make a decent financial return on their investment of time, money and plain old hard work.

The Hendersons' story is described in a letter presented to me at our meeting. I would like to share that letter with my colleagues. It lays out in clear, honest terms the difficult dilemma facing hard-working, dedicated farm families all across rural America: how to survive financially on a modest-sized family farm in today's agricultural environment. The Hendersons' letter presents a picture that merits more attention and reflection in Washington policymaking circles.

The bottom line, Mr. President, is that today financial survival on family farms is much tougher than it should be in a nation that enjoys the most abundant and least expensive source of food on the globe. If we are to preserve this durable source of farm commodities, our rural communities and their rock solid values, then farmers must enjoy a reasonable return on their investment. This problem must be addressed if family farms are to survive in the future.

Mr. President, I ask unanimous consent that Doug Henderson's letter be printed in the RECORD.

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

FALL, 1995.

MY STORY: 40+YEARS OF FAMILY FARMING

My name is Doug Henderson. My wife, Joan, and 4 sons, ages 10 to 17, live on a crop/dairy farm west of Beresford, South Dakota. Our operation includes 100 mature holstein cows. 100 replacements, 50–100 extra cattle. 100 acres owned and 400 rented.

My grandfather bought this farm in the early 40's. My father came back to rent and then later buy the farm after serving nearly 5 years in the Pacific during WWII. I was the oldest of four sons and one daughter. Each of us played an important part in the daily operation of this family unit during the 50's and 60's—and we knew that because we could feel it. It felt good. I think that's why I was drawn to this place.

My wife and I earned teaching degrees in '77 after having served in the U.S. Army from '72 to '75. After teaching for two years and farming ''on the side'' I had the opportunity to ''take over the place'' and farm fulltime. We did some work on the house and moved our family in here in the spring of 1981. Financially, we have had some good years and some not so good years. Personally, we have had only good years. However, 1995 finds us at a crossroads.

Personally, I truly cannot think of a place I would have rather been or anything I'd have rather been doing for the last 14 years. My oldest son, a high school senior, is qualified to do almost anything I do out here. My sons 12 and 15 are almost as competent. All four have a good sense of self and a high regard for the traditional values that my wife and I do our best to model for them. Our involvement in community and church has provided growth and enrichment. Our lives have truly been joyfilled during these early years. This setting has made child rearing easy.

Financially, the future of this production unit is dim. Our facilities now nearly 30 years old, do not produce the volume of milk required per man hour to allow us to be as competitive as we need to be. Our balance sheet has not improved significantly during the last 4–5 years. While we claim not to have made purchasing or marketing mistakes and have always been moderate in our strategies, we acknowledge the reduced will to pour out boundless energies to try to make everything click. I know that the farm

would not break even without the input of the family. We have estimated an annual family labor input of 6000 to 6500 hours/year. In return my family draws $14,400/yr and housing, milk and meat. Our gross revenues in each of the past two years have approached 300,000 dollars. Milk is the primary product produced and that production in 1994 was 1.6 million pounds (160,000 cwt). That 1994 production represents almost three times the production of this same facility in 1978–80 when my father, brother and I worked as partners and each drew a salary. Together my father and I have been making payments to the FHA for over 40 years and I have 25 years and $110,000 to go on my farm ownership loan. We would probably not have maintained this operation without the security of the FHA loan.

We have added some buildings and prepared for a less labor-intensive livestock production enterprise and do of course have the option to update and sign the dotted line for another lifetime of debt if we want to take on a partner and continue producing milk. The fact of the matter is however that after nearly 20 years of working 3500–4000 hours per year, my body is saying ''enough''! My brain is saying ''there must be a better way''! And my heart is saying ''thou shalt not offer a son''! I never thought I'd feel this way, let alone admit it.

In a nutshell, I know agriculture. I know crops. I know livestock. I can produce. I love to work. My family works for free. I love this life. My family does too. We plan to quit (as soon as we can figure a way to pull it off financially. . . but maybe sooner). I hope I can find work that allows us to maintain the high cost of country living.

EPILOGUE—MAY 1996

As it turns out, 1995 was a year of major marketing mistakes—at least wrong choices. Instead of selling 55 surplus steers at depressed prices in the fall to pay off bills, we were duped into selling 10,000 bushels of corn. The price seemed relatively good; and after all, how much worse could the cattle market get? This single decision will ultimately represent a turn around of nearly 30,000 dollars. When combined with a poor crop year, severe weather stresses to herd health and dairy production and additional budget pressures that happen from time to time, we simply were not in a strong enough financial position to handle this much adversity.

As a result, we had to either seek a guaranteed loan or sell out secured chattel which at depressed prices would have left us very little on which to operate. Fortunately the timing was right and the loan was approved. We honestly would not be operating this year without the help of the FHA. These people (Ron Walker and his loan officers) have always been cordial, understanding and very helpful. I salute them and the general mission of the Farmer's Home Administration.

SHOCK is the best way to describe what happened to us financially. It occurs to me that I can distinctly recognize the seven stages of grief in this process. There is for a man who has known tremendous happiness and satisfaction in his personal life as well as his business, no greater stress and loss than financial failure. The MOURNING and BLAME part of this process is very, very disturbing. Our Extension Service here in South Dakota responded to the flooding in 1993 with Project Rebound. I hope the cattle ranchers and feeders will be offered at least the emotional support they need during this cattle crisis. We have a plan and with decent crops should HEAL. I have a hunch that milk prices are going to respond fairly quickly to current market pressures. The REBUILDING part of this process for me will likely include a career change. I've always managed a higher level of energy for new challenges. I'm hoping again to see one of my sons have a life here—a clear sign we are rebuilding.

TRIBUTE TO SENATOR BOB DOLE

Mr. KYL. Bob Dole's statement upon announcing he would give up his Senate seat to run for the Presidency—that he is ''just a man''—packs a lot in a simple string of words, as is his habit. This phrase captures the modesty, the simplicity, and above all the straightforwardness and honesty of the Senator from Kansas. Men like Bob Dole achieve great things because they go at them directly, with no ifs, ands, or buts asking a lot of themselves and taking responsibility for the bottom line.

Senator Dole's more than 35 years of service to the Congress of the United States have been filled with great accomplishments because he never let up, he brought people of different views together to hammer out legislation, and he was an honest broker trusted by everyone. My father, Congressman John Kyl of Iowa, served with then-Congressman Dole in the House of Reprentatives in the 1960's and knew him to be a man of leadership and utter integrity. As Congressman Dole, and later Senator Dole, learned his job as a legislator, he never lost that sense of being ''just a man'' from Russell, KS. He is not one to be dazzled by the bright lights, the pomp, and the power of Washington. He came armed with the simple virtues of his Kansas constituents, and those same virtues are evident in him today. He remains the embodiment of the heartland of America—a place much maligned by sophisticates, perhaps, but a place that still has the moral strengths that we Americans define ourselves by: dedication to duty, plain but honest speech, and an awareness that limited government requires of office holders that they never take their power for granted. When Bob Dole says that he is grateful to have served his fellow citizens, those are not empty words. We believe him.

In his parting statement today, he hold us that ''there are some issues that transcend politics * * * and result in legislation that makes a real and lasting difference.'' Whether it is a matter of supporting civil rights, doggedly backing our military troops in an unpopular conflict in Indochina during the 1960's and 1970's, or ensuring access to public places for disabled Americans in the 1990's, he has often put aside partisanship and laid it on the line for the things he believes in. His statesmanship, his ability to come to closure for the sake of the common good, is well known to those of us who have worked with him inside this institution. But perhaps few outside of the Congress are aware of it. If everyone could know him as we do, they would see a man with an extraordinary capacity to see beyond the heated conflicts of the moment, to keep the big picture in mind, and to reach a consensus that yields practical results. If everyone knew him as well as his colleagues do, they would see that Bob Dole has everything it takes to be President of this country.

Of the Senate he now says, on the day of his departure, ''It is a place that I have loved.'' Again, no rhetorical flourishes, just simple words of emotion, and all the more powerful for being unadorned. He reached the pinnacle of leadership among Senate Republicans, and for all too short a time has been leader of the Chamber itself. But he has walked away, and in characteristic style. Bob Dole is at the peak of his powers. But he moves on, ready to take on the biggest challenge in a life full of challenges. He has demonstrated—and in a remarkably dramatic way—that he is not one to rest on his laurels; instead, he is the kind of man who does honor to every contest he enters.

CHINESE NUCLEAR MISSILES IN PAKISTAN

Mr. PRESSLER. Mr. President, last year the Clinton administration asked Congress for the authority to allow United States military equipment to be delivered to Pakistan. Since 1990, such deliveries were not allowed because of a 1985 law known as the Pressler amendment, which prohibited any United States Assistance to Pakistan if the President failed to certify Pakistan was not in possession of a nuclear explosive device. My colleagues may recall that we debated this issue quite extensively. It was very controversial. In the end, despite strong opposition from this Senator and many of my colleagues, the Senate approved the so-called Brown amendment, which authorized the transfer of military equipment and repealed the Pressler amendment's prohibitions on nonmilitary aid to Pakistan. The Brown amendment became law earlier this year.

To bolster the Clinton administration's request, Under Secretary of State Peter Tarnoff sent a letter to Members of Congress on August 3, 1995, when the Senate first debated the Brown amendment. Secretary Tarnoff attempted to assure Senators that the administration's support of the Brown amendment would be conditional on ''no significant change on nuclear and missile non-proliferation issues of concern to the United States.''

Mr. President, that was then.

On February 22, 1996, Dr. John Deutch, the Director of Central Intelligence, testified before the Senate Select Committee on Intelligence. Director Deutch confirmed earlier reports that Pakistan had taken delivery of sensitive nuclear technology used to develop weapons-grade uranium. He also confirmed that Pakistan had received M–11 ballistic missiles from China. My colleagues will recall that when we debated the Brown amendment, there was some dispute over whether Pakistan had in fact taken delivery of the M–11 missiles. Director

Deutch's testimony was the first time a Clinton administration official publicly confirmed the existence of the M–11s. In my view, this development should have halted the delivery of the military equipment to Pakistan. Unfortunately, the Clinton Administration did not consider the acquisition of this nuclear technology to be, in Secretary Tarnoff's words, a ''significant change on nuclear and missile non-proliferation issues of concern to the United States.''

Mr. President, this morning's Washington Times reveals that Pakistan has done more than just take possession of the M–11's. The Times reported that the M–11 missiles in Pakistan are operational and nuclear capable. If this account is accurate, and I have no reason to doubt it, Pakistan now has a complete, modern, nuclear weapons delivery system.

Mr. President, first of all, in spite of a string of pious promises and written agreements to the United States, China has demonstrated a severe lack of international responsibility. By providing both nuclear technology and the means to deliver nuclear weapons, Chinese Government-owned companies have contributed to a vast escalation of tensions between Pakistan and India. Director Deutch has pointed to the Indian subcontinent as the most worrisome area in the world. He's right.

The more immediate question, Mr. President, is what is the United States going to do? At the time the Senate approved the Brown amendment, we were of the belief that Pakistan did not possess both the technology to produce weapons-grade uranium, and an operational nuclear weapons delivery system. That was then. This is now. I do not believe the Senate would have approved the Brown amendment had we known then what we know now.

The Washington Times also reported that State Department officials attempted to water down or alter the intelligence reports regarding the M–11's, and also tried to prevent these reports from moving through normal intelligence channels. Apparently this was done to prevent sanctions from being enforced. This is a very serious allegation. In effect, Federal officials are being accused of blocking the law from being enforced.

Frankly, Mr. President, the Washington Times story is astounding. It is no secret that I am an outspoken critic of the Clinton administration's nuclear nonproliferation policy, or lack thereof. Before today, I never thought the administration's credibility regarding nonproliferation goals in South Asia could get worse. I was wrong.

I have written to President Clinton, asking that he enforce the nonproliferation laws he has sworn to uphold. I also have asked the President to withhold delivery of any military equipment authorized by the Brown amendment. Clearly, the conditions the Clinton administration made to Pakistan for its support of the Brown amendment have been violated to a degree unimaginable. I also intend to contact the chairman of the Senate Select Committee on Intelligence, Senator SPECTER, to request that the committee conduct a full investigation on the allegations raised involving the blocking or altering of intelligence reports by State Department officials. Finally, I intend to continue seeking the support of my colleagues to repeal the Brown amendment, and may offer an amendment to do just that in the near future. I think we have more than enough evidence to demonstrate why the Brown amendment should not have been passed. In my view, Congress was badly misled last year relative to Pakistan's nuclear arms development and delivery capability. My bill, which already has several cosponsors, would restore the supremacy of our nuclear nonproliferation laws.

Mr. President, I ask unanimous consent that my letter of today to President Clinton and a Washington Times article by Bill Gertz be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, June 12, 1996.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: A story in today's Washington Times reported that the U.S. intelligence community has determined that Pakistan obtained M–11 ballistic missiles from the People's Republic of China (PRC) as part of an illegal conspiracy to evade national international arms control agreements. Even more disturbing, the Times reported that these nuclear capable missiles have been deployed by Pakistan.

If these reports are true, I strongly urge you to enforce the law and impose sanctions on both countries to the fullest extent of the law. Further, I urge you to withhold from delivering to Pakistan any U.S. equipment as provided in the so-called Brown amendment to the Fiscal Year 1996 Foreign Operations Appropriations Act.

As you know, the United States has sought for a number of years to put an end to illegal missile transfers originating in the PRC. As you well know, sanctions were imposed on China just three years ago for transferring M–11 components in violation of the Missile Technology Control Regime (MTCR). Those sanctions were lifted in 1994, after the PRC pledged not to make future deliveries of missiles or related components listed under the MTCR.

Last year, the New York Times and Defense News reported that Pakistan had received M–11 missiles from the PRC. This was confirmed by Central Intelligence Agency Director John Deutch in his testimony before the Senate Intelligence Committee on February 22, 1996.

These are troubling developments. We face a situation in which the PRC has violated both a multinational missile control agreement as well as a written non-proliferation agreement with the United States. As a result of these violations, Pakistan now has for the first time a strategic nuclear delivery capability.

Again, if the reports are true, I see no recourse but to impose sanctions on both Pakistan and the PRC. Our own credibility as a world leader in nuclear non-proliferation requires no less.

Our credibility also requires that we take additional action: the withholding of any U.S. military equipment authorized for delivery under the so-called Brown amendment. Last August, when the Brown amendment was first considered in the Senate, Under Secretary of State Peter Tarnoff stated that your Administration's support for the Brown amendment would be conditional on ''no significant change on nuclear and missile non-proliferation issues of concern to the United States.''

At the time Secretary Tarnoff made this statement, Congress and the Administration were of the belief that Pakistan did not have both the nuclear technology capable of processing enriched uranium, and an operational system of ballistic missiles capable of delivering a nuclear payload. Clearly, the conditions set by your Administration have been violated by Pakistan to a degree unimaginable.

Finally, I believe Congress was misled badly last year relative to Pakistan's arms development and delivery capability. Earlier this year, I wrote to you expressing my concern that members of your Administration knew that Pakistan was obtaining illicit nuclear technology from the PRC while the Brown amendment was pending. I am equally concerned with allegations raised in the Washington Times article that members of your Administration may have attempted to alter the content or the processing of intelligence reports in order to avoid sanctions. This is a very serious allegation, and I have requested that the Senate Intelligence Committee conduct a thorough review of this matter.

Mr. President, you and I have not always agreed with the best course of action on nuclear non-proliferation, particularly in South Asia. I am sure you will agree with me that if the Washington Times story is true, we have reached a very dangerous stage in an already very unstable part of the world. It has always been our policy to other nations that nuclear proliferation should carry a heavy price. It is imperative to the peace and security of all the peoples of South Asia that this policy be enforced.

For these reasons, I strongly urge you to enforce fully our nation's non-proliferations laws, and honor the conditions set forth last year by withholding any future implementation of the Brown amendment.

Thank you for your attention to this very critical nonproliferation issue.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

[From the Washington Times, June 12, 1996]

PAKISTAN DEPLOYS CHINESE MISSILES

(By Bill Gertz)

U.S. intelligence agencies have concluded that Pakistan has deployed nuclear-capable Chinese M–11 missiles and that the transfer was part of a conspiracy to skirt missile-control agreements.

The declaration, contained in interagency intelligence reports produced last month, confirms for the first time that Pakistan now has a strategic nuclear delivery capability. The finding is expected to trigger U.S. economic sanctions against both Pakistan and China based on a 1990 law.

State Department officials, however, are trying to block the intelligence judgment through bureaucratic maneuvering to avoid imposing sanctions, according to intelligence sources familiar with the effort.

The intelligence sources disclosed to The Washington Times that a report that Pakistan has operational Chinese M–11 missiles

was discussed last month by the Weapons and Space Systems Intelligence Committee. The committee is an interagency panel of intelligence experts who evaluate missile developments worldwide. The report was based on sensitive CIA data.

A separate ''statement of fact'' also was drafted last month declaring that China and Pakistan took part in a ''conspiracy to transfer M–11s,'' according to an intelligence document obtained by The Times.

U.S. officials said the statement is the first step in an intelligence M–11 components were spotted in Pakistan three years ago.

China's delivery of the weapons violates the 31-nation Missile Technology Control Regime (MTCR), as well as a 1994 U.S.-China agreement not to deploy M–11s in Pakistan.

CIA and State Department spokesmen would not comment on the intelligence findings. A Chinese Embassy spokesman also declined to comment.

A Pakistani Embassy spokesman denied that any M–11s are operational in his country or that any were bought from China.

The M–11 finding highlights China's active role in arms-proliferation activities and comes after the recent administration decision not to impose economic sanctions on China for selling nuclear-weapons technology to Pakistan.

The administration announced last month it would not impose sanctions because it claimed senior Chinese officials were unaware of the sale last year of ring magnets—components used to produce nuclear-weapons fuel—to Pakistan.

William C. Triplett, a specialist on China, said the M–11 deployment, when coupled with the sale of nuclear-arms technology, is a major boost in Pakistan's drive for a strategic nuclear capability and will increase tensions in the volatile region.

''This is a major change in the geostrategic balance between Pakistan and India, and a devastating blow to Clinton administration efforts to reduce tensions on the subcontinent,'' said Mr. Triplett, a former counsel to the Senate Foreign Relations Committee.

Mr. Triplett, a former U.S. intelligence official, also said he is not surprised by efforts of the State Department Bureau of Intelligence and Research to block the M–11 deployment judgment. The bureau is notorious for politicizing analyses and should be excluded from taking part in future interagency estimates, he said.

Limited sanctions were imposed on China in 1993 for selling M–11 components to Pakistan.

The sanctions, affecting an estimated $500 million in American sales, were lifted in October 1994 after Chinese Foreign Minister Qian Qichen and Secretary of State Warren Christopher signed an agreement halting sales of the M–11 and similar missiles.

Under a 1990 U.S. law, Pakistan's possession of operational M–11s requires the president to impose two years' sanctions on both countries that limit U.S. sales of high-technology products.

The sanctions also would bar imports of any products made by the government-owned China Precision Machinery Import-Export Corp., which makes M–11s, and Pakistan's Defense Ministry. Both companies were sanctioned in the 1993 M–11 component transfer.

Sanctions would have their greatest impact on sales of high-technology goods to China. Those goods were a major portion of the $12 billion in U.S. trade with China last year.

A State Department official said in 1994 when MTCR-related sanctions were lifted that if complete missiles were deployed in Pakistan ''we would have no choice but to impose MTCR sanctions.''

Mr. Deutch said in Senate testimony Feb. 22 that China has continued to sell inappropriate weapons and military technology in recent months, including ''nuclear technology to Pakistan, M–11 missiles to Pakistan, cruise missiles to Iran.''

''If this is true, there is no longer any excuse for not imposing sanctions on both China and Pakistan,'' said Gary Milhollin, director of the Wisconsin Project on Nuclear Arms Control.

China's disregard for the arms-control agreements despite U.S. appeals has exposed the weakness of U.S. policy toward Beijing, he said.

The MTCR, which limits sales of missiles with ranges greater than 186 miles or with warheads weighing more than 1,100 pounds, has no enforcement mechanism. But an amendment to the 1990 Defense Authorization Act requires the government to impose sanctions against foreign firms for MTCR violations.

U.S. officials have said the M–11 is a nuclear-capable missile whose export is barred under the MTCR because its warhead capacity exceeds MTCR limits.

U.S. intelligence agencies reported last year that the M–11 deal moved ahead after Pakistan paid $15 million to China for missiles, launchers and support equipment. The M–11s were shipped to Pakistan in 1993, but their assembly was not confirmed.

Spy-satellite photographs taken in April 1995 showed missile canisters at a facility in Sargodha, Pakistan. Two teams of Chinese missile technicians were sent to Pakistan later to provide training and to unpack and assemble the M–11s, intelligence sources said.

TRIBUTE TO SENATOR ROBERT DOLE

Mr. JEFFORDS. Mr. President, I rise today to pay tribute to Senator Robert J. Dole of Russell, KS for his 35 years of service in the U.S. Congress. Tuesday was a sad day for the U.S. Senate, for we lost one of our great leaders. It was also a sad day for me personally, for I lost a trusted colleague and a valued friend in the Senate. As the Republican leader in the Senate for 11 years, Senator Dole has left his fingerprints on every piece of legislation that has passed the Congress. His legacy will be remembered forever as one of vast legislative achievement.

I got my first glimpse of Senator Dole's legislative abilities when I came to Congress in 1975. In the wake of Watergate, and the massive congressional turnover that ensued, I was secured the position of ranking member of the House Agriculture Subcommittee with jurisdiction over the dairy industry. As a member of the Senate Agriculture Committee, Senator Dole and I worked closely together on many issues. I remember well the bonds we formed as conferees together on farm bills and working together to pass legislation for food stamps and child nutrition.

Later, as I gained seniority on the House Education and Labor Committee, we worked together again on disability policy. Senator Dole's commitment and determination to the passage of legislation ensuring that all Americans, regardless of physical disability, had equal opportunity was inspirational.

In 1989 when I became a member of the U.S. Senate, I had the privilege of seeing Senator Dole's leadership abilities first-hand everyday. I have watched with amazement his ability to pull legislative initiatives out of the fire, and prevail on issues from civil rights to Social Security reform. In Vermont there's a saying, ''You can't get there from here.'' Well, Senator Dole proved that adage wrong time and time again as he has moved legislation through the Senate.

In an institution where you are only as good as your word, Senator Dole prospered. His ability to build coalitions and form consensus on some of this Nation's most pressing issues is a testament to his integrity and character. In a world that has become ever more crude and impertinent, Senator Dole has defined ''the word'' civility.

Tuesday was a bittersweet day, for although I'm sad Senator Dole has left us in the Senate, I know he'll be close by as he seeks higher aspirations. I only hope that he knows that this is one Senator who feels that the U.S. Senate will never be the same without him.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

REPORT CONCERNING THE ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS FOR FISCAL YEAR 1995—MESSAGE FROM THE PRESIDENT—PM 153

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 Labor and Human Resources:

To the Congress of the United States:

It is my pleasure to transmit herewith the Annual Report of the National Endowment for the Arts for the fiscal year 1995.

On September 29, 1995, at the close of the fiscal year, the Arts Endowment celebrated its 30th anniversary. A young man or woman born at the same time as this Federal agency's establishment has enjoyed access to the arts and culture unparalleled in the history of the country. The National Endowment for the Arts has helped bring tens of thousands of artists into schools, teaching tens of millions of students about the power of the creative imagination. This small Federal agency has helped launch a national cultural network that has grown in size and quality these past 30 years.

This Annual Report is another chapter in a great success story. In these pages, you will find projects that bring

the arts to people in every State and in thousands of communities from Putney, Vermont, to Mammoth Lakes, California. The difference art makes in our lives is profound; we see more clearly, listen more intently, and respond to our fellow man with deeper understanding and empathy.

In these challenging times, when some question the value of public support for the arts, we should reflect upon our obligation to the common good. The arts are not a luxury, but a vital part of our national character and our individual human spirit. The poet Langston Hughes said, ''Bring me all of your dreams, you dreamers. Bring me all of your heart melodies . . .'' For 30 years, the Arts Endowment has helped keep those dreams alive for our artists and our audiences. May it long continue to do so.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 12, 1996*.

MESSAGES FROM THE HOUSE

At 4:02 p.m., a message from the House of Representatives delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3540. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

MEASURE REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3540. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes; to the Committee on Appropriations.

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–2991. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to the Counterdrug Detail Program; to the Committee on Armed Services.

EC–2992. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on the Defense Nuclear Agency Long-Term Radiation Tolerant Microelectronics Program; to the Committee on Armed Services.

EC–2993. A communication from the Assistant Secretary of Defense, transmitting, pursuant to law, a report relative to off-the-shelf systems; to the Committee on Armed Services.

EC–2994. A communication from the Director of the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''The Texas Regulatory Program,'' received on June 10, 1996; to the Committee on Energy and Natural Resources.

EC–2995. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, a rule entitled ''Public Use Regulations for the Alaska Peninsula,'' (RIN1018–AD30) received on June 6, 1996; to the Committee on Energy and Natural Resources.

EC–2996. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, a rule relative to FM broadcast stations, received on June 10, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2997. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, the report of six rules relative to FM broadcast stations, received on June 10, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2998. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of twelve rules including a rule entitled ''Airworthiness Directives,'' (RIN2120-AA64, 2120-A64, 2120–AA66) received on June 10, 1996; to the Committee on Commerce, Science, and Transportation.

EC–2999. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Policies Relating to Rulemaking Proceedings,'' (RIN2105–AC55) received on June 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3000. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of twenty rules including a rule entitled ''Revision of Class E Airspace'' (RIN2120–AA66, 2120–AB18, 2120–AA64, 2120–AA65, 2120–A64) on June 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3001. A communication from the Program Management Officer, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Atlantic Swordfish Fishery,'' (RIN0648–AI23) received on June 10, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3002. A communication from the Program Management Officer, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''The Gulf of Mexico Fisheries Disaster Program,'' (RIN0648–ZA19) received on June 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3003. A communication from the Program Management Officer, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Whaling Provisions,'' (RIN0648–AI81) received on June 6, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3004. A communication from the Program Management Officer, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska,'' (RIN0648–AI18) received on June 10, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3005. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of two rules including a rule entitled ''List of Regulated Substances and Thresholds for Accidental Release Prevention,'' (FRL5516–6, 5517–4) received on June 6, 1996; to the Committee on Environment and Public Works.

EC–3006. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of six rules including a rule entitled ''Protection of Stratospheric Ozone,'' (FRL5509–5, 5518–1, 5506–5, 5514–2 5464–4, 5514–6) received on June 7, 1996; to the Committee on Environment and Public Works.

EC–3007. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of six rules including a rule entitled ''Description of Areas for Air Quality Planning Purposes,'' (FRL5515–7, 5516–4, 5513–3, 5511–2, 5368–4, 5515–1) received on June 5, 1996; to the Committee on Environment and Public Works.

EC–3008. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of three rules including a rule entitled ''Accidental Release Prevention Requirements,'' (FRL5516–6, 5516–6, 5517–4) received on June 6, 1996; to the Committee on Environment and Public Works.

EC–3009. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, a draft of proposed legislation entitled ''The Water Resources Development Act of 1996''; to the Committee on Environment and Public Works.

EC–3010. A communication from the Board of Trustees of the Federal Hospital Insurance Trust Fund, transmitting, pursuant to law, the annual report for 1996; to the Committee on Finance.

EC–3011. A communication from the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, transmitting, pursuant to law, the annual report for 1996; to the Committee on Finance.

EC–3012. A communication from the Chief of the Regulations Branch of the U.S. Customs Service, Department of the Treasury, transmitting, pursuant to law, the rule entitled ''Determining the Country of Origin of a Good,'' (RIN1515–AB34) received on May 31, 1996; to the Committee on Finance.

EC–3013. A communication from the Chairman of the U.S. International Trade Commission, transmitting, pursuant to law, the report on trade between the U.S. and China, and the Successor States to the former Soviet Union for the period October 1, 1995 through December 31, 1995; to the Committee on Finance.

EC–3014. A communication from the Acting Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a final rule relative to passport information, received on June 6, 1996; to the Committee on Foreign Relations.

EC–3015. A communication from the Assistant General Counsel, U.S. Information Agency, transmitting, pursuant to law, a rule entitled ''The Exchange Visitor Program,'' received on June 12, 1996; to the Committee on Foreign Relations.

EC–3016. A communication from the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, the report entitled ''Quality of Research Under the DOD Small Business Innovation Research Program''; to the Committee on Small Business.

EC–3017. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation entitled ''The Developmental Disabilities Assistance Amendments of 1996''; to the Committee on Labor and Human Resources.

EC–3018. A communication from the Assistant General Counsel, Department of Education, transmitting, pursuant to law, a rule relative to the William D. Ford Federal Direct Loan Program, (RIN1840–AC18) received on June 6, 1996; to the Committee on Labor and Human Resources.

EC–3019. A communication from the Assistant Secretary of Labor for Employment and Training, transmitting, pursuant to law, the report of a rule entitled ''Unemployment Insurance Program Letter 23–96,'' received on June 3, 1996; to the Committee on Labor and Human Resources.

EC–3020. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Information Law; Miscellaneous,'' (RIN2900–AI23) received on June 6, 1996; to the Committee on Veterans' Affairs.

EC–3021. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Investigation Regulations,'' (RIN2900–AI25) received on June 6, 1996; to the Committee on Veterans' Affairs.

EC–3022. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Veterans Education: Course Measurement for Graduate Courses,'' (RIN2900–AH39) received on June 6, 1996; to the Committee on Veterans' Affairs.

EC–3023. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''National Service Life Insurance,'' (RIN2900–AH55) received on June 10, 1996; to the Committee on Veterans' Affairs.

EC–3024. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of five final rules entitled ''United States Government Life Insurance,'' (RIN2900–AH52, 2900–AH53, 2900–AH54, 2900–AI15, 2900–AI04) received on June 6, 1996; to the Committee on Veterans' Affairs.

EC–3025. A communication from the Director of the Office of Regulations Management, Office of the General Counsel, Department of Veterans Affairs, transmitting, pursuant to law, the report of a final rule entitled ''Autopsies,'' (RIN2900–AI07) received on June 6, 1996; to the Committee on Veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–580. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Appropriations.

''JOINT RESOLUTION NO. 1381

''Whereas, President Nixon stated, 'No qualified student who wants to go to college should be barred by lack of money. That has long been a great American goal.'; and

''Whereas, each subsequent President, including President Clinton, has reaffirmed this policy; and

''Whereas, a dollar invested in the federal educational grant programs will return $4.30 in additional tax revenue over a student's lifetime; and

''Whereas, full-time college students work an average of 25 hours a week to support themselves; and

''Whereas, college-aged youths from the highest income families are more than 3 times as likely to be enrolled in college as those from the lowest income families; and

''Whereas, under current Congressional proposals, 212,000 college students will lose state grants and an additional 150,000 needy students will lose student loans; and

''Whereas, Congress has proposed reducing student grants for college by eliminating Pell grants for 400,000 students; and

''Whereas, Congress has proposed to penalize colleges and universities for serving needy students by instituting a tax on schools equal to 2% of loan volume; and

''Whereas, educational programs that will receive no funding under the current congressional continuing resolution include: law-related education, cooperative education, Douglas Teacher scholarships, innovative community service projects, drop-out prevention demonstrations, state vocational education councils and art programs; Now, therefore, be it

''*Resolved*, That We, your Memorialists, respectfully recommend and urge the Congress of the United States to maintain aid for higher education; and be it further

''*Resolved*, That duly authenticated copies of this Memorial be submitted by the Secretary of State to the Honorable William J. Clinton, President of the United States, the President of the Senate, the Majority Leader of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each Member of the Maine Congressional Delegation.''

POM–581. A joint resolution adopted by the Legislature of the State of Tennessee; to the Committee on Appropriations.

''SENATE JOINT RESOLUTION NO. 323

''Whereas, the Center for Applied Science and Technology for Law Enforcement (CASTLE) successfully completed six months of pilot operation in September, 1995; and

''Whereas, the laudable mission of the CASTLE program is to understand and solve critical needs of the United States law enforcement and corrections community through the application of unique or specialized technology; and

''Whereas, the CASTLE program is committed to serving law enforcement and corrections in a fourteen (14) state Southeastern region, and transferring its lessons-learned, methodologies and technologies nationally; and

''Whereas, serving as a partnership of key Southeastern law enforcement professionals, universities, private sector companies and the Oak Ridge scientific complex, CASTLE has demonstrated its ability to identify the real needs of grass roots law enforcement, develop new forensic capabilities, apply advanced technology to crime fighting and improve police officer safety; and

''Whereas, CASTLE has the potential to be a significant contributor to national security; and

''Whereas, CASTLE is proactive, innovative and tireless in its service to national security through technology for better, safer and less costly law enforcement; and

''Whereas, to date, the CASTLE program has provided invaluable technical and research services to numerous Tennessee state and local law enforcement agencies that have sought access to specialized technology beyond their scope and means via CASTLE's expert assistance; and

''Whereas, the excellent support provided by CASTLE in these instances has been instrumental in solving several murder cases and other sensitive, high profile cases; and

''Whereas, the centerpiece of the next phase of CASTLE, as identified in its Strategic Plan, will be the establishment of Oak Ridge National Laboratory (ORNL) as the lead laboratory for a National Institute of Justice (NIJ) sponsored virtual National Forensic Center; and

''Whereas, if adequately funded by the federal government, CASTLE will be a leader in solving critical needs of grass roots law enforcement through innovative management and selective application of advanced technology; and

''Whereas, the recent budget impasse in Washington, D.C. has threatened the continuation of adequate federal funding for the next phase of the CASTLE program; and

''Whereas, it would indeed be devastating to the public safety and welfare if the unique, advanced technology, innovative methodologies and tireless professionalism of the CASTLE program were to be sacrificed in the interests of less worthy components of the federal budget; Now, therefore, be it

''*Resolved*, by the Senate of the Ninety-Ninth General Assembly of the State of Tennessee, the House of Representatives concurring, That this General Assembly hereby memorializes the President of the United States, the U.S. Congress and the U.S. Department of Justice to secure adequate federal funding for the implementation of the next phase of The Center for Applied Sciences and Technology for Law Enforcement (CASTLE) as identified in its Strategic Plan dated October, 1995, and to maintain adequate funding for the CASTLE program at its present level of operation; be it

''*Resolved*, That the Chief Clerk of the Senate is directed to transmit a certified copy of this resolution to the Honorable Bill Clinton, President of the United States; the Honorable Janet Reno, Esquire, U.S. Attorney General; the Speaker and the Clerk of the U.S. House of Representatives; the President and the Secretary of the U.S. Senate; and to each member of Tennessee's congressional delegation.''

POM–582. A joint resolution adopted by the Legislature of the State of Tennessee; to the Committee on Appropriations.

''HOUSE JOINT RESOLUTION NO. 525

''Whereas, the operations of predecessor federal agencies and the past and current operations of the U.S. Department of Energy now require the control and abatement of legacy environmental hazards and also require ongoing waste management activities which, together, involve more than 130 sites and facilities in over 30 states and territories; and

''Whereas, the research and production missions of predecessor agencies and of the U.S. Department of Energy have been essential to the national defense; to development of safe, economical and reliable energy sources; and to many fields of scientific research which have enriched our nation; and

''Whereas, since 1942, the Oak Ridge Reservation in Anderson County, Tennessee, and in Roane County, Tennessee, has hosted missions and programs contributing to national security, national energy supply, national environmental enhancement, and national economic competitiveness; and

''Whereas, the Oak Ridge National Laboratory is a national asset with world-class recognition and capabilities in energy, environmental materials, computer science, research and development that contributes to Tennessee's and the nation's economic competitiveness; and

''Whereas, the Environmental Management Program of the U.S. Department of Energy is responsible for control and abatement of environmental problems on the Oak Ridge Reservation; and

''Whereas, the Environmental Management Program of the U.S. Department of Energy is

further responsible for essential support of ongoing national security and national scientific research missions on the Oak Ridge Reservation through provision of waste management services and through technology development activities; and

''Whereas, appropriations for the defense environmental management, non-defense environmental management, and uranium decontamination and decommissioning funds for the Oak Ridge Reservation Environmental Management Programs have been reduced significantly for federal fiscal year 1996; and

''Whereas, the Oak Ridge community and the East Tennessee region now host a world-class community of over 100 environmental management and service companies which are demonstrating that environmental problems and ongoing waste management activities can be accomplished with greater efficiencies and effectiveness within the constraints of reduced budgets; and

''Whereas, the need to address environmental management challenges exists on the Oak Ridge Reservation and the talent and technological capability to address such challenges reside in the surrounding region; Now, therefore, be it

''*Resolved*, by the House of Representatives of the Ninety-Ninth General Assembly of the State of Tennessee, the Senate Concurring, That the General Assembly finds that stable and adequate funding of the DOE Environmental Management Program for the Oak Ridge Reservation is essential to the health, safety and general welfare of the citizens of Tennessee and essential to the protection of the environmental quality of the State of Tennessee; be it further

''*Resolved*, That the General Assembly memorializes the committees of the United States Congress with jurisdiction for both program authorization and for appropriation of funds to the DOE Environmental Management Program to provide authorities and funding to this program for federal fiscal year 1997 sufficient to assure Tennessee citizens that:

''(1) Oak Ridge Reservation contaminants are controlled to prevent situations where it would cost more at a later date to control the spread of contamination;

''(2) workers on the Oak Ridge Reservation are not exposed to undue risks;

''(3) wastes that are produced in the ongoing defense and scientific research missions on the reservation are characterized and managed in such a way as to prevent a future environmental liability;

''(4) wastes receive appropriate treatment and are moved on to final disposal, thus avoiding the continuing costs of interim storage where disposal capacity is now available;

''(5) nuclear materials and facilities stabilization and decontamination and decommissioning of facilities are accomplished expeditiously by funding such projects now to reduce the overall life-cycle costs to taxpayers and to allow industry to take advantage of the infrastructure, technology, and capable work force;

''(6) U.S. Department of Energy programs are able to comply with state and federal law to the same extent that private business and industry are required to comply with state and federal law;

''(7) local governments and area citizens are fully involved in shaping the environmental management programs which will determine future uses and the environmental conditions appropriate for such future uses of the Oak Ridge Reservation; and

''(8) existing agreements made in good faith and in the spirit of cooperation and progress by the State of Tennessee with the U.S. Department of Energy are honored to the fullest extent applicable by law; be it further

''*Resolved*, That enrolled copies of this resolution be transmitted to the respective chairs of the Energy and Water Development Appropriation Subcommittees of the U.S. House of Representatives and the U.S. Senate; the Speaker and the Clerk of the U.S. House of Representatives; the President and the Secretary of the U.S. Senate; and each member of Tennessee's Congressional delegation.''

POM–583. A joint resolution adopted by the Legislature of the State of Utah to the Committee on Appropriations.

''HOUSE JOINT RESOLUTION NO. 1

''Whereas the constitutional role of the United States military is to protect the life, liberty, and property of United States citizens and to defend our nation against insurrection or foreign invasions;

''Whereas the United States is an independent sovereign nation and not a tributary of the United Nations;

''Whereas there is no popular support for the establishment of a world sovereignty of any kind either under the United Nations or under any world body in any form of global government; and

''Whereas global government could lead to the destruction of our United States Constitution and corruption of the spirit of the Declaration of Independence, our freedom, and our way of life: Now, therefore, be it

''*Resolved* That the Legislature of the state of Utah urge the United States Congress to cease the appropriation of United States funds for any military activity not authorized by the Constitution, to cease engagement in any military activity under the authority of the United Nations or any world body, and to cease any support for the establishment of any form of global government; be it further

''*Resolved*, That the Legislature urge the United States Congress to refrain from taking any further steps toward the economic or political merger of the United States into a world body or any form of world government; be it further

''*Resolved*, that copies of this resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and Utah's congressional delegation.''

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. INOUYE (for himself and Mr. AKAKA):

S. 1864. A bill to transfer jurisdiction over certain parcels of Federal real property located in the District of Columbia, and for other purposes; to the Committee on Energy and Natural Resources.

By Mrs. FEINSTEIN:

S. 1865. A bill to direct the Administrator of the Federal Aviation Administration to issue regulations relating to recirculation of fresh air in commercial aircraft, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HOLLINGS:

S. 1866. A bill to amend title 18, United States Code, to clarify Federal jurisdiction over offenses relating to damage to religious property; to the Committee on the Judiciary.

By Mr. BIDEN (for himself and Mr. SPECTER):

S. 1867. A bill to restore the American family, enhance support and work opportunities for families with children, reduce out-of-wedlock pregnancies, reduce welfare dependence, and control welfare spending; to the Committee on Finance.

By Mr. BREAUX:

S. 1868. A bill to amend the Deepwater Port Act of 1974 to promote the use of deepwater ports to transport Outer Continental Shelf oil by reducing unnecessary and duplicative regulatory requirements, 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. BINGAMAN (for himself, Mr. LEAHY, Mr. DOMENICI, Mr. DASCHLE, and Mr. PRESSLER):

S. Res. 259. A resolution to express the sense of the Senate that the Secretary of Agriculture should use the disaster reserve established under section 813 of the Agricultural Act of 1970 to alleviate distress to all livestock producers who have suffered feed losses due to drought, flooding, or other natural disasters in 1996 in the most cost efficient manner practicable, including cash payments from the sale of commodities in the disaster reserve, and should provide voluntary conservation assistance to persons who hay or graze on conservation reserve lands, and for other purposes; considered and agreed to.

By Mr. DOMENICI (for himself, Mr. BINGAMAN, Mr. GRAMM, Mrs. HUTCHISON, and Mr. PRESSLER):

S. Res. 260. A resolution to express the sense of the Senate that livestock producers who are not eligible for emergency livestock feed assistance in the 1996 crop year, and who have suffered feed losses due to drought, flooding, or other natural disasters in 1996, should receive special consideration for assistance from commodities or the sale or commodities currently available in the disaster reserve established under section 813 of the Agricultural Act of 1970, and for other purposes; considered and agreed to.

By Mr. GRAMM (for himself, Mrs. HUTCHISON, Mr. DOMENICI, and Mr. PRESSLER):

S. Res. 261. A resolution to express the sense of the Senate that the Secretary of Agriculture should allow livestock feed assistance in the 1995 crop year to be eligible for emergency livestock feed assistance in the 1996 crop year, and for other purposes; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 1864. A bill to transfer jurisdiction over certain parcels of Federal real property located in the District of Columbia, and for other purposes; to the Committee on Energy and Natural Resources.

FEDERAL REAL PROPERTY TRANSFER LEGISLATION

• Mr. INOUYE. Mr. President, I introduce a bill to transfer jurisdiction over a parcel of land from the Architect of the Capitol to the Department of the Interior. This no-cost transfer would allow this parcel to be used to establish

a memorial to Japanese-American patriotism in World War II, since monuments cannot be built on the Capitol Grounds. I am pleased to note that this transfer has the support of the National Park Service, the Bureau of Land Management, and the Architect of the Capitol.

This memorial, authorized in 1992 by Public Law 102–502 to honor the patriotism of Americans of Japanese ancestry during World War II, must begin construction by October 24, 1999. It is essential that the land exchange take place as soon as possible in order to begin the formal approval processes for the memorial's design.

I hope that my colleagues will join me in supporting this measure's expedient passage.●

By Mrs. FEINSTEIN:

S. 1865. A bill to direct the Administrator of the Federal Aviation Administration to issue regulations relating to recirculation of fresh air in commercial aircraft, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE AVIATION CLEAN AIR ACT OF 1996

Mrs. FEINSTEIN. Mr. President, I rise to introduce legislation having to do with the quality of air in passenger cabins of commercial aircraft.

I want to begin for a moment by telling you how I got into this. Three years ago, obviously coming to the Senate, I began a whole series of flights from San Francisco and from Los Angeles to Washington, and I noticed something. I noticed when I rode a 747 I did not get a headache and the circulation in my hand did not cease. When I rode a 757 or a 767, I began to get rather severe headaches. If I fell asleep, the circulation in my hand ceased. This, then, promptly woke me up.

I began to look into it. What did I find? I looked at Federal clean air standards for enclosed spaces. I found that the Federal standard for fresh air in prison cells is 20 cubic feet per person per minute. The fresh air standard for an office building, for a theater lobby, for a restaurant, is the same. Then I found there were no fresh air standards for commercial aircraft.

So I asked, what are the existing levels? Let me tell you what I found. The average amount of fresh air circulation in a 757 is 9 cubic feet per person. The average amount of fresh air in a 767 is 9.1 cubic feet per person per minute. The new 737's, provide an average of 9.6 cubic feet per person per minute. Now, what is the significance? The significance is that it is less than one-half the fresh air that is required in a prison cell, an office or a restaurant. And then I began to ask flight attendants about the problems. What I learned is that stories documented of sore throats and headaches, of difficulty of breathing, of poor circulation in the body and swollen legs, of colds, flus, and airborne diseases, such as flu and tuberculosis are now beginning to spiral throughout the 1.4 million passengers per day that ride commercial airlines.

Well, today I want to introduce in the Senate an idea whose time has come, and that is an aviation clean air act. This is also being introduced in the House of Representatives at the same time. Essentially, what this bill would require is that commercial airlines provide ventilation systems that provide 20 cubic feet of fresh air per person per minute in the cabin. This is equal to what is provided today by older aircraft, namely, the 747. Many of the larger commercial aircraft, such as the 737's, 757's, or 767's, as I said, provide less than one-half of what is provided by a 747.

Second, the bill would ensure that air filters used in airplane cabin air recirculation systems are monitored and changed regularly.

Third, it would require that airlines monitor humidity and ozone levels.

Fourth, it would require the FAA to create a ''1–800'' number to receive reports of illnesses relating to air travel.

I also want to introduce into the RECORD directly following my statement a statement of Patricia Friend, the international president of the Association of Flight Attendants; a statement of Andrew Parramore, a flight attendant; a statement of Joe Johnson, a member of the Association of Flight Attendants, and Janie Johnson, a member of the Association of Flight Attendants.

I ask unanimous consent that they be printed in the RECORD.

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

STATEMENT OF PATRICIA FRIEND AT AN AVIATION CLEAN AIR ACT PRESS CONFERENCE

On behalf of the 40,000 members of the Association of Flight Attendants, I would like to thank Senator Dianne Feinstein and Representative Jerrold Nadler for today introducing legislation that will significantly air quality in the airplane cabin.

This legislation seeks to establish a minimum ventilation standard of 20 cubic feet of fresh air per minute per person in the cabin. In addition to the ventilation standard, the proposed legislation would also require the monitoring of air filters, ozone and humidity. The Aviation Clean Air Act of 1996 seeks to establish a toll-free telephone number at the FAA for individuals to report cabin air quality incidents. These are critical elements to achieving a healthy workplace for flight attendants.

While frequent fliers often complain of headaches, nausea, dizziness, consistently coming down with upper respiratory viral infections after flying, and in some cases, passing out during flight and having oxygen administered by the flight attendants, the flight attendants themselves are at even greater risk from poor cabin air quality.

Flight attendants are inflight safety professionals. In the daily performance of our duties, we inhale a greater amount of air, increasing our exposure to viruses and bacteria, fumes from chemical solvents, and carbon monoxide from incomplete combustion of fuel. Flight attendants who routinely work in cabins with poor air quality complain of respiratory problems and other health difficulties such as dizziness, severe headaches, loss of balance and numbness in the hands.

Our position on increased fresh air in the cabin is supported by the FAA's recently introduced final rule. The FAA determined that health and safety considerations justify these standards, stating that cabin crew members must be able to perform their duties without undue discomfort or fatigue.

Regrettably, their rule did not address air quality in aircraft currently being operated but applies only to future generation aircraft. After 7 years of pending rule-making, the FAA's final rule is still unsatisfactory offering too little, too late.

Recall the USAir Flight 1016 accident on a DC9–31 (with 100% fresh air), in which the flight attendants helped passengers to escape from the aircraft. One of them, Rich DeMary, repeatedly risked his life to single-handedly save four persons from the burning wreckage. Imagine what might have happened had these flight attendants been suffering loss of balance, headaches, or numbness in their hands. Whether it is reacting to severe turbulence, safely evacuating passengers during an emergency or responding to an onboard fire, flight attendants must be ready to respond at a moment's notice.

AFA strongly supports the legislation to establish a minimum standard of 20 cubic feet of fresh air per minute per person in the cabin. Both Senator Feinstein and Representative Nadler deserve the thanks of all flight attendants and passengers, whose health and safety will benefit from this legislation.

STATEMENT OF ANDREW PARRAMORE

On April 25, 1994, on an aircraft with recirculated air, scheduled to fly from Los Angeles to the East coast, with 103 passengers and 7 flight attendants aboard, developed severe air cabin quality problems. The result was an eventual unscheduled landing in Chicago, where passengers and crew were met by paramedics, and one flight attendant was hospitalized with abnormally high carbon monoxide levels. Four others went en route sick list, experiencing headache, disorientation, motor skill impairment and respiratory difficulties, symptoms, I was told by a physician, which are consistent with prolonged exposure to carbon monoxide poisoning and resultant oxygen deprivation.

Immediately upon takeoff the coach cabin filled with dense white smoke, the flight attendants experienced eye irritation, smells described as overheating metal and/or electrical fire, and a bitter metallic taste. The cockpit was notified, the cabin was searched for source of possible fire, and the problem attributed to a deferred, inoperative air pack which had been activated. Crewmembers noted an unusually high percentage of coach passengers in a deep, heavy sleep; the few conscious complained of dizziness, fatigue, headache, nausea, and complained of the cabin air. Flight attendants were unable to complete the beverage service without rotating to the cockpit for supplementary oxygen.

At this point, one of the flight attendants described what happened:

''I tried to finish setting up two liquor carts. I had to leave at least twice and go to the forward galley to warm up and clear my head, but eventually I went to the cockpit for oxygen as well. When I was in the cockpit, I again told the pilots we were feeling ill and several passengers had complained. [The pilots] hypothesized what the problem could be but I definitely got the impression that they thought this was a cosmetic problem (bad smell in the cabin) and our illness was all in our heads. They asked why the first class flight attendants were not feeling ill. I said the smoke and fumes were primarily in the main cabin and not first class.''

I then came into the cockpit to take oxygen.

Our symptoms worsened, and individual oxygen bottles were soon retrieved. The flight attendant crew experienced increasing loss of motor skills and mental alertness, loss of ability to judge time passage and elementary computations, disorientation, headache, extreme fatigue. The lunch service was canceled, passengers awakened with great difficulty and relocated from coach to business class [which is designed to provide a somewhat increased level of fresh air per person] where effects seemed less severe. The flight attendants responsible for the coach section of the aircraft spent the last two hours of the flight seated, breathing from oxygen bottles. Individual flight attendants intermittently lost consciousness. Passengers were either completely ''out'', often with flushed faces, or in an apathetic, non communicative ''daze''. The airline safety official's ''best guess'' is that the malfunctioning air pack combusted superheated synthetic oil, flooding the coach cabin with resulting fumes and particulate irritants and as a byproduct created poisonous carbon monoxide.

STATEMENT OF JOE JOHNSON

I have been a flight attendant for about 16 years and traveling by air for much longer than that. With the relatively recent introduction of aircraft with recycled air systems, I have experienced a reduction of air quality on board. I have experienced fatigue, difficulty in breathing, lightheadedness, and headaches on some flights. Passengers often complain to me of the same. The first thought is that this could be due to smoking on board flights. However, since most flights have been nonsmoking for some time, I believe this is just a contributing factor.

There is a marked difference in air quality when flying older aircraft such as the 747–100 series, any 727 or 737–200 series. I am told by experts in the field this is due to 100 percent fresh air exchange on the older airplanes. On some newer generation airplanes, we frequently ask the pilots to turn off the recirculation fans, which I understand, allows more fresh air into the cabin. This procedure, I am told by our engineers, theoretically uses more fuel, however, it does improve air quality. You can surmise in an era of cost control that this practice is not popular among airline management's.

Another area that contributes to poor air quality is the lack of adequate maintenance of the filtration systems. I have witnessed filters that are so black and clogged I don't know how any air could have passed through. On a recent flight from Los Angeles to Washington, a frequent flying passenger repeatedly asked me to ask the pilots to improve the air quality and air flow. He proclaimed to all who were around that, ''I travel all the time and we are all going to have black lungs from the air on board airplanes. These new planes are terrible.'' I repeatedly relayed his requests to the cockpit.

Due to design, it would appear, air quality continues to deteriorate. This is a real problem for flights attendants as well as the traveling public.

STATEMENT OF JANIE JOHNSON

As a veteran flight attendant for 23 years, I believe the air quality continues to deteriorate. A great number of flight attendants experience headaches, have difficulty breathing, suffer from upper respiratory problems and are fatigued.

On August 24, 1994, I worked a flight from Washington, DC to Anchorage International via Denver's Stapleton airport. It was an aircraft with recirculating cabin air and was a non-smoking flight. The air was stuffy. Many passengers requested aspirin and I myself had a terrible headache, with sharp pains between my eyes. I also had a difficult time breathing. It was as if someone was standing on my chest.

We reported this to the pilots and they turned off a recirculation fan to see if it would help and it did. Within approximately 20 minutes I found it much easier to breath and my headache was gone.

Upon our return flight from Anchorage to Dulles, via Denver on a different aircraft of the same type, we experienced the same symptoms and again the pilots turned off one of the recirculation fans. The results were the same. We did notice that the ceiling vents in both galleys were obstructed by lint. We logged the problems with the air quality and upon our arrival into Denver, mechanics removed the covers and cleaned the filters. They were almost totally blanketed with what appeared to be lint, and other debris.

I am not a doctor nor a mechanic but just a flight attendant that makes a living of working on board airplanes. Lack of good air quality is negatively impacting not only my health but the health of my flying partners and passengers who travel on board our airplanes every day. During a conference call regarding air quality on one of the new generation of aircraft with recirculated air, the maintenance engineer commented, ''when I went to training for this system, I was told it was a flying cold.''

Numerous incidents of poor air quality have been filed by flight attendants, yet, over the years, conditions continue to worsen. It would appear for the sake of some fuel savings, air quality and our health and safety continue to suffer.

By Mr. HOLLINGS:

S. 1866. A bill to amend title 18, United States Code, to clarify Federal jurisdiction over offenses relating to damage to religious property.

THE CHURCH ARSON PREVENTION ACT OF 1996

Mr. HOLLINGS. Mr. President, I rise today to introduce a bill aimed at providing a mechanism for Federal law enforcement to combat the most recent scourge to sweep across the Southeast. I am talking about the burnings of black churches that have been making such dramatic headlines lately. The burning of houses of worship have been taking place for the past 5 or 6 years, but this particular outbreak of fires has all the characteristics of an epidemic. Not since the sixties have I been witness to such blatant intolerance and hatred, such utterly despicable acts of American citizens against their fellow Americans as has I have seen over these past few weeks. I turn on the news and see a burning church, a haunting image with horrific symbolic and practical implications, and I say this must stop. Not just this specific rash of crime, but the whole trend toward violence and intolerance in our society. We as Americans have fought too hard to let racial or religious intolerance once again pollute our democracy.

This morning I accompanied President Clinton as he traveled to South Carolina. I welcome his strong presence in the midst of this unsettling trend, and moreover I welcome the message he brought to my home State. This country is stronger than the forces of hatred that would divide us. We will rebuild, and we will punish those responsible for these episodes of destruction.

To fight against the forces of divisiveness, we must pull together as a community. In the South, that means rebuilding, it means congregations of churches all over America picking a Sunday and dedicating their collections to rebuild these burned churches. Here in the Government, in means using every means within our power to make sure that this never happens again.

As of this moment, we don't have legislation that adequately addresses this brand of criminal behavior. The investigations by Federal authorities, and their ability to prosecute these cases have been limited by the current law. The bill I propose will remove the impediments to bringing Federal cases, and give the Attorney General an effective, and necessary weapon with which to combat these crimes. Section 247 of title 18, United States Code, makes it a crime to damage religious property or to obstruct persons in the free exercise of religious beliefs. I propose to amend this by requiring only that the offense ''is in or affects interstate or foreign commerce.'' Congress will be effectively granting jurisdiction over all conduct which may be reached under the interstate commerce clause of the constitution.

Additionally, the bill eliminates the $10,000 threshold for fire damages to grant Federal jurisdiction in cases where there is only minimal damage. This way, desecration or defacement of houses of worship can be prosecuted under 18 U.S.C. 247.

I urge the Senate to act quickly and adopt this provision. As I understand a similar measure is making its way through the House, the Senate should also act in an expeditious manner to ensure the Federal Government has the necessary authority to combat this tragic epidemic.

More importantly, this country must come together, leave racial intolerance behind, and insure that we end this type of bigotry.

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

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

S. 1866

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 ''Church Arson Prevention Act of 1996''.

SEC. 2. DAMAGE TO RELIGIOUS PROPERTY.

Section 247 of title 18, United States Code, is amended—

(1) so that subsection (b) reads as follows: ''(b) The circumstances referred to in subsection (a) are that the offense is in or affects interstate or foreign commerce.''; and

(2) in subsection (a)(1), by inserting '', racial, or ethnic'' before ''character''.

By Mr. BIDEN (for himself and Mr. SPECTER):

S. 1867. A bill to restore the American family, enhance support and work opportunities for families with children, reduce out-of-wedlock pregnancies, reduce welfare dependence, and control welfare spending; to the Committee on Finance.

THE BIPARTISAN WELFARE REFORM ACT OF 1996

Mr. BIDEN. Mr. President, since 1987, when I first proposed an overhaul of the welfare system, I have argued that welfare recipients should be required to work. Nine years later, America is still in need of fundamental welfare reform.

So, today, Mr. President, Senator SPECTER and I are introducing the Bipartisan Welfare Reform Act of 1996—the Senate companion to legislation introduced in April by Representatives MIKE CASTLE and JOHN TANNER and 30 moderate House Members from both parties.

Let me briefly review how we got to this point and why we are taking this action.

Last September, the Senate passed a bipartisan welfare reform bill by an overwhelming vote of 87–12. I voted for that bill, and President Clinton said he could sign it.

Since then, however, polarizing partisanship and Presidential politics have permeated this issue. And, the result has been paralysis. Nothing has been accomplished.

In an attempt to break the gridlock, last February, the Nation's Governors—led by my Governor, Tom Carper—proposed a bipartisan welfare reform bill. In April, Representatives CASTLE and TANNER and a group of other moderates wrote what I believe is a first-rate bipartisan welfare reform plan.

No such bipartisan plan to date has been introduced in the Senate. And, as this issue will be back before us again soon, Senator SPECTER and I decided that now is the time—and the Castle-Tanner proposal is the bill to move us forward.

What this bill proposes, in and of itself, is not new. What is new is that it is being proposed all together in a bipartisan fashion.

For that, Representative CASTLE and Senator SPECTER deserve great applause. They are reaching across the aisle to do what the American people sent us to Congress to do—work together to solve the problems facing this country. And, again, I think the bill we are introducing today is a first-rate bill.

To highlight the basic principles: there would be a 5-year time limit on receiving welfare benefits. After 2 years, welfare recipients would be required to work—at least 25 hours per week. And, child care would be available, so that children are not left home alone while their mothers are working.

The bill would make getting tough on the deadbeat dads who do not pay child support as high a priority as getting tough on the welfare moms. And, the bill takes steps to crack down on welfare—particularly food stamp—fraud.

This will all sound familiar to those who have followed this debate. And, as I said a moment ago, it is. For the principles have never been in doubt—almost everyone agrees on them.

You see, what has been lost in the shuffle and shouting of the last 10 months is that there is a great deal of common ground on welfare reform. So much so, that if you leave behind the politics and the partisanship, a tough, bipartisan welfare reform bill is easily within reach.

I think this is that bill. But, if not, it is awfully darn close. Let me just mention a couple of examples of bipartisan compromise.

For Republicans, the bill converts aid to families with dependent children—AFDC— to a block grant to the States. For Democrats, it more adequately invests in child care.

For Republicans, the bill freezes funding for cash welfare payments. For Democrats, it provides additional help to those States faced with economic downturns.

For Republicans, the bill imposes a family cap. For Democrats, it gives States flexibility to opt out.

Is this bill exactly how I would have written a bill on my own in the solitude of my office? The answer is no. But, if we are going to move forward, we must stop insisting that there be a perfect bill or no bill at all.

It is time to say that we do not care who gets credit for reforming welfare. It is time to just do it—in a bipartisan fashion—for the sake of the American people and for the sake of the people on welfare.

I urge my colleagues to cosponsor the Biden-Specter Bipartisan Welfare Reform Act, and I ask unanimous consent that a summary of the bill prepared by Representative TANNER be included in the RECORD.

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

HIGHLIGHTS OF THE BIPARTISAN WELFARE REFORM ACT OF 1996

TITLE I—BLOCK GRANT FOR TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

Basic grant. Consolidates funding for AFDC, JOBS and Emergency Assistance (EA) into a $16.35 annual billion block grant to states beginning in FY 1997 called the Temporary Assistance for Needy Families (TANF) block grant.

Supplemental grant fund of $800 million for FY 1997–FY 2000 for states with high population growth and/or low grant amounts per poor person.

Contingency Fund for State Welfare Programs. Establishes a contingency fund for states of $2 billion in matching funds over five years (FY 1997–2001) for states that experience high unemployment or an increase in the food stamp caseload. States must also meet a 100% maintenance of effort requirement in the year they use the contingency fund. Funds are provided at the end and cannot exceed 20% of a state's annual TANF grant in a fiscal year.

State plan. States would be required to submit a state plan for approval in order to receive federal funds. The Secretary must approve any plan which meets the following basic requirements:

Work Requirements. Require all able-bodied recipients to engage in work activities within two years of receiving assistance.

Fair and equitable treatment. Set forth objective criteria for the delivery of benefits and the determination of eligibility and fair and equitable treatment, treat families with similar needs and circumstances similarly and provide opportunities for recipients who have been adversely affected to be heard in a state administrative or appeal process.

Out of wedlock pregnancies. Establish goals and take actions to reduce the incidence of out of wedlock pregnancies, with special emphasis on teenagers.

Other programs. Have in place a child support enforcement and child protection programs.

Local Control. Certify that 1) local governments and private sector organizations are included in all phases of developing the plan; 2) local officials who are responsible for administration of services are able to plan, design and administer programs in their jurisdiction; and 3) there are no unfunded mandates on local governments.

Non-displacement. Certify that the state program will not result in the displacement of any current employees or replacement of an employee who was terminated with individuals receiving assistance under the state plan.

Maintenance of effort. 85% maintenance of effort requirement through FY 2001 based on a state's FY 1994 spending on AFDC, JOBS, and AFDC-related child care and EA. State spending on programs that were not part of the state's AFDC program would not be counted in meeting the maintenance of effort. The Secretary may reduce the maintenance of effort requirement by up to 5% (down to 80%) for states that have high performance in placing individuals in private sector employment and increase the states maintenance of effort by up to 5% (up to 90%) if the state fails to meet the work participation rates.

Transferability. States may transfer up to 20% of the federal TANF grant to the Child care and Development Block grant.

Time limits on benefits:

Five year federal limit. A state may not provide cash assistance to a family that includes and adult who has received any assistance under the TANF grant for 60 months.

State option for time limits. States have the option of terminating benefits to a family that includes an adult who has received assistance for 24 months.

Exemption to time limits. States may grant exemptions to up to 20% of the caseload for either reason of hardship or if the individual has been battered or subject to extreme cruelty.

Vouchers. States have the option of providing assistance in the form of vouchers for the needs of the child (diapers, etc.) for families who lose benefits as a result of the federal five year time limit. States must provide vouchers to families who lose assistance as a result of a state time limit of less than five years.

Work requirements. States must require a parent or caretaker receiving assistance under the program to engage in work after receiving assistance for 24 months:

Individual Responsibility Contract. Require welfare recipients sign an individual responsibility contract developed by the state upon becoming eligible for cash assistance. The individual responsibility contract would outline what actions the individual would take to move to private sector employment. The contract will also outline what services the state will provide to the individual.

Eligible work activities. Unsubsidized employment; subsidized private and public sector employment; work experience, on-the-job

training; job search and job readiness (limited to 12 weeks in a year); community service; vocational educational training (not to exceed 12 months for any individual). Education and job skills training will not count toward meeting the first 20 hours of participation (unless in the case of education, the parent is a teen). Individuals who have welfare for private sector employment (''leavers'') would be considered as engaged in work activities for purposes of calculating participation rates for six months provided that they remain employed.

Required hours. The minimum average number of hours per week for all recipients in 20 hours for FY 1996, FY 1997, and FT 1998; and 25 hours in FY 1999 and thereafter.

Participation rates. States must meet the following participation rates for single parent families: 1996–15%, 1997–20%, 1998–25%, 1999–30, 2000–35%, 2001–40%, 2002 and thereafter-50%. The rates for two-parent families are: 1996–50%, 1997–75%, 1998–75%, 1999 and thereafter-90%.

Pro rata reduction in participation rate. States will receive pro rata reduction in the participation rate requirement if the number of families receiving assistance under the State program is less than the number of families that received the AFDC in FY 1995.

Work Funding. Provides $3 billion in supplemental funds for the operation of work programs that states can draw down beginning in 1999 if the state is maintaining 100% of 1994 state spending on AFDC work programs and demonstrates that it needs additional funds to meet the work requirements or certifies that it intends to exceed the work requirements. The state must match the additional federal funds for work programs at FMAP.

Other Provisions:

Minor mothers. Teen parents under age 18 must attend school and live at home or with a responsible adult. States have the option of denying aid to unmarried teen mothers and their children.

Family cap. States have the option of denying cash assistance to additional children born or conceived while the parent is on welfare.

Bonuses for reducing out-of-wedlock births. Includes bonuses to states that reduce out-of-wedlock births without increasing abortions.

TITLE II—SSI REFORM

SSI Benefits for children. Reform the SSI program to address the so-called ''crazy check'' problem in the child SSI program by eliminating the current Individualized Functional equivalency standards, maladaptive behavior and psychoactive substance dependence disorder. The Social Security Administration would be required to revise functional equivalency standard within the medical listings. All children who are currently on the rolls as a result of the IFA process would be reevaluated under the new criteria established in Section 9601. Parents would be required to demonstrate that funds received from SSI were used to assist the disabled child during the review. The provisions would be effective on October 1, 1996.

Deeming of parents income for children. Increase the portion of the income of a child's parents that is ''deemed'' in determining the eligibility of that child for SSI for families with incomes above 150% of poverty.

Disability Review for SSI recipients who are 18 years of age. Requires children who received SSI benefits to undergo a disability review before being placed on the adult rolls at age 18.

SSI benefits for individuals convicted of fraud. Denies benefits for ten years to an individual who is found to have fraudulently misrepresenting residence in order to receive AFDC, TEA, Food Stamps or SSI benefits simultaneously in two or more states.

SSI benefits for fugitive felons and probation and parole violators. Denies SSI benefits to individuals in any month in which the individual is fleeing prosecution or imprisonment. Authorizes SSA to provide information regarding SSI beneficiaries if requested by law enforcement officers for recipients who are fleeing prosecution or imprisonment.

SSI Continuing Disability Reviews. Requires Social Security Administration to schedule continuing disability reviews (CDRs) for all current and future adult SSI recipients to ensure that they are still eligible. The CDRs would be scheduled on a staggered schedule with reviews every three years for covered individuals. Individuals who have disabilities which are not expected to improve or who are more than 65 years old would be exempt.

TITLE III—CHILD SUPPORT

Distribution. Post-welfare arrearages must be paid to the family first beginning October 1, 1997. Pre-welfare arrearages will also be paid to the family first but the effective date for this provision will be October 1, 2000. If pre-welfare arrearages paid to the family exceed state savings from the elimination of the $50 disregard and other methods of improving collections in the bill, the federal government will pay the difference to the state.

Incentive adjustments. The Secretary will develop a new performance-based incentive system to be effective October 1, 1997.

System automation. Extends the 90% enhanced match for state implementation of the data systems requirement that were created by the Family Support Act until October 1, 1997. States must have submitted their advance planning document by September 30, 1995. Increases in the funding available for new systems requirements to $400 million from the $260 million, originally included in both bills. Provides an enhanced match of 80% for new requirements.

Paternity establishment rate. Increases the paternity establishment rate from 75% to 90%. States failing to reach it or make adequate progress will have their TANF grant reduced. Paternity establishment ratio is amended to be based on all children born out-of-wedlock, not just to those receiving AFDC or child support services.

New requirements. States must establish an automated central registry of IV–D case records and support orders and an automated directory of new hires; operate a centralized unit to collect and disburse all child support orders (not just IV–D cases); and meet expanded requirements around enforcement and paternity establishment.

Licenses. Requires states to have laws suspending drivers, professional, occupation and recreational license for overdue child support.

TITLE IV—IMMIGRATION.

Food stamp and SSI bar. Current and future immigrants are barred from food stamps and SSI until attaining citizenship with the following exceptions:

(1) Children are exempted from the food stamp ban;

(2) Disabled children;

(3) Victims of domestic abuse;

(4) Refugees in their five years in the U.S.;

(5) Veterans and active duty service members and their spouses and dependents;

(6) Individuals who have worked and paid FICA taxes for 60 months.

5-year ban. New entrants are denied all other federally means-tested benefits for five years after arrival in the U.S. with same exemptions as above. Programs not included in the bar include Medicaid emergency medical services, child nutrition, immunization programs, foster care and adoption assistance, higher education loans and grants and Chapter 1.

Deeming until citizenship required for Medicaid (same exemptions as above) for all immigrants until citizenship.

State options. New immigrants would be barred for five years from Medicaid, Title XX and the TANF block grant. States have the option to deny or restrict benefits under these programs for current immigrants and new immigrants (after their first five years). State authority to limit eligibility of immigrants for state and local means-tested programs. Non-profit organizations and community organizations designated by the state attorney general would be exempted from enforcing this ban.

Affidavits of support. Sponsors' affidavits of support are binding and enforceable against the sponsors until the immigrant attains citizenship.

TITLE V.—REDUCTIONS IN FEDERAL GOVERNMENT POSITIONS

Requires a reduction of 75 percent in the number of federal positions in agencies that administer programs that have been converted into a block grant.

TITLE VI.—REFORM OF PUBLIC HOUSING

Ensures that penalties imposed by states against individuals who fail to comply with rules under welfare programs do not result in reduced public and assisted housing rents.

TITLE VII.—CHILD CARE

Funding. Over the period FY 1997–FY 2002, combines $13.85 billion in mandatory funding and $6 billion in discretionary spending into the Child Care and Development Block Grant (CCDBG):

Discretionary funding (representing the old CCDBG) is authorized at $1 billion annually and must be appropriated annually. Allocation of these funds to states is based on current CCDBG formula.

Mandatory funding or entitlement funding levels are $1.967 billion in FY 1997, $2.067 billion in FY 1999, $2.367 billion in FY 2000, $2.567 billion in FY 2001 and $2.717 billion in FY 2002. States will receive a ''base allocation'' based on what they received in previous years funds above this amount will be distributed on a matching basis.

CCDBG rules. Rules and regulations of the Child Care Development Block Grant apply to all funds under the child care section. Retains current requirement that states apply minimum health and safety standards to providers and adds a requirement that states not implement any policy or practice that has the effect of restricting parental choice. All funds must be transferred to the lead agency under the Child care and Development Block Grant. There will be a 5 percent cap on administrative costs.

TITLE IX.—CHILD NUTRITION

Child and Adult Care Food Program. Restructures the meal reimbursements for family day care homes in the Child and Adult Care Food Program (CACFP) by targeting assistance to poorer areas.

Summer Food Service Program. Reduces the reimbursement rate for breakfast, lunches and snacks served under the Summer Food Service Program.

TITLE X.—FOOD STAMP REFORM

Fraud and Abuse. All of USDA's proposals to combat food stamp fraud and abuse are included, whereas HR 4 included only some of those proposals.

Cooperations with child support agencies Requiring food stamp participants to cooperate with child support agencies will be an option for the States, rather than a mandate as under HR 4.

Adjustments to Thrifty Food Program. Food stamp benefits will be based on 100% of the Thrifty Food Plan rather than 103% as in current law, as in both bills. The standard deduction used in calculating food stamp eligibility and benefit levels will be reduced.

Simplified food stamp program States will be authorized to operate a simplified food stamp program, combining elements of the food stamp program and the cash welfare program. Such a program must be approved by the Secretary and may not increase federal costs or substantially alter the appropriate distribution of benefits according to household need.

Waiver authority USDA will be required to respond to a request of a State for a waiver of food stamp rules within 60 days of receipt of the request.

TITLE XI.—MISCELLANEOUS

Appropriation of funds by state legislature. Requires that block grants must be appropriated in accordance with the laws and procedures applicable to expenditures of the state's own revenues, including appropriation by the state legislature. Applies to the cash assistance, child care, child protection and optional food stamp block grants. (This would preempt state law in a number of states.)

Social Services Block Grant. Reduces the mandatory spending level of the Social Services Block Grant by 10% beginning in FY 1997 through FY2002—from $2.8 billion to $2.52 billion annually.

Electronic Benefit Transfer (EBT) programs. Exempts state and local government electronic benefit transfer programs from Regulation E of the Electronic Funds Transfer Act.

Mr. SPECTER. Mr. President, I have sought recognition to speak on the Biden-Specter Bipartisan Welfare Reform Act of 1996, a companion measure to H.R. 3266, the Castle-Tanner Bipartisan Welfare Reform Act of 1996. At the outset, I want to compliment my colleague from Delaware, Senator BIDEN, and Congressmen CASTLE and TANNER for their efforts in drafting a strong, bipartisan bill that represents commonsense welfare reform and should attract a broad consensus. Our basic objective in reforming the welfare system is the reduction of poverty and the improvement of the standard of living of millions of Americans. We should not let this goal become lost in partisan politics and we should not wait for the next election to achieve welfare reform and a balanced budget. This Congress can be known as the can do Congress if we work together on these vital issues.

I support many of the principles reflected in the Bipartisan Welfare Reform Act, such as establishing new work requirements in conjunction with improved job training, child care, and other support services for welfare recipients trying to end their dependence on Government assistance. I also support its get-tough policy on collecting overdue child support and on reducing fraud in various Government benefit programs. Although I have concerns about some of the provisions in our legislation, such as the calculation of the formula for the State block grant, it is important to demonstrate that there is a bipartisan effort in the Senate on reforming welfare and I intend to address my reservations during the coming weeks as welfare reform proposals are considered in the Senate. While I have some reservations, I believe this bill is a good starting point for bipartisan legislation.

Looking back to my youth, I began to learn about some of the problems of welfare while growing up in Russell, KS, a small agricultural-oil community. Then, upon moving to Philadelphia for college I saw the problems that can arise in a large city. I have observed problems of welfare dependency for more than 30 years, going back to my earliest days of public service. As an assistant district attorney in Philadelphia, I saw the tremendous impact, the tremendous cost occasioned by a program which did not realistically move people from welfare rolls to payrolls. I learned a great deal about the problems of poverty and the interrelation of jobs, housing, education, welfare, and crime. Later, as district attorney, I brought prosecutions on welfare fraud which I believe were among the first to be brought in the country. So my concern about welfare reform goes back a long way.

Mr. President, in the mid-1980's I had the pleasure of introducing and cosponsoring several pieces of welfare reform legislation that included job training for economically disadvantaged individuals. In the 99th Congress, I cosponsored Senate bills 2578 and 2579 with Senator MOYNIHAN, which were directed toward improving the welfare system. In the 100th Congress, I introduced similar legislation with Senator DODD and worked closely with Senator MOYNIHAN on the legislation that became the first comprehensive welfare reform bill, the Family Welfare Reform Act of 1988, which was signed by President Reagan.

It is against this background of my own involvement with the problem of welfare that I am seeking to work with my colleagues again this year in fashioning legislation that will constitute firm action to put many able-bodied people back to work while ensuring that a social safety net continues to exist, particularly where children are involved.

As we revisit this debate, it is painfully obvious to me that our welfare system has not worked. When one weighs all the factors, it is apparent that we must try a new approach at the Federal level. Consider, for example, the astonishing fact that the overall percentage of persons in poverty in 1994 was roughly equivalent to poverty rates in 1965—the year the Federal Government broadened its role in reducing poverty in our society. In my own State of Pennsylvania, I have been troubled that as many as 5 percent of our more than 11 million residents were receiving some form of welfare benefits as of the end of 1994, more than double the 2.4 percent that were receiving benefits in 1965. Further, since 1965, the number of Pennsylvanians receiving aid to families with dependent children has risen from 276,000 to 608,000.

There are ongoing efforts at real welfare reform at the State level, such as in Wisconsin, where Gov. Tommy Thompson has made notable progress. In Pennsylvania, Gov. Tom Ridge recently signed into law far-reaching welfare reform which will institute agreements between the government and welfare recipients that spell out the steps they must take to move from welfare to work. Pennsylvania's new law emphasizes work, personal responsibility, job training, child care, and other support services, all of which are key elements of the Biden-Specter reform plan. While I do not agree with all provisions of the proposed Pennsylvania legislation, I do concur that reform legislation is needed.

Because a new approach is merited, Congress should pass welfare reform legislation that the President will sign into law. Last year, Congress passed H.R. 4, the Personal Responsibility and Work Opportunity Act of 1995, and H.R. 2491, the Balanced Budget Reconciliation Act of 1995, both of which were vetoed by President Clinton. In order to bridge the differences between Congress and the President concerning how to balance the budget and reform welfare, I began working with the centrist coalition, a bipartisan group of 22 Senators led by Senators CHAFEE and BREAUX, to craft a 7-year comprehensive balanced budget proposal. This plan, which would achieve $45 to $53 billion savings by reforming the welfare system, was offered as a substitute to the fiscal year 1997 budget resolution, but failed by a vote of 46 to 53. Although the coalition budget failed to win a majority, it showed once again that there is great potential in this body for initiatives presented in a bipartisan manner. If the policies work, there is ample credit to be shared. But, if we don't try to work together, we deserve to share the blame.

The bill which I am jointly introducing today, the Bipartisan Welfare Reform Act of 1996, represents another attempt to generate a broad consensus and achieve meaningful welfare reform this year. The Biden-Specter bill builds on the conference report to H.R. 4 and the bipartisan Governors' proposal, but is more specific and requires stronger State accountability and maintenance of effort in important areas, such as child care and contingency funding. Like other proposals considered by this Congress, this legislation delivers a strong message that many Americans who are currently on welfare need to get into the work force and pursue job training. Significantly, we will be giving the States greater latitude to analyze and deal with the problems closer to home. I am hopeful that this will result in better tailored, more cost-effective social programs. However, effective welfare reform is not simply a matter of increasing flexibility or shifting incentives. The movement toward block grants is a sound one, provided that there are some limitations

and requirements that continue to be imposed by the Federal Government in Washington. We need to make sure that we simply do not give the States a blank check where money may be spent for other purposes that fail to protect a national interest identified by Congress.

Among its key provisions, the legislation we are introducing today does the following: First, it limits benefits—no cash assistance beyond 5 years except exemptions for up to 20 percent of a State's caseload for reason of hardship or if individual was battered or subject to extreme cruelty; second, it requires that 50 percent of welfare recipients must be working by the year 2002—all able-bodied recipients must engage in work activities within 2 years of receiving benefits, generally 25 hours/week, but 20 hours/week for parents with children 6 and under; third, it requires States to meet 85 percent level of maintenance of effort, which is stronger State accountability than last year's GOP plan, 75 percent, Chafee-Breaux, 80 percent or this year's GOP plan, 75 to 80 percent; fourth, it requires welfare recipients to sign an individual responsibility contract developed by the State upon becoming eligible for cash assistance, which would outline steps the individual must take to get in private sector and would outline the State's obligations; fifth, it allows eligible work activities to include unsubsidized employment, subsidized private and public sector employment, on-the-job training, vocational training, community service; sixth, it provides an additional $3 billion for work-related programs beginning in 1999 if States are meeting 100 percent of their fiscal year 1994 spending levels and need more funds for work participation; seventh, it provides $20 billion in mandatory and discretionary child care funding over the next 6 years, an amount higher than last year's Senate bill, similar to Chafee-Breaux, and recommended by the National Governors Association—also maintains current law's Federal health and safety protections for licensed child care providers; eighth, during economic downturns, States can access a $2 billion contingency fund if they have high unemployment rates or high rates of increase in their food stamp population—also provides $800 million in additional funding for States with rapid population increases and a $1.7 billion loan fund for States that need additional money; and ninth, it requires States to enforce and improve existing child support laws, including the suspension of certain licenses for overdue child support—also increases the likelihood that a child's paternity will be established.

As my colleagues are aware, I had some real reservations about some aspects of last year's welfare reform legislation. Although I supported the conference report on H.R. 4 because it advanced the underlying goal of reforming a program that has discouraged poor families from working, I would have preferred that the original Senate-passed bill, agreed to by a virtual consensus of 87 to 12, become law. Some of my concerns are met by the legislation we are introducing today. I am hopeful that my additional concerns will be met as the Senate considers this and other welfare reform legislation during the balance of the 104th Congress.

Mr. President, as we move forward with budget reconciliation, I will continue to work with my colleagues to craft legislation that will not only save money and help families mired in poverty to move off of welfare and become self-sufficient, but also protect children and preserve the rights, dignity, and well-being of those currently involved in our welfare system. I urge my colleagues to support the Biden-Specter Bipartisan Welfare Reform Act of 1996 as a commonsense approach to this difficult, complex issue which is so important to the future of our society.

ADDITIONAL COSPONSORS

S. 905

At the request of Mr. AKAKA, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of S. 905, a bill to provide for the management of the airplane over units of the National Park System, and for other purposes.

S. 953

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 953, a bill to require the Secretary of the Treasury to mint coins in commemoration of black revolutionary war patriots.

S. 1237

At the request of Mr. HATCH, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 1237, a bill to amend certain provisions of law relating to child pornography, and for other purposes.

S. 1400

At the request of Mrs. KASSEBAUM, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1400, a bill to require the Secretary of Labor to issue guidance as to the application of the Employee Retirement Income Security Act of 1974 to insurance company general accounts.

S. 1438

At the request of Mr. MCCONNELL, his name was added as a cosponsor of S. 1438, a bill to establish a commission to review the dispute settlement reports of the World Trade Organization, and for other purposes.

S. 1542

At the request of Mr. ABRAHAM, the name of the Senator from Tennessee [Mr. THOMPSON] was added as a cosponsor of S. 1542, a bill to amend the Internal Revenue Code of 1986 to provide for the expensing of environmental remediation costs in empowerment zones and enterprise communities.

S. 1578

At the request of Mr. FRIST, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1578, a bill to amend the Individuals With Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

S. 1596

At the request of Mr. MURKOWSKI, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1596, a bill to direct a property conveyance in the State of California.

S. 1624

At the request of Mr. HATCH, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1624, a bill to reauthorize the Hate Crime Statistics Act, and for other purposes.

S. 1644

At the request of Mr. BROWN, the names of the Senator from Illinois [Ms. MOSELEY-BRAUN] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1644, a bill to authorize the extension of nondiscriminatory treatment—most-favored-nation—to the products of Romania.

S. 1674

At the request of Mr. GRASSLEY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1674, a bill to amend the Internal Revenue Code of 1986 to expand the applicability of the first-time farmer exception.

S. 1743

At the request of Mr. BINGAMAN, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

S. 1845

At the request of Mr. GREGG, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 1845, a bill to amend the Federal Election Campaign Act of 1971 to require written consent before using union dues and other mandatory employee fees for political activities.

S. 1853

At the request of Mr. FAIRCLOTH, the names of the Senator from Tennessee [Mr. FRIST] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1853, a bill to amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property.

S. 1857

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 1857, a bill to establish a bipartisan commission on campaign practices and provide that its recommendations be given expedited consideration.

SENATE RESOLUTION 151

At the request of Mr. MACK, the name of the Senator from Idaho [Mr. CRAIG]

was added as a cosponsor of Senate Resolution 151, a resolution to designate May 14, 1996, and May 14, 1997, as ''National Speak No Evil Day,'' and for other purposes.

SENATE RESOLUTION 259—RELATIVE TO THE SECRETARY OF AGRICULTURE

Mr. BINGAMAN (for himself, Mr. LEAHY, Mr. DOMENICI, Mr. DASCHLE, and Mr. PRESSLER) submitted the following resolution; which was considered and agreed to:

S. RES. 259

Resolved,

SECTION 1. USE OF DISASTER RESERVE FOR DISASTER ASSISTANCE.

It is the sense of the Senate that the Secretary of Agriculture should use the disaster reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) to alleviate distress to livestock producers caused by drought, flood, or other natural disasters in 1996, in the most efficient manner practicable, including cash payments from the sale of commodities currently in the disaster reserve. A livestock producer should be eligible to receive the assistance during the period beginning May 1, 1996, and ending not sooner than August 31, 1996.

SEC. 2. VOLUNTARY CONSERVATION ASSISTANCE.

It is the sense of the Senate that the Secretary of Agriculture should use the authorities provided in the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127) to provide voluntary conservation assistance to any person who is permitted to hay or graze conservation reserve land on an emergency basis.

SENATE RESOLUTION 260—RELATIVE TO LIVESTOCK PRODUCERS

Mr. DOMENICI (for himself, Mr. BINGAMAN, Mr. GRAMM, Mrs. HUTCHISON, and Mr. PRESSLER) submitted the following resolution; which was considered and agreed to:

S. RES. 260

Resolved,

SECTION 1. SPECIAL CONSIDERATION FOR DISASTER ASSISTANCE.

It is the sense of the Senate that livestock producers who do not qualify for emergency livestock feed assistance for the 1996 crop year, but have incurred feed losses in 1996 due to drought, flooding, or other natural disasters, should receive special consideration for assistance from commodities or the sale of commodities currently available in the disaster reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a). A livestock producer should be eligible to receive the assistance during the period beginning May 1, 1996, and ending not sooner than August 31, 1996.

SENATE RESOLUTION 261—RELATIVE TO THE SECRETARY OF AGRICULTURE

Mr. GRAMM (for himself, Mrs. HUTCHISON, Mr. DOMENICI, and Mr. PRESSLER) submitted the following resolution; which was considered and agreed to:

S. RES. 261

Resolved,

SECTION 1. ELIGIBILITY FOR EMERGENCY LIVESTOCK FEED ASSISTANCE.

It is the sense of the Senate that, as part of the orderly termination of the emergency livestock freed assistance program established under title VI of the Agricultural Act of 1949 (7 U.S.C. 1471 et seq.), livestock producers who were eligible for emergency livestock feed assistance for the 1995 crop year, but were unable to apply for the assistance for the 1996 crop year, and who have suffered a qualifying loss as determined by the Secretary, should be eligible to receive assistance under the program through at least August 31, 1996.

AMENDMENTS SUBMITTED

THE ADMINISTRATIVE DISPUTE RESOLUTION ACT OF 1996

LEVIN (AND GRASSLEY) AMENDMENT NO. 4045

Mr. LOTT (for Mr. LEVIN, for himself and Mr. GRASSLEY) proposed an amendment to the bill (S. 1224) to amend subchapter IV of chapter 5 of title 5, United States Code relating to alternative means of dispute resolution in the administrative process, and for other purposes; as follows:

At the end of the bill, add the following new section:

SEC. 11. REAUTHORIZATION OF NEGOTIATED RULEMAKING ACT OF 1990.

(a) PERMANENT REAUTHORIZATION.—Section 5 of the Negotiated Rulemaking Act of 1990 (Public Law 101–648; 5 U.S.C. 561 note) is repealed.

(b) CLOSURE OF ADMINISTRATIVE CONFERENCE.—

(1) IN GENERAL.—Section 569 of title 5, United States Code, is amended—

(A) by amending the section heading to read as follows:

"§ 569. Encouraging negotiated rulemaking";

and

(B) by striking out subsections (a) through (g) and inserting in lieu thereof the following:

''(a) The President shall designate an agency or designate or establish an interagency committee to facilitate and encourage agency use of negotiated rulemaking. An agency that is considering, planning or conducting a negotiated rulemaking may consult with such agency or committee for information and assistance.

(b) To carry out the purposes of this subchapter, an agency planning or conducting a negotiated rulemaking may accept, hold, administer, and utilize gifts, devises, and bequests of property, both real and personal, provided that agency acceptance and use of such gifts, devises or bequests do not create a conflict of interest. Gifts and bequests of money and proceeds from sales of other property received as gifts, devises, or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the head of such agency. Property accepted pursuant to this section, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gifts, devises, or bequests. For purposes of Federal income, estate, or gift taxes, property accepted under this section shall be considered as a gift, devise, or bequest to the United States.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by striking out the item relating to section 569 and inserting in lieu thereof the following:

''569. Encouraging negotiated rulemaking.''

(c) EXPEDITED HIRING OF CONVENORS AND FACILITATORS.—

(1) DEFENSE AGENCY CONTRACTS.—Section 2304(c)(3)(C) of title 10, United States Code, is amended by inserting ''or negotiated rulemaking'' after ''alternative dispute resolution.''

(2) FEDERAL CONTRACTS.—Section 303(c)(3)(C) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(3)(C)), is amended by inserting ''or negotiated rulemaking'' after ''alternative dispute resolution''.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Subchapter III of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 570a. Authorization of appropriations

''There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subchapter.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 570 the following:

''Sec. 570a. Authorization of appropriations''

(e) STUDY.—No later than 180 days after the enactment of this Act, the Director of the Office of Management and Budget shall complete a study with recommendations on expediting the establishment of negotiated rulemaking committees, including eliminating any redundant administrative requirements related to filing a committee charter under section 9 of the Federal Advisory Committee Act and providing public notice of such committee under section 564 of title 5, United States Code.

COHEN AMENDMENT NO. 4046

Mr. LOTT (for Mr. COHEN) proposed an amendment to the bill S. 1224, supra; as follows:

At the end of the Committee amendment add the following:

SEC. 11. JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS: BID PROTESTS.

(a) BID PROTESTS.—

(1) TERMINATION OF JURISDICTION OF DISTRICT COURTS.—Section 1491 of title 28, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (d);

(B) in subsection (a)—

(i) by striking out ''(a)(1)'' and inserting in lieu thereof ''(a) CLAIMS AGAINST THE UNITED STATES.—'';

(ii) in paragraph (2), by striking out ''(2) To'' and inserting in lieu thereof ''(b) REMEDY AND RELIEF.—To''; and

(iii) by striking out paragraph (3); and

(C) by inserting after subsection (b), as designated by paragraph (1)(B)(ii), the following new subsection (c):

''(c) BID PROTESTS.—(1) The United States Court of Federal Claims has jurisdiction to render judgment on an action by an interested party objecting to a solicitation by a Federal agency for bids or proposals for a proposed contract or to a proposed award or the award of a contract. The court has jurisdiction to entertain such an action without regard to whether suit is instituted before or after the contract is awarded.

''(2) To afford relief in such an action, the court may award any relief that the court considers proper, including declaratory and injunctive relief.

''(3) In exercising jurisdiction under this subsection, the court shall give due regard to the interests of national defense and national security and the need for expeditious resolution of the action.

''(4) The district courts of the United States do not have jurisdiction of any action referred to in paragraph (1).''.

(2) CLERICAL AMENDMENTS.—

(A) SECTION HEADING.—The heading of such section is amended by inserting ''bid protests;'' after ''generally;''.

(B) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1491 and inserting in lieu thereof the following:

''1491. Claims against United States generally; bid protests; actions involving Tennessee Valley Authority.''.

(b) NONEXCLUSIVITY OF GAO REMEDIES.—Section 3556 of title 31, United States Code, is amended by striking out ''a district court of the United States or the United States Claims Court'' in the first sentence and inserting in lieu thereof ''the United States Court of Federal Claims''.

(c) SAVINGS PROVISIONS.—

(1) ORDERS.—The amendments made by this section shall not terminate the effectiveness of orders that have been issued by a court in connection with an action within the jurisdiction of that court on the day before the effective date of this section. Such orders shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by a court of competent jurisdiction or by operation of law.

(2) PROCEEDINGS AND APPLICATIONS.—(A) The amendments made by this section shall not affect the jurisdiction of a court of the United States to continue with any proceeding that is pending before the court on the day before the effective date of this section.

(B) Orders may be issued in any such proceeding, appeals may be taken therefrom, and payments may be made pursuant to such orders, as if this section had not been enacted. An order issued in any such proceeding shall continue in effect until modified, terminated, superseded, set aside, or revoked by a court of competent jurisdiction or by operation of law.

(C) Nothing in this paragraph prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1996.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Tuesday, June 18, 1996, at 9 a.m. on public access to Government information in the 21st century, with a focus on the GPO Depository Program/Title 44.

For further information concerning this hearing, please contact Joy Wilson of the committee staff on 224–3213.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, June 19, 1996, at 9:30 a.m. on public access to Government information in the 21st century, with a focus on the GPO Depository Program/Title 44.

For further information concerning this hearing, please contact Joy Wilson of the committee staff on 223–3213

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, June 12, 1996, to consider the Food Quality Protection Act (S. 1166).

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GORTON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Wednesday, June 12, 1996, session of the Senate for the purpose of conducting a hearing on S. 1726, the promotion of commerce on-line in the digital era.

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

COMMITTEE ON FINANCE

Mr. GORTON. Mr. President, I ask consent that the Committee on Finance be permitted to meet Wednesday, June 12, 1996, beginning at 11 a.m. in room SH–215, to conduct a markup on two tax bills.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. GORTON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet Wednesday, June 12, 1996, at 2 p.m. to hold a closed hearing on intelligence matters.

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

SPECIAL COMMITTEE TO INVESTIGATE WHITEWATER DEVELOPMENT AND RELATED MATTERS

Mr. GORTON. Mr. President, I ask unanimous consent that the Special Committee to Investigate Whitewater Development and Related Matters be authorized to meet during the session of the Senate on Wednesday, June 12, 1996, to conduct hearings pursuant to Senate Resolution 120.

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

ADDITIONAL STATEMENTS

DEMOCRACY IN THE BALKANS

• Mr. SARBANES. Mr. President, on May 9, 1996, Dr. John Brademas, Chairman of the National Endowment for Democracy [NED], delivered a very thoughtful address to a conference on ''The Greek-U.S. Relationship and the Future of Southeastern Europe,'' organized by the Institute for Foreign Policy Analysis. I was fortunate to be able to attend a portion of that conference, at which some very important and difficult issues were discussed relating to the future of democracy in the Balkans. As my colleagues know, the National Endowment for Democracy is our Nation's premier institution for assisting in the transition from closed, authoritarian, and totalitarian systems to free and open systems of elected and accountable government around the world.

Dr. Brademas, a longtime friend and former colleague, is one of the Nation's most highly regarded experts on the promotion and expansion of democracy, as well as a longtime observer and analyst of development in Southern Europe. His proposal for a Center for Democracy in the Balkans is therefore worthy of special note, and I commend his remarks to my colleagues. I ask that his remarks be printed in the RECORD.

The remarks follow:

REMARKS OF DR. JOHN BRADEMAS

I am for several reasons pleased to have been invited to Washington, D.C. to take part in this conference on U.S.-Greek relations and the future of Southeastern Europe. And I should like to salute the Institute for Foreign Policy Analysis, the Constantinos Karamanlis Foundation, the International Security Studies Program of the Fletcher School of Law and Diplomacy and the Lilian Voudoris Foundation for having brought together so many outstanding authorities on the subject.

That the distinguished President of the Hellenic Republic, His Excellency Constantinos Stephanopoulos, as well as Foreign Minister Theodoros Pangalos and Education Minister George Papandreou and other prominent leaders from both Greece and the United States should be participating in these discussions is a mark of their great importance.

And that both President Clinton's meeting with President Stephanopoulos and this conference come only one month following the visit here of Prime Minister Costas Simitis is but further indication of the close ties between our two countries.

Another reason I am glad to have been asked to join you is that, as most of you know, I am a child of both Greece and the United States. My father was born in Kalamata and my mother in Indiana.

As the first native-born American of Greek origin elected to the Congress of the United States, where I served for twenty-two years, I naturally had a particular interest in issues concerning Greece. But it was an interest deeply rooted in my commitment to the principles of the Constitution of the United States. For example, I was openly and strongly critical of the military junta of 1967 to 1974, and I opposed US military aid to Greece during that period. And, 22 years ago this summer, in company with my valued friend, now the distinguished senior Senator from Maryland, Paul S. Sarbanes, and others, I was deeply engaged in the struggle between Congress and the White House following the unlawful use by Turkey of American weapons to invade and occupy the independent Republic of Cyprus. The failure of the executive branch of the US government of respect the Constitution and the rule of law contributed to the bitter legacy that, we all know, is with us still.

THE NATIONAL ENDOWMENT FOR DEMOCRACY

I must cite one more reason I'm pleased to be with you and that is to speak in my capacity as Chairman of the National Endowment for Democracy. For one of the most important bonds between Greeks and Americans is that we have the good fortune to be citizens of lively democracies.

Indeed, it is about our common commitment to the institutions and practices of democracy, of self-government, that I want to offer some brief comments this afternoon.

For I believe that we in the American and Greek democracies—and the European democracies in general—have an obligation—this is not only a moral question but it is in our respective national interests—to promote free, open and democratic societies.

Let me tell you a little about the National Endowment for Democracy, or NED, because it relates directly to my talk.

Founded in 1983 by Act of Congress, the National Endowment for Democracy is a nonpartisan, non-governmental organization that champions, through grants to private entities in other countries, the institutions of democracy. NED grants are made to organizations dedicated to promoting the rule of law, free and fair elections, a free press, human rights and the other components of a genuinely democratic culture.

I must add that a time when the political atmosphere in Washington is even more partisan than usual, NED is unique in enjoying strong support across party and ideological lines.

PROMOTING DEMOCRACY IN THE BALKANS

As all of us here are profoundly concerned about developments in the Balkans, let me report to you on efforts of the National Endowment for Democracy to address some of the obstacles to democratization in that region. Albeit with modest funds, NED has supported programs to encourage the resolution of inter-ethnic conflict, greater political pluralism and economic reform as well as to strengthen the independent organizations necessary to form the basis of civil society in the area.

For example, in Albania, NED is assisting a project of the American Federation of Teachers and the Albanian Teachers' Union to conduct ''Introduction to Teaching Democracy'' workshops.

In Bulgaria, NED sponsors the Bulgarian Association for Fair Elections (BAFE), a network of community centers to stimulate civic participation at the local level.

In Romania, NED has helped the League for Europe, which presses for better relations between Romanians and Hungarians in Transylvania.

The Endowment also supports several media outlets that produce impartial news on developments in the former Yugoslavia. Only a few weeks ago, our board approved grants to five independent media operations in Serbia/Montenegro (FRY).

Now who can deny that the challenges to building democracy in this part of the world, especially in the areas ravaged by war, are immense, indeed, daunting? But, in my view, the enormity of the challenge is all the more reason for us to act.

Certainly, it seems to me, the encouragement of free, open, stable and democratic societies throughout the Balkans must be of direct interest to the people of Greece. Not only would such developments contribute to Greek national security but to the Greek economy, too. I've already discussed with Greek business leaders the opportunities they see for expanding their markets in the region as well as enhancing the climate for foreign investment in Greece. In fact, even today Greek investments in banking and other private sector activities in the Balkans and throughout Southeastern Europe generate economic growth and ties that can, spur the democratic process. Remember, too, a consideration important to American policymakers, that Greece is the only country in the region that is a member of the European Union, Council of Europe and NATO.

A CENTER FOR DEMOCRACY IN THE BALKANS

In my judgment, we should now take advantage of, on the one hand, the recent accords between Athens and Skopje and, on the other, the Dayton agreements on Bosnia, to consider seriously the establishment of a center to encourage democracy in the Balkans.

My own view is that an appropriate location for such a center is Greece.

I note first that Greece is the birthplace of democracy and a thriving democracy still.

Second, Thessaloniki, in northern Greece, at the crossroads of the South Balkans, is a natural site for a forum devoted to matters affecting the region. Thessaloniki is a multicultural, cosmopolitan city, named, as we know, by the European Union as the 1997 ''Cultural Capital of Europe.''

Indeed, only a few weeks ago, I took part in a conference in Thessloniki sponsored by a recently established Association for Democracy in the Balkans. Scholars from nine Balkan countries made presentations on political institutions, on civil society in general and nongovernmental organizations in particular as well as on the role of the media in each country. By all accounts, the conference was a success.

A GENUINELY MULTI-NATIONAL CENTER

I believe it particularly important to note there that their participants in the Thessaloniki meeting made clear that a center to promote democracy should not be a Creek enterprise but one genuinely multi-national in nature.

If the seed for such a multi-national center has been planted in Thessaloniki, I'm glad to tell you of some steps to follow up those discussions.

In two weeks, there will be another conference on democracy in the Balkans, to be held in New York City, under the auspices of the National Endowment for Democracy and the American Ditchley Foundation. We shall convene a group of scholars, diplomats, journalists and others to discuss the concept, the obstacles, the opportunities and the practical steps needed to establish a center to encourage democracy in the region. Former Assistant Secretary of State Richard Holbrooke will address the conference, which I shall chair, as will Congressman Benjamin Gilman, Chairman of the International Relations Committee of the U.S. House of Representatives, and Senator Paul Sarbanes, a senior member of the Senate Foreign Relations Committee.

Here let me express appreciation to both Congressman Gilman and Senator Sarbanes for their continuing contributions to strengthening relations between Greece and the United States and pay tribute as well to another outstanding legislator who shares that commitment, Congressman Lee Hamilton, senior Democrat on the House committee, who addressed you earlier today.

Among others to take part in the New York City conference this month are President Clinton's Special Envoy on the Former Yugoslav Republic of Macedonia, Matthew Nimetz, and U.S. Ambassador-designate to FYROM, Christopher Hill.

Then in June, at Ditchley Park, outside Oxford, the American and British Ditchley Foundations will sponsor another conference, which I'll also chair, with essentially the same purpose except that participants will be drawn chiefly from Europe.

A few weeks ago, as you all know, the First Lady of the United States, Hillary Rodham Clinton, on her first visit to Greece, said of Athens that it was the city that had ''given the world its greatest gift—the gift of democracy.''

Let me then voice the hope that the peoples of the United States and Greece can work together—and with others—to encourage in the too-long troubled region of the Balkans the institutions and practices of self-government, ''the gift of democracy.''●

ENCRYPTION REFORM NEEDED NOW

● Mrs. BOXER. Mr. President, I have just become a cosponsor of S. 1726, the Commerce Promotion Act of 1996. This bill would remove export controls on encryption technology, a coding system enabling individuals and corporations to keep computer communications private.

Under current law, sophisticated encryption technology is sold without restriction in the United States. It is this technology that enables banks and other financial institutions to guarantee the confidentiality of personal and financial information. Furthermore, many analysts argue that concerns about security are restraining the Internet's growth as a commercial enterprise.

American-made software is the best in the world. Many foreign companies and individuals want to buy our products. However, because of concerns relating to international criminal activity, the U.S. Government refuses to allow the export of software that includes certain encryption technology.

The current policy is damaging American software companies. Foreign corporations and individuals will not pay top dollar for computer technology that cannot guarantee that personal information will stay private. As a result, our major trading partners are forced to buy software made outside the United States, costing American companies billions.

These export controls place U.S. software companies at a competitive disadvantage, giving foreign competitors the opportunity to encroach on our dominant position in the global marketplace. The United States enjoys a huge trade surplus in software. Our export policies should seek to strengthen U.S. companies, not give their competitors an unfair advantage.

I am very sensitive to the concerns raised by the Clinton administration about this issue. I strongly believe that U.S. intelligence agencies must retain the ability to intercept communications about terrorist attacks and other criminal acts. However, I am confident that this goal can be achieved without restraining the ability of U.S. companies to sell their products abroad for legitimate commercial uses.

Mr. President, we have a problem on our hands, but we can solve it. Congress and the administration must act together to pass an encryption technology reform bill this year.●

• Mr. SARBANES. Mr. President, on Friday, May 3, I had the honor of joining with Secretary of State Christopher and the American Foreign Service Association [AFSA] in paying tribute to Commerce Secretary Ron Brown and 32 other Americans who were tragically killed in Croatia while in service to our country. A plaque was also dedicated to three diplomats who died seeking peace in Bosnia less than a year ago. On the occasion we were reminded not just of the individuals who lost their lives in these terrible tragedies, but of the risks and sacrifices that members of our Foreign Service undertake on a daily basis in an effort to support peace, democracy and freedom around the globe.

During the ceremony, held on the 31st annual Foreign Service Day, very moving speeches were delivered by Harold Ickes on behalf of President Clinton, by Secretary of State Christopher, and by F. Allen ''Tex'' Harris, president of AFSA. I believe their remarks bear repeating to a broader audience and thus ask that they be printed in the RECORD.

The remarks follow:

REMARKS BY SECRETARY OF STATE WARREN CHRISTOPHER, HAROLD ICKES, AND F. ALLEN HARRIS

Mr. HARRIS. Dear Family Members, Distinguished Guests, Ladies and Gentlemen and colleagues:

The American Foreign Service Association has the sorrow-filled responsibility of honoring those members of the Foreign Service and our colleagues serving abroad who lost their lives under heroic or other inspirational circumstances.

Today, we have the very sad duty of adding six names to the traditional Memorial Plaque:

Samuel Nelson Drew.
Robert C. Frasure.
Joseph J. Kruzel.
Ronald H. Brown.
Lee F. Jackson.
Stephen C. Kaminski.

We have the deep sorrow of honoring all those who died with Secretary Ronald H. Brown:

Gerald V. Aldrich.
Niksa Antonini.
Dragica Lendic Bedek.
Duane R. Christian.
Barry L. Conrad.
Paul Cushman, III.
Adam N. Darling.
Ashley J. Davis.
Gail E. Dobert.
Robert E. Donovan.
Claudio Elia.
Robert Farrington, Jr.
David Ford.
Carol L. Hamilton.
Kathryn E. Hoffman.
Lee F. Jackson.
Stephen C. Kaminski.
Kathryn E. Kellogg.
Shelly A. Kelly.
James M. Lewek.
Frank Maier.
Charles F. Meissner.
William E. Morton.
Walter J. Murphy.
Lawrence M. Payne.
Nathaniel C. Nash.
Leonard J. Pieroni.
Timothy W. Shafer.
John A. Scoville, Jr.
I. Donald Terner.
P. Stuart Tholan.
Cheryl A. Turnage.
Naomi P. Warbasse.
Robert A. Whittaker.

I now have the honor of introducing the personal representative of the President of the United States of America, Mr. Harold Ickes, Assistant to the President and Deputy Chief of Staff.

Mr. HAROLD ICKES. Secretary Christopher, Secretary Perry, Secretary Kantor, members of Congress, men and women of the Foreign Service, ladies and gentlemen.

President Clinton asked me to be with you today as we honor an extraordinary group of Americans who gave their lives in service of their country and in the service of humanity.

Before reading the President's dedication, let me say to the families and loved ones of Bob Frasure, Joe Kruzel, Nelson Drew, and to those of Ron Brown and his entire delegation, I know that this is a day of very, very mixed emotions.

You've lost a father, a mother, a husband or a wife, a son or a daughter, a friend. The American people have lost some of their finest.

On a very personal note, with the death of Secretary Ron Brown, I lost one of my closest friends and wisest advisers. Ron Brown was in his service and in his life a spring day. He let himself and all of us to believe that making a difference was a joy as well as a duty. He was an achiever of potential. His grace, his intelligence, his self-confidence without a trace of arrogance, and his abilities to motivate, to lead and to bridge were a rare combination of qualities.

I am very proud and very fortunate to have had him as my friend. To Alma, Michael, Tracy, we will all miss him greatly. Let me now read the President's dedication.

Each year on Foreign Service Day, hundreds of active and retired Foreign Service employees come together to discuss foreign policy initiatives. It is also a day of remembrance when the foreign affairs community honors its many colleagues who have given their lives in service of our country.

''As we pay tribute to the memory of those who we have lost, let us rededicate ourselves to the goal for which they lived: maintaining America's leadership in the fight for peace and freedom throughout the world.

''In today's increasingly interdependent world, our nation's future is linked more than ever to events that take place beyond our borders, to strengthen our security, promote our prosperity and advance our interests. As we move towards the 21st century, America must stay engaged.

''Whether supporting peace, freedom and democracy and other transnations threats, combating environmental degradation, opening markets and expanding of trade, the American Foreign Services has a critical role to play.

''Our Foreign Affairs men and women serve on the front lines, often in demanding and sometimes dangerous surroundings. I'm committed to do all I can to insure that Congress provides the funding we need to support your essential work.

''This year, our nation has lost some of its best and brightest public servants, and I have lost a very dear friend. The American people will not forget the contributions made by Secretary of Commerce Ron Brown and the 34 members of his delegation who died in a plane crash on a fog-shrouded mountainside in Croatia.

''They were on an important mission to bring development and economic stability to a wartorn region far from home. Unfortunately, theirs is not the only recent tragedy in that part of the world. We finally and respectfully remember our colleagues, Robert Frasure, Joseph Kruzel and Samuel Nelson Drew who lost their lives in Bosnia.

''These men, who represented the Department of State, the Department of Defense and the National Security Council and the United States Air Force, embodied the spirit of service that sets our nation apart. Their heroic efforts helped bring an end to four years of bloodshed and gave the children of Bosnia a chance to grow up in peace.

''To all Foreign Service professionals, active and retired, and their family members in the United States and abroad who support America's values worldwide, I send my deepest thanks and appreciation.'' Bill Clinton.

Mr. HARRIS. Thank you very much. We appreciate that. I now have the great honor of introducing a distinguished American with a long, long successful record of service to this nation and to his community. Family members, distinguished guests, ladies, gentlemen, colleagues, the Secretary of State, Warren Christopher.

Secretary CHRISTOPHER. Thank you, Tex, Harold, Senator Kassenbaum. Senator Sarbanes, Secretary Perry, Secretary Kanter, and other distinguished guests here today.

Let me extend a special welcome to the families of the men and women we are honoring today. You will always be a close part of the State Department family.

As the President has said, we come together every year on this day to celebrate the dedication and the accomplishments of the Foreign Service. But this is often a sad day as well because it is the day we add names to the memorial plaques in remembrance of our colleagues who gave their lives in service to their country.

Thirty years ago there were 72 names on this wall, covering all of American history since 1780. Now the list has grown to 188. And in the last year, two terrible tragedies have reminded us again that in this dangerous world, duty and sacrifice often go hand in hand.

We often say that we must take risks for peace. Today we see that the risks are all too real. To our sorrow, we learn that peace cannot be made through telephone or fax. It usually can't be made in Washington or in Geneva. It can only be made by people who are willing to fly where the bullets fly, to go where roads are treacherous and where safety and security are often missing in action.

Sadly, we can't take the danger out of diplomacy. But we can and must honor the peacemakers and their deeds. And we can make sure the American people know of the sacrifices the peacemakers make for our sake.

Last August in Bosnia three American diplomats were on their way to the besieged city of Sarajevo when they lost their lives on a muddy mountain road. Bob Frasure, Joe Kruzel, and Nelson Drew believed that peace was possible in Bosnia. And they were certainly right. Indeed, they were the path-finders who made peace possible.

Just a month ago, Ron Brown and a team of government officials and business leaders were on a journey to Croatia. They lost their lives trying to make sure that the peace our diplomats had forged would endure. They were convinced that American capital and American know-how could help rebuild that shattered land, that it could give the people of that country a reason to resist the temptations of war. And they, too, were right.

As I have travelled the world in the weeks since these two tragic events, I have received a chorus of condolences from leaders all around the world who understand the sacrifices made by the families of the men and women who died in those tragic events.

A short time ago, when I was in Sarajevo and in the compound of our Embassy, I

planted two dogwood trees in honor of Bob Frasure. But by far the most eloquent tribute to his work, and to Joe's and to Nelson's and to Ron's and all those we honor today, has been the return of normal life that I could see all around me in Sarajevo. Every school reopened, every family reunited, every road and factory rebuilt is a monument to the service of these brave Americans.

That monument, of course, is a work in progress. It is being shaped by countless hands—by our diplomats, our soldiers, by our civil servants, and by the people of the region. The memory of our fallen colleagues impels us not to rest—not to rest at all—until this work is completed.

The men and women we honor today, as the President said, will always represent what is best about America. They were generous enough to share their talent and spirits with others. They were dedicated enough to make sacrifices in the cause of public service. They were realistic enough to know that America's fate is inseparable from the fate of the world. And they were optimistic enough to believe that the difficult problems can be solved but only solved when America is determined to overcome them.

Thinking of them, I was reminded of something that one of our visitors this week, Shimon Peres, once said: ''Nobody will ever really understand the United States . . . You have so much power, and [yet] you didn't dominate another people; you have problems of your own, and [yet] you have never turned your back on the problems of others.''

Anyone who knew these wonderful friends and colleagues understands something very important about America. Anybody who passes through this hall and who pauses to think about the lives behind the names of the people on these plaques will understand something about the American ideal. Here, in the presence of these names, there is not an ounce of cynicism about the country or about the people who represent it.

So even as we mourn, let us keep alive the spirit that gave these lives such meaning. And let these names be a reminder to us all—a reminder of the risks and hardships that dedicated Americans endure for their country, and let it be a reminder of the constant need to carry on their work, our work, until it is finally finished.

Thank you very much.●

ADMINISTRATIVE DISPUTE RESOLUTION ACT OF 1995

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 350, S. 1224.

The PRESIDING OFFICER. The clerk will report:

The bill clerk read as follows:

A bill (S. 1224) to amend subchapter IV of chapter 5 of title 5, United States Code, relating to alternative means of dispute resolution in the administrative process, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Administrative Dispute Resolution Act of 1995''.

SEC. 2. AMENDMENT TO DEFINITIONS.

Section 571 of title 5, United States Code, is amended:

(1) in paragraph (3)—

(A) by striking out ''settlement negotiations,''; and

(B) by striking out ''and arbitration'' and inserting in lie thereof ''use of ombuds, and binding or nonbinding arbitration,''; and

(2) in paragraph (8)—

(A) in subparagraph (B) by striking out ''decision,'' and inserting in lieu thereof ''decision.''; and

(B) by striking out the matter following subparagraph (B).

SEC. 3. AMENDMENTS TO CONFIDENTIALITY PROVISIONS.

(a) TERMINATION OF AVAILABILITY EXEMPTION TO CONFIDENTIALITY.—Section 574(b) of title 5, United States Code, is amended:

(1) in paragraph (5) by adding ''or'' at the end thereof;

(2) in paragraph (6) by striking out ''; or'' and inserting in lieu thereof a period; and

(3) by striking out paragraph (7).

(b) LIMITATION OF CONFIDENTIALITY APPLICATION TO COMMUNICATION.—Section 574 of title 5, United States Code, is amended—

(1) in subsection (a) in the matter before paragraph (1) by striking out ''any information concerning''; and

(2) in subsection (b) in the matter before paragraph (1) by striking out ''any information concerning''.

(c) ALTERNATIVE CONFIDENTIALITY PROCEDURES.—Section 574(d) of title 5, United States Code, is amended—

(1) by inserting ''(1)'' after ''(d)''; and

(2) by adding at the end thereof the following new paragraph:

''(2) To qualify for the exemption established under subsection (j), an alternative confidential procedure under this subsection may not provide for less disclosure than the confidential procedures otherwise provided under this section.''.

(d) EXEMPTION FROM DISCLOSURE BY STATUTE.—Section 574 of title 5, United States Code, is amended by striking out subsection (j) and inserting in lieu thereof the following:

''(j) A dispute resolution communication which is generated by or provided to an agency or neutral, and which may not be disclosed under this section, shall also be exempt from disclosure under section 552(b)(3).''.

SEC. 4. AMENDMENT TO REFLECT THE CLOSURE OF THE ADMINISTRATIVE CONFERENCE.

(a) PROMOTION OF ADMINISTRATIVE DISPUTE RESOLUTIONS.—Section 3(a)(1) of the Administrative Dispute Resolution Act (5 U.S.C. 581 note; Public Law 101–552; 104 Stat. 2736) is amended by striking out ''the Administrative Conference of the United States and''.

(b) COMPILATION OF INFORMATION—

(1) IN GENERAL.—Section 582 of title 5, United States Code, is repealed.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by striking out the item relating to section 582.

(c) FEDERAL MEDIATION AND CONCILIATION SERVICE.—Section 203(f) of the Labor Management Relations Act, 1947 (29 U.S.C. 173(f)) is amended by striking out ''the Administrative Conference of the United States and''.

SEC. 5. AMENDMENTS TO SUPPORT SERVICE PROVISION.

Section 583 of title 5, United States Code, is amended by inserting ''State, local, and tribal governments,'' after ''other Federal agencies,''.

SEC. 6. AMENDMENTS TO THE CONTRACT DISPUTES ACT.

Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended—

(1) in subsection (d) by striking out the second sentence and inserting in lieu thereof: ''The contractor shall certify the claim when required to do so as provided under subsection (c)(1) or as otherwise required by law.''; and

(2) in subsection (e) by striking out the first sentence.

SEC. 7. AMENDMENTS ON ACQUIRING NEUTRALS.

(a) EXPEDITED HIRING OF NEUTRALS.—

(1) COMPETITIVE REQUIREMENTS IN DEFENSE AGENCY CONTRACTS.—Section 2304(c)(3)(C) of title 10, United States Code, is amended by striking out ''agency, or'' and inserting in lieu thereof ''agency, or to procure the services of an expert or neutral for use''.

(2) COMPETITIVE REQUIREMENTS IN FEDERAL CONTRACTS.—Section 303(c)(3)(C) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(3)(C)), is amended by striking out ''agency, or'' and inserting in lieu thereof ''agency, or to procure the services of an expert or neutral for use''.

(b) REFERENCES TO THE ADMINISTRATIVE CONFERENCE OF THE UNITED STATES.—Section 573 of title United States Code is amended—

(1) by striking out subsection (c) and inserting in lieu thereof the following:

''(c) In consultation with other appropriate Federal agencies and professional organizations experienced in matters concerning dispute resolution, the Federal Mediation and Conciliation Service shall—

''(1) encourage and facilitate agency use of alternative means of dispute resolution; and

''(2) develop procedures that permit agencies to obtain the services of neutrals on an expedited basis.''; and

(2) in subsection (e) by striking out ''on a roster established under subsection (c)(2) or a roster maintained by other public or private organizations, or individual''.

SEC. 8. ARBITRATION AWARDS AND JUDICIAL REVIEW.

(a) ARBITRATION AWARDS.—Section 580 of title 5, United States Code, is amended—

(1) by striking and subsections (c), (f), and (g); and

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

(b) JUDICIAL AWARDS.—Section 581(d) of title 5, United States Code, is amended—

(1) by striking out ''(1)'' after ''(b)''; and

(2) by striking out paragraph (2).

SEC. 9. PERMANENT AUTHORIZATION OF THE ALTERNATIVE DISPUTE RESOLUTION PROVISIONS OF TITLE 5, UNITED STATES CODE.

The Administrative Dispute Resolution Act (Public Law 101–552; 104 Stat. 2747; 5 U.S.C. 581 note) is amended by striking out section 11.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subsection IV of title 5, United States Code, is amended by adding at the end thereof the following new section:

''§584. Authorization of appropriations

''There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subchapter.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 583 the following:

''Sec. 584. Authorization of appropriations.''.

Mr. COHEN. Mr. President, over the past decades, a consensus has emerged that traditional litigation is an inefficient way to resolve disputes. Not only is litigation costly, but due to its adversarial, contentious nature, litigation often deteriorates working relationships and fails to produce long-term solutions to problems.

Private corporations recognized many years ago that certain types of disputes could be resolved much less expensively and with less acrimony by relying on techniques such as mediation, arbitration, and partnering,

which collectively have become known as alternative dispute resolution or ADR.

In 1990, Congress recognized that the Government lagged well behind the private sector in this field and in response enacted the Administrative Dispute Resolution Act to promote the use of ADR in Government agencies. Senators GRASSLEY and LEVIN led the effort to pass this legislation and bring the benefits of ADR to the Federal Government.

The act authorizes agencies to apply ADR to almost any type of claim involving the Government, requires the appointment of ADR specialists in each agency, establishes procedures for hiring neutral third-parties to help resolve disputes, and provides confidentiality protection to parties participating in ADR.

S. 1224, the bill before the Senate, would permanently reauthorize this important legislation. It would also improve the system for hiring mediators, provide additional confidentiality protections to ADR participants, promote the use of binding arbitration and make a number of other minor adjustments to the act.

The Subcommittee on Oversight of Government Management held a hearing on the bill on November 29. At the hearing, the Department of Justice, the Federal Mediation and Conciliation Service, the Office of Management and Budget, the American Bar Association, and private individuals representing the Heritage Foundation and a consortium of Government contractors all praised the ADR Act and strongly endorsed its reauthorization. On December 12, 1995, the bill was unanimously reported, with an amendment in the nature of a substitute, by the Committee on Governmental Affairs.

The most significant change this bill makes to the original ADR Act is the repeal of a provision known as the arbitration escape clause. During consideration of the ADR Act in 1990, this provision was included to accommodate the Department of Justice's view that agencies lacked constitutional authority to refer disputes to binding arbitration. Although many scholars and the sponsors of the bill disagreed with this view, to satisfy the Department of Justice [DOJ], a provision was added that enabled Federal agencies to opt-out of arbitral awards. Unfortunately, this unilateral provision has deterred private parties from entering into arbitration with the Government. As one witness testified at the hearing on this reauthorization legislation, unless the escape clause is eliminated, ''arbitration likely will never become a viable alternative for the Federal Government.''

This would be unfortunate. Throughout the private sector, companies are saving money and reducing litigation costs by using arbitration to resolve commercial disputes instead of resorting to litigation. If we want the Government to enjoy the efficiencies of the private sector, it must have the flexibility to operate as a private business, especially when the Government is acting as a commercial entity. Indeed, the Government achieves a double benefit when a case is resolved through arbitration rather than litigation because not only are agency litigation costs and attorneys fees reduced, but judicial resources are freed to pursue criminal cases or other civil matters.

Last year, DOJ's Office of Legal Counsel issued a detailed opinion concluding that Federal agencies could submit disputes to binding arbitration without violating the Constitution. Since the constitutional objection to binding arbitration has been removed, there is no longer any reason to reauthorize the agency escape clause.

There are two amendments to S. 1224 before the Senate for consideration. The first amendment is designed to increase the efficiency of our procurement system by consolidating jurisdiction over bid protest claims in the Court of Federal Claims. The amendment would reverse the decision of the D.C. Circuit in Scanwell Lab., Inc. versus Shaffer (1969), that permitted bid protests to be filed in any district court across the country. Providing district courts with jurisdiction to hear bid protest claims has led to forum shopping and the fragmentation of Government contract law. Consolidation of jurisdiction in the Court of Federal Claims is necessary to develop a uniform national law on bid protest issues and end the wasteful practice of shopping for the most hospitable forum. Congress established the Claims Court—now the Court of Federal Claims—for the specific purpose of improving the administration of the law in the areas of patents, trademarks, Government contracts, Government employment, and international trade. Scanwell jurisdiction frustrates this purpose and deprives litigants of the substantial experience and expertise the Court of Federal Claims has developed in the Government contracting area.

The Information Technology and Management Reform Act of 1996, which I authored, eliminated the authority of the General Services Board of Contract Appeals to entertain bid protests on information technology contracts and left the General Accounting Office as the single extra-agency administrative forum for such actions. My amendment to S. 1224 follows this path of reform by creating a single forum for all bid protest litigation, which will lead to the development of more uniform, and thus more predictable, law.

Identical legislation passed the Senate as part of the Federal Acquisition Streamlining Act, but was rejected in conference. The Department of Justice and Office of Management and Budget strongly support the addition of this legislation to the ADR Act.

I also want to express my support for the Levin-Grassley amendment to S. 1224, which would reauthorize the Negotiated Rulemaking Act. This legislation establishes a framework for agencies to convene interested parties for the purpose of developing consensus-based regulation. When it is used, negotiated rulemaking can improve the quality, acceptability, and timeliness of regulations, reduce litigation, and enhance industry compliance, thereby reducing the costs of regulations to both private industry and the Government. Over the past 5 years negotiated rulemaking has been an unqualified success; there is no reason not to reauthorize this legislation while we are dealing with the closely related ADR Act.

In sum, reauthorization of the ADR and Negotiated Rulemaking Acts and the elimination of Scanwell jurisdiction represent cost-saving, commonsense improvements to the Federal regulatory and administrative processes. These reforms are good for the taxpayer, good for our courts, and good for the parties that have disputes with the Government.

I congratulate Senators GRASSLEY and LEVIN for the success of the original pieces of legislation and commend them for their work on this reauthorization bill.

I urge my colleagues to support this bill and sincerely hope that it may be enacted into law during this session of Congress.

I ask unanimous consent that the letter from the Department of Justice I referred to be printed in the RECORD.

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

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, April 12, 1996.

Hon. WILLIAM S. COHEN,
Chairman, Subcommittee on Oversight of Government Management and the District of Columbia, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Administration supports your efforts to enact legislation that would make one small but vital improvement to the handling of bid protests arising from the award of Federal contracts—the elimination of district court jurisdiction over bid protests (the so-called Scanwell cases).[1] In disputes between an agency and a contractor after the award of a contract, Congress has previously recognized the need for a uniform national body of law to guide both Federal procurement officials and Federal contractors. The same need for nationwide uniformity exists for bid protests. The current forum shopping between the Federal district courts and the Court of Federal Claims only encourages needless litigation in a search for the most hospitable forum, and results in disparate bodies of law between the circuits. There is simply no need to have multiple judicial bodies to review bid protests of federal contacts.

In the past, Congress has recognized the need for nationwide uniformity in several areas of the law, and established the Claims

[1] *Scanwell Lab., Inc.* v. *Shaffer*, 424 F.2d 859, 869, 137 U.S. App. D.C. 371, 381 (1969) (held, a contractor making a prima facie showing alleging arbitrary or capricious action, or an abuse of discretion, by an agency or contracting officer in making the award of a contract, has standing to sue in district court under the Administrative Procedure Act).

Court (now the Court of Federal Claims) and the Court of Appeals for the Federal Circuit to achieve that result. Federal Courts Improvement Act of 1982 (FCIA) Pub. L. No. 97–164. The purpose of the FCIA was to improve ''the administration of the law in the areas of patents, government contracts, merit system protection, trademarks and international trade.'' H. Rep. No. 97–312, 97th Cong., 1st Sess. 17 (1981). As a result of the enactment of the FCIA, the Court of Federal Claims was made the sole judicial forum for resolution of contract disputes between the contractor and the agency. The very same need exists for nationwide uniformity in the handling of bid protests.

By eliminating the authority of the General Services Board of Contract Appeal to entertain bid protests of the award of information technology contracts, the recently-enacted defense authorization bill for fiscal year 1996 (Pub. L. No. 104–106) took a significant step forward in the handling of bid protests by leaving the General Accounting Office as the sole remaining extra-agency administrative forum. The process of procurement reform should continue by eliminating Scanwell jurisdiction, and by creating a single judicial forum to govern all bid protest litigation, both prior to and after award. While there is good reason to apply local state law, as district courts are required to do when they adjudicate torts under the Federal Tort Claims Act, it is simply inappropriate to have different interpretations of Federal contracts applied, depending upon where the contractor resides or where the contract will be performed. This results in inconsistent application of legal principles and an unwieldy body of procurement law.

Our concerns about varying results in the district courts is not hypothetical. For example, the district court in *Advanced Seal Tech., Inc.* v. *Perry*, 873 F. Supp. 1144 (N.D. Ill. 1995), disagreed with the district court's holding in *Abel Converting, Inc.* v. *United States*, 679 F. Supp. 1133 (D.D.C. 1988), regarding the burden of proof borne by the protestor to establish grounds for injunctive relief. Similarly, the district court in *Washington Mechanical Contractors, Inc.* v. *United States Dept. of the Navy*, 612 F. Supp. 1243 (N.D. Cal. 1984), disagreed with the district court's decision in *Robert E. Dereckto of Rhode Island, Inc.* v. *Goldschmidt*, 506 F. Supp. 1059 (D. R.I. 1980), regarding the quantum of proof necessary to invalidate an award of a contract. In addition, the district court in *Metric Systems Corp.* v. *United States Dept. of the Air Force*, 673 F. Supp 439 (N.D. Fla. 1987), disagreed with the holding in *Acme of Precision Surgical Co., Inc.* v. *Weinberger*, 580 F. Supp. 490 (E.D. Pa. 1984), that Federal district courts have both pre- and post-award bid protest jurisdiction. These cases show that, since Federal district court judges rarely have the opportunity to review bid protests, as might be suspected, the results vary from court-to-court.

Legislation should seek to accomplish three important goals. First, it should achieve a uniform and consistent body of precedent governing bid protests, by providing interested parties with a choice of only one administrative and one judicial forum for the resolution of bid protests. Second, it should discourage forum shopping between the remaining tribunal and court by imposing a similar, if not identical, standard and scope of review in both fora. Finally, it should impose a standard and scope of review which both recognizes the deference to the contracting agency in conducting procurements and also limits expensive, time-consuming and resource-intensive discovery.

As Mr. Steven Kelman, Administrator for Federal Procurement Policy, testified before your subcommittee last July:

''With its nationwide jurisdiction and contract expertise, the Court of Federal Claims could effectively and efficiently serve as a unified judicial forum operating in the national interest. This would avoid the unfairness of forum shopping. At the same time, it would not prevent small businesses from having their day in court inasmuch as the Court of Federal Claims is authorized to hold hearings throughout the country to minimize inconvenience and expense to litigants.''

In summary, the problems associated with district court bid protest activity can be effectively avoided by vesting judicial bid protests authority, both pre- and post-award, exclusively in the Court of Federal Claims and imposing a deferential standard of review and limited scope of review similar to that used by the General Accounting Office. With national jurisdiction, this court would effectively serve as a unified judicial forum with contract expertise, eliminating forum shopping and promoting the application of consistent legal principles.

We urge Congress to take immediate action to eliminate Scanwell jurisdiction in the district courts. We would be happy to work with you to ensure enactment of legislation that would meet this important objective. The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of this report.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

Mr. LEVIN. Mr. President, we all want a Government that works better and costs less, and I am pleased that the Senate is considering today legislation authored by myself and Senator CHUCK GRASSLEY to encourage faster, less costly ways to resolve disputes with the Federal Government.

It's a fact of life that many people have disputes with the Federal Government. In the late 1980's, of the 220,000 civil cases filed on Federal court, more than 55,000 involved the Federal Government in one way or another. Resolving these disputes costs taxpayers billions of dollars.

Resolving them before they become courtroom dramas is one way to make a dent in this billion-dollar drain on taxpayer funds. Mediation, arbitration, mini-trials, and other methods offer cheaper, faster alternatives to courtroom battles.

That's why, 6 years ago, Senator GRASSLEY and I cosponsored the Administrative Dispute Resolution Act of 1990. It is why we have teamed up again this year on legislation to reauthorize that act and ensure that alternative dispute resolution techniques, which those familiar with it call ADR, remain a cost-effective tool that Federal agencies can use to resolve disputes.

Since the passage of the ADR law in 1990, Federal agencies have increasingly used alternatives to courtroom litigation to save time and money. The Army Corps of Engineers, for example, successfully resolved 53 of 55 contract disputes with ADR over a 5-year period, including settling a $55 million claim in 1994 for $17.3 million in 4 days. The Resolution Trust Corporation saved legal costs of approximately $115 million from 1991 through 1994, by using ADR instead of litigation. The Navy shortened dispute resolution times in some cases from 4 years to 3 months by replacing formal litigation with informal, abbreviated proceedings. Not all Federal agencies have used ADR extensively, but those agencies that have tried it report both savings and satisfaction with the process.

In these times of tight Federal budgets and shrinking Government, we need more of the savings that ADR offers, not less. That's why the ADR Act should become a permanent fixture in Federal law. The act's unfortunate lapse in October of last year due to the press of business before Congress shows why this step is necessary.

The bill that Senator GRASSLEY and I have introduced, S. 1224, would fill the current statutory void by permanently reauthorizing the ADR law. It would also fine-tune the law in several ways.

First and most importantly, the bill would eliminate a 30-day escape hatch that allowed Federal agencies unilaterally to vacate an arbitration award that disadvantaged the Government. In the 5 years this one-way escape clause has been on the books, no one has ever agreed to an arbitration proceeding with the Government on this basis. Eliminating this unilateral escape clause—which allows the Government but not its opponent to nullify an arbitration decision—is expected to encourage parties to agree to use binding arbitration as a cost-saving alternative to civil litigation. Other bill provisions make it clear that Federal agencies also retain the option to use nonbinding arbitration, when they so choose.

Second, the bill would encourage use of ADR methods by clarifying the confidentiality of ADR proceedings in several respects. The bill would make it clear that confidential documents prepared for purposes of an ADR proceeding are also exempt from disclosure under the Freedom of Information Act. The bill would also strike overly broad language which, if taken literally, would prohibit ADR neutrals and parties from disclosing any information concerning an ADR proceeding, even whether an ADR proceeding took place. The bill would also eliminate a provision that ended confidentiality protections for any document given to all parties, since this provision discourages open communications among all the parties to a dispute. Together, these changes clarify, focus and strengthen the law's confidentiality protections for ADR negotiations.

Third, the bill would encourage ADR by making it easier to use and improving coordination with other dispute resolution procedures. Specifically, the bill would clarify agency authority to hire mediators and other ADR neutrals on an expedited basis; allow agencies to accept donated services from State, local and tribal governments to support an ADR proceeding; add an explicit authorization for such sums as may be necessary to implement the ADR law; remove a provision which

barred Federal employees from electing to use ADR methods to resolve certain personnel disputes; and eliminate special paperwork burdens on contractors willing to use ADR to resolve small claims against the Government under the Contract Disputes Act.

Finally, the bill would reassign the tasks of encouraging and facilitating agency use of ADR methods from the Administrative Conference of the United States, which no longer exists due to a lack of appropriations, to the Federal Mediation and Conciliation Service, which has experience in this area.

Mr. President, I would also like to urge my colleagues to support a Levin-Grassley amendment to the ADR bill which would also reauthorize the Negotiated Rulemaking Act of 1990. The Negotiated Rulemaking Act became law back in 1990, at the same time as the ADR Act—in fact, for a time, the two laws shared the same United States Code cites—so it would be fitting to reauthorize both laws in the same piece of legislation.

Like the ADR law, the Negotiated Rulemaking Act is a reform effort that seeks to interject common sense and cost savings into the way the Federal Government does business. In essence, it allows a regulated community to form an advisory committee with all other interested parties to work with the Federal Government to draft regulations that everyone will then have to live by.

An its name implies, the point of the law is to get parties to negotiate with each other and the Federal Government to devise sensible, cost effective rules. No one is required to participate in a negotiation, and no one gives up their rights by agreeing to negotiate. It is a voluntary, rather than a mandatory, process.

The pleasant surprise is that it works. Since the Negotiated Rulemaking Act was enacted 6 years ago, agencies across the Government have tried it and liked it.

Over the past 6 years, negotiated rulemaking has been used to issue regulations under the Clean Air Act to produce cleaner burning gasoline and to clear haze from the Grand Canyon. The Coast Guard has used it to improve ships' oilspill fighting capabilities, while the Federal Railroad Administration has used it to improve railway worker safety. The Farm Credit System has negotiated a rule to apportion its administrative expenses among banks and other parties, while the FCC has used it to apportion data messaging services on satellites.

President Clinton has embraced the concept with an Executive order that encourages all agencies to try negotiated rulemaking at least once per year. Some agencies, like the Federal Aviation Administration, have found it so rewarding that they have established standing negotiated rulemaking committees and routinely invoke negotiated rulemaking to resolve difficult regulatory problems.

These agencies and others have discovered that, in many rulemaking situations, negotiation beats confrontation in terms of cost, time, aggravation, and the ability to develop regulations that parties with very different perspectives can accept. One industry participant in the clean air negotiations put it this way, ''It's a better situation when people who are adversaries can sit down at the table and talk about it rather than throwing bricks at each other in courtrooms and the press.'' An environmental journal came to the same conclusion, summing up the Grand Canyon negotiation with the headline, ''See You Later, Litigator.'' The Washington Post has called negotiated rulemaking plainly a good idea, while the New York Times has called it an immensely valuable procedure that ought to be used far more often.

The goal of the Levin-Grassley amendment is exactly that—to reauthorize the Negotiated Rulemaking Act to ensure continued agency use of this rulemaking procedure.

The amendment itself is straightforward. Like the ADR bill, it reauthorizes the 1990 law and makes it a permanent part of the U.S. Code. Like the ADR bill, it facilitates agency hiring of neutrals, called convenors and facilitators; provides an authorization for appropriations; and reassigns the responsibility of facilitating and encouraging agency use of negotiated rulemaking from the Administrative Conference of the United States, which has been terminated, to an agency or interagency committee to be designated by the President.

This amendment has been circulated extensively among negotiated rulemaking practitioners and is supported by the administration and the American Bar Association. It has been cleared by both sides of the aisle. It is being offered now to avoid a lapse in the law which is scheduled to expire in November.

Mr. President, I would like to thank Senator GRASSLEY for his leadership on both ADR and negotiated rulemaking; Senator COHEN, chairman of the Government Affairs Oversight Subcommittee, for his continuing support; and Senator STEVENS, Governmental Affairs Committee chairman, for his cooperation in getting this legislation to the floor despite a crowded calendar.

Alternative dispute resolution methods and negotiated rulemaking provide new and better ways to conduct Government business. They cost less, they're quicker, they're less adversarial, they develop sensible solutions to problems, and they free up courts for other business. They are two success stories in creating a government that works better and costs less. I urge my colleagues to join Senator GRASSLEY and myself in voting for the reauthorization of both laws.

Mr. GRASSLEY. Mr. President, the Administrative Dispute Resolution Act before us, sponsored by myself and Senator LEVIN, is an amendment to title 5 of the United States Code. This is a law which I originally sponsored back in 1989 with Senator LEVIN. That 1989 law, also titled the ''Administrative Dispute Resolution Act,'' was crafted to encourage Federal agencies to streamline dispute resolution processes by use of alternative dispute resolution techniques rather than by litigation. These techniques are often collectively referred to as ADR, and include mediation, arbitration, conciliation, fact-finding, and minitrials.

Since the enactment of that law, most Federal agencies have formulated ADR programs and consequently have saved significant amounts of time and money by avoiding litigation of claims. At the same time, agencies haven't sacrificed fairness or party satisfaction. Overall, agencies have recognized the benefits of ADR's efficiency. As an example of the success of these programs, the Environmental Protection Agency utilizes mediation and arbitration to resolve Superfund, Clean Water Act, and Resource Conservation and Recovery Act disputes. The EPA has expressed great satisfaction with the results of these techniques in their resolution of complex regulatory enforcement issues.

In addition, ADR techniques are far less costly than litigation. The Federal Deposit Insurance Corporation estimated a savings of $13 million in legal costs in the last 3 years alone because of its ADR program. The Resolution Trust Corporation estimated it saved $114 million over the last 4 years using ADR techniques. These examples are proof of ADR's efficiency.

The judiciary has also benefited from adoption of ADR techniques. The U.S. District Court for the Northern District of California estimated savings of almost $44,000 in administrative costs per case after it implemented an early neutral evaluation program. Although the bill before us doesn't include the judiciary, we are in the process of drafting a bill that would encourage the judiciary to adopt ADR programs, which have been in existence on a limited basis. Representative MOORHEAD's subcommittee has already held hearings on the House side regarding this issue, and I expect to pursue this initiative in my Judiciary Subcommittee this year.

Despite the benefits that both the executive and judiciary branches have derived from adopting ADR programs, improvements can still be made to promote ADR. Many ADR programs haven't been integrated into the daily routines of their agencies. Agencies have had legitimate concerns about confidentiality, fairness, and quality assurance. Further, the original law expired in October of last year, and by not extending this law, progress in agency adoption of ADR techniques has been stalled. The new ADR bill seeks to address these concerns by modifying and clarifying the original act to make ADR more attractive to the agencies in the resolution of their disputes.

The Governmental Affairs Committee, Subcommittee on Oversight of Government Management and the District of Columbia, held a hearing on this bill on November 16, 1995. At the hearing, the bill enjoyed strong bipartisan support. A number of changes were made to further improve the bill. I'd like to briefly summarize the bill as it presently is being proposed and how it will accomplish our goals of promoting the use of ADR techniques.

First of all, the bill removes the term ''settlement negotiations'' from the group of ADR techniques listed in the 1989 act. This won't decrease the effectiveness of the act as settlement negotiations are not and have never been covered by the act as they do not use third party neutrals in resolving conflicts. Abolition of the term merely eliminates agency confusion as to whether settlement negotiation is a statutorily supported ADR technique. It doesn't decrease the scope of the original act. The bill also clarifies ADR techniques by substituting the term ''arbitration'' with ''Use of Ombuds, and Binding or Nonbinding Arbitration.''

The bill addresses agency confidentiality concerns by exempting all dispute resolution communications from Freedom of Information Act disclosure. Although these communications have always been confidential by implication, the proposed bill makes this confidentiality express and clear.

The bill also deletes the Administrative Conference of the United States from the promulgation of agency policy addressing the use of ADR and case management. This acknowledges the unfortunate demise of the Administrative Conference and its consultation with agencies in developing and promulgating agency ADR policies, and the maintenance of rosters of neutrals and arbitrators.

The bill makes it easier for agencies to acquire neutrals by eliminating the requirement of full competitive procedures in obtaining expert services and by allowing the acquisition of neutrals from nonprofit organizations. It also amends the Code to provide that agencies will consult with the Federal Mediation and Conciliation Service on encouraging and facilitating agency use of ADR and developing procedures on obtaining services of neutrals.

The bill expands agency use of services to include services and facilities of State, local, and tribal governments. This will allow agencies to take advantage of all available support services in order to implement their ADR activities in the most effective and efficient manner possible.

The bill eliminates the requirement that the validity of all contract claims under $100,000 be certified by the contractor. This change brings the 1989 ADR Act into conformance with the certification levels in the Contracts Disputes Act, thus encouraging the use of ADR techniques in many small disputes where they may be particularly appropriate.

In addition, the bill deletes the so-called escape clause for binding arbitration. Under the 1989 law, a Federal agency had the right to override an ADR decision after it had been entered. These provisions were inserted in the original act because the Department of Justice believed there was a constitutional problem regarding agency ability to ultimately override ADR decisions. In essence, DOJ felt that it was necessary to protect agency interests from the whim of non-judicial decision-makers. The Administrative Conference argued that parties were reluctant to go through ADR because they believed that an agency could opt out of a final decision and that effectively ADR rulings were nonbinding on the Government. Recently, DOJ has dropped these constitutional concerns. Deletion of these provisions from the law will ultimately further facilitate and promote the use of ADR, by making ADR techniques more attractive to the private sector for solving agency disputes.

Finally, the bill permanently authorizes the ADR Act by striking the sunset provision presently in the law and authorizing such sums as may be necessary to carry out the act.

Mr. President, there has been much progress in the implementation and use of ADR techniques in the Federal Government since I first introduced the Administrative Dispute Resolution Act back in 1989. Passage of this amendment to the act will further this progress by eliminating statutory barriers to ADR use and clarifying statutory language. I hope my colleagues will support this initiative.

Mr. JOHNSTON. Mr. President, I would like to add my support for this bill and in particular for a provision, in the amendment providing permanent reauthorization of the Negotiated Rulemaking Act of 1990, that addresses what I and others perceive to be the redundancy between the requirements of this act and the Federal Advisory Committee Act [FACA].

The Negotiated Rulemaking Act, in section 3(a) (5 U.S.C. 564(a)) mandates a specific procedure for public notification of the establishment of each negotiated rulemaking committee. This includes publication ''in the Federal Register and, as appropriate, in trade or other specialized publications'' of a notice of intent to form the committee, along with ''a description of the subject and scope of the rule to be developed, and the issues to be considered; a list of the interests likely to be significantly affected by the rule; a list of the persons proposed to represent such interests and the person or persons proposed to represent the agency; a proposed agenda and schedule for completing the work of the committee, including a target date for publication by the agency of a proposed rule for notice and comment; a description of the administrative support for the committee to be provided by the agency, including technical assistance; a solicitation for comments on the proposal to establish the committee, and the proposed membership of the negotiated rulemaking committee; and an explanation of how a person may apply or nominate another person for membership on the committee.'' After publication of this notice, there is a public comment period of at least 30 days.

In addition to these statutory requirements, negotiated rulemaking committees are subject to regulatory review requirements of Presidential Executive orders. Section 3(e) of President Clinton's Executive Order No. 12866 defines ''regulatory action'' as ''any substantive action by an agency (normally published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, and notices of proposed rulemaking.'' The notice of intent to establish a negotiated rulemaking committee, required by 5 U.S.C. 564(a)(1), would appear to be completely within this definition, as it is analogous to an advanced notice of proposed rulemaking, and certainly a more ''substantive action by an agency * * * expected to lead to the promulgation of a final rule'' than a mere notice of inquiry. Thus, even a plan to publish such a notice, for a ''significant regulatory action,'' must be disclosed to the Office of Management and Budget [OMB] under section 6(a)(3)(A) of the Executive Order. Given the very broad definition of ''significant regulatory actions'' in the Executive order, OMB is effectively capable of capturing for review any negotiated rulemaking committee that it wants.

Quite apart from these requirements and reviews, negotiated rulemaking committees must meet a second, parallel set of disclosure and review requirements contained in section 9 of FACA, because negotiated rulemaking committees are within the definition of an ''advisory committee'' under FACA. Thus, the FACA requirements in section 9 for ''consultation with the Administrator'' of the General Services Administration [GSA], ''timely notice in the Federal Register,'' and filing of a charter containing a list of specific topics that closely resembles the topics in section 3(a) of the Negotiated Rulemaking Act, quoted above, also apply to the negotiated rulemaking committees.

There is clearly duplication of effort here, without, in my opinion, much value added. First of all, if the President has put in place a mechanism, via Executive order, by which the Office of Information and Regulatory Affairs in OMB must be apprised of a mere plan to form a negotiated rulemaking committee, what is the added value of a mandate for a separate consultation with the GSA under FACA? Surely the President's designee for Government-

wide regulatory review and coordination, in OMB, is better situated to advise agencies on the need for such committees than the GSA. Second, a comparison of the typical advisory committee charter received in the Committee on Energy and Natural Resources with the typical Federal Register notice for a negotiated rulemaking committee over the past year shows that the latter is generally more detailed and informative than the former. Finally, is it really necessary to have two separate legal requirements for notice in the Federal Register of the same event?

In addition to these overlapping requirements and processes, it is a fair question whether other specific requirements of FACA, for example, the automatic 2-year sunset of advisory committees, make sense in the context of negotiated rulemaking. It is envisioned by the Negotiated Rulemaking Act that negotiated rulemaking committees will routinely remain in existence until the publication of a final rule, which may take several years. In this specific context, the one-size-fits-all requirement of FACA for rechartering every 2 years, while sensible for advisory committees that have nonspecific oversight-type responsibilities, would seem somewhat arbitrary.

I am not alone in questioning this apparent duplication. I will ask unanimous consent to have printed at the end of this statement a statement on the reauthorization of the Negotiated Rulemaking Act from the American Bar Association [ABA] and the formal ABA position statement on which it is based. The formal position of the ABA, jointly proposed by the ABA Standing Committee on Environmental Law, the Section of Administrative Law and Regulatory Practice, and the Section of Natural Resources, Energy, and Environmental Law, and passed by the ABA House of Delegates, states that—

> a federal agency should not be required to secure the permission of the Office of Management and Budget or the General Services Administration before it impanels a committee under the Negotiated Rulemaking Act or the Administrative Dispute Resolution Act, and that such agencies must continue to comply with the substantive requirements of the Federal Advisory Committee Act, including openness and balance on committees.

These questions of duplication are important in the real world of how Federal agencies operate because there is already a considerable transaction cost to the formation and running of advisory committees under FACA. The formal chartering process under FACA, in practice, involves numerous levels of review within agencies and is often a time-consuming bureaucratic step. It is perhaps justifiable to impose such transaction costs to prevent the formation of generic advisory committees for which there is not a clear and compelling need. Perhaps, notwithstanding the current interest in having more, rather than less, stakeholder input into Federal agency processes and decisions, it is thought appropriate to view advisory committees generally as a problem to be contained. But the whole point of the Negotiated Rulemaking Act is to promote the use of one specific type of advisory committee. The Negotiated Rulemaking Act creates no new authorities for agencies. If it were to expire on November 29, of this year, as it is currently scheduled to do under current law, agencies could still form such committees and use them in the promulgation of rules. Since, then, the whole point of the act is to underscore Congress' intent that negotiated rulemaking be more widely used, we should look carefully at the question of administrative transaction costs in Federal agencies, to see if we have unwittingly put in place duplicative steps that make forming such committees seem to be more trouble than they are worth.

There is evidence that this is now the case. In the National Marine Fisheries Service of the Department of Commerce, a proposal to form a negotiated rulemaking committee to resolve issues between commercial and sport fishing interests regarding tuna fishing in the mid-Atlantic, published in the Federal Register on February 1, has languished precisely because the Department of Commerce, like other agencies such as the Department of Energy, has a process for reviewing proposals to form advisory committees under FACA that involves sending the proposal to numerous offices dispersed through the agency structure for checkoffs on issues such as—in the case of Commerce—national security concerns. Transiting this sort of administrative gauntlet is a daunting task, even for hardened bureaucrats. Meanwhile, the underlying dispute that prompted the proposal to form this committee has escalated, perhaps to the point where getting to a consensus result has been imperiled by the delay resulting from administrative inefficiency. If the administrative duplication occasioned by the overlaps in these two laws did not exist, the negotiated rulemaking committee could have started to meet in March of this year.

How representative is this case? It is hard to say. The permanent reauthorization of Negotiated Rulemaking Act was not covered in the hearings on this bill, so this problem was not explored on the record. Given this, I appreciate the willingness of the sponsors of this bill to address my concerns that a far greater problem may exist. Subsection (e) of the amendment provides for study, in the Office of Management and Budget, of this question, so that a complete picture of the problem can be obtained, and so that recommendations can be formulated. I would hope that the OMB review, in the spirit of reinventing Government, will take a careful look at such barriers and proposed best practices to agencies to facilitate the expeditious formation of advisory committees generally.

I thank the sponsors of the bill, again, for their assistance and willingness to address this issue. I hope that if, in the course of the OMB study, the administration identifies solutions to some of these issues that require legislative action by Congress, that the sponsors will be willing to act on such suggestions.

I ask unanimous consent that the material I earlier referred to be printed in the RECORD.

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

AMERICAN BAR ASSOCIATION,
Washington, DC, April 16, 1996.

Hon. CARL LEVIN,
Governmental Affairs Committee, U.S. Senate, Washington, DC.

DEAR SENATOR LEVIN: I write on behalf of the American Bar Association to urge that the Administrative Dispute Resolution Act and the Negotiated Rulemaking Act be reauthorized on a permanent basis. We are concerned that the decision regarding reassignment of negotiated rulemaking responsibilities formerly carried out by the Administrative Conference of the United States will prevent the reauthorization of these two important laws.

These two laws form the framework for consensus building in government decision-making. The Administrative Dispute Resolution Act authorizes agencies to use a full array of alternative dispute resolution processes, if the parties agree to do so. The Negotiated Rulemaking Act provides a framework for negotiating rules among representatives of the affected interests. We have reviewed the draft amendment on encouraging negotiated rulemaking and offer the following comments.

(1) The ABA endorses the prompt, permanent reauthorization of these two laws.

(2) The Association would be pleased to work with you to determine an appropriate alternative placement of the consultative function under the Negotiated Rulemaking Act.

(3) The ABA recommends an amendment to the draft to direct that federal agencies not be required to secure the permission of the Office of Management and Budget or the General Service Administration before impanelling a committee under the Negotiated Rulemaking Act or the Administrative Dispute Resolution Act. The Association believes the requirement that agencies secure permission to establish committees has inhibited the wider use of these important, consensus based process. However, Congress should continue to require that such agencies must comply with the substantive requirements of the Federal Advisory Committee Act, including openness and balance on committees.

The Negotiated Rulemaking Act and the Administrative Dispute Resolution Act encourage federal agencies to explore the use of mediation and consensus building to reduce costs and increase responsiveness to public concerns. We look forward to working with you to ensure that these laws are reauthorized.

Sincerely,

ROBERT D. EVANS.

AMERICAN BAR ASSOCIATION, STANDING COMMITTEE ON ENVIRONMENTAL LAW; SECTION OF ADMINISTRATIVE LAW & REGULATORY PRACTICE; SECTION OF NATURAL RESOURCES, ENERGY & ENVIRONMENTAL LAW

RECOMMENDATION

Be it Resolved, That the public participation provisions of local, state and federal environmental laws and international environmental agreements and treaties should recognize and express the principle that the

public and all affected interests should be provided meaningful and effective involvement and should be expected to participate in consensus building efforts to ensure that government decision-making regarding the administration, regulation, and enforcement of environmental laws is open, fair, efficient and credible; Be it further

Resolved, That the public participation provisions of local, state and federal environmental laws should include express authority allowing government agencies to choose innovative public participation, stakeholder-involvement and shared decision-making models, including site-specific, negotiated consensus-building processes and negotiated rulemaking, which involve all affected stakeholders, such as citizens, potentially responsible parties, and affected federal, tribal, state, territorial and local governments; be it further

Resolved, That federal agencies should use more fully the Administrative Dispute Resolution Act and the Negotiated Rulemaking Act for making environmental decisions, and state agencies should follow similar procedures permitted under generally applicable provisions of administrative law; be it further

Resolved, That Congress should reauthorize the Administrative Dispute Resolution Act and the Negotiated Rulemaking Act on a permanent basis, and, in doing so, Congress should revise provisions that inhibit their wider use to resolve environmental matters by clarifying:

(1) that the Administrative Dispute Resolution Act authorizes the use of the full range of dispute resolution processes for making administrative decisions, including general consensus building and the resolution of issues between private parties that otherwise would be decided by the environmental agency;

(2) that the decision of an arbitrator, where applicable, should be final when issued, without the authority of an agency to unilaterally override such decision;

(3) that communications between a party and the neutral should be protected from disclosure except for the circumstances defined in the Administrative Dispute Resolution Act; to that extent the Administrative Dispute Resolution Act should be regarded as a Section (b)(3) exemption under the Freedom of Information Act; and

(4) that a federal agency should not be required to secure the permission of the Office of Management and Budget or the General Services Administration before it impanels a committee under the Negotiated Rulemaking Act or the Administrative Dispute Resolution Act, and that such agencies must continue to comply with the substantive requirements of the Federal Advisory Committee Act, including openness and balance on committees; be it further

Resolved, That the procedures described in the Negotiated Rulemaking Act should be used for making policy decisions under environmental statutes; be it finally

Resolved, That the framework established under the Negotiated Rulemaking Act and the Administrative Dispute Resolution Act provide the means by which the U.S. Environmental Protection Agency (''EPA''), community and business interests, state, tribal and local governments, and environmental and other non-governmental organizations can reach agreement on the appropriate issues. For example, in addition to existing alternative dispute resolution provisions in the Comprehensive Environmental Response, Compensation and Liability Act (''CERCLA''), potentially responsible parties are encouraged to use the Administrative Dispute Resolution Act to make allocation decisions, while environmental agencies are encouraged to use the Negotiated Rulemaking Act for making policy decisions. In doing so, EPA should appoint a single, relatively senior official to represent the agency and various components of its staff in such negotiations, and policy negotiations and allocation decisions should be coordinated to the extent appropriate.

AMENDMENT NO. 4045

(Purpose: To reauthorize the Negotiated Rulemaking Act of 1990, and for other purposes)

Mr. LOTT. Mr. President, I understand that there is an amendment at the desk in behalf of Senators LEVIN and GRASSLEY. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. LEVIN, for himself and Mr. GRASSLEY, proposes an amendment numbered 4045.

At the end of the bill, add the following new section:

SEC. 11. REAUTHORIZATION OF NEGOTIATED RULEMAKING ACT OF 1990.

(a) PERMANENT REAUTHORIZATION.—Section 5 of the Negotiated Rulemaking Act of 1990 (Public Law 101–648; 5 U.S.C. 561 note) is repealed.

(b) CLOSURE OF ADMINISTRATIVE CONFERENCE.—

(1) IN GENERAL.—Section 569 of title 5, United States Code, is amended—

(A) by amending the section heading to read as follows:

''§ 569. Encouraging negotiated rulemaking'';

and

(B) by striking out subsections (a) through (g) and inserting in lieu thereof the following:

''(a) The President shall designate an agency or designate or establish an interagency committee to facilitate and encourage agency use of negotiated rulemaking. An agency that is considering, planning or conducting a negotiated rulemaking may consult with such agency or committee for information and assistance.

(b) To carry out the purposes of this subchapter, an agency planning or conducting a negotiated rulemaking may accept, hold, administer, and utilize gifts, devises, and bequests of property, both real and personal, provided that agency acceptance and use of such gifts, devises or bequests do not create a conflict of interest. Gifts and bequests of money and proceeds from sales of other property received as gifts, devises, or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the head of such agency. Property accepted pursuant to this section, and the proceeds, thereof, shall be used as nearly as possible in accordance with the terms of the gifts, devises, or bequests. For purposes of Federal income, estate, or gift taxes, property accepted under this section shall be considered as a gift, devise, or bequest to the United States.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by striking out the item relating to section 569 and inserting in lieu thereof the following:

''569. Encouraging negotiated rulemaking.''

(c) EXPEDITED HIRING OF CONVENORS AND FACILITATORS.—

(1) DEFENSE AGENCY CONTRACTS.—Section 2304(c)(3)(C) of title 10, United States Code, is amended by inserting ''or negotiated rulemaking'' after ''alternative dispute resolution''.

(2) FEDERAL CONTRACTS.—Section 303(c)(3)(C) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(3)(C)), is amended by inserting ''or negotiated rulemaking'' after ''alternative dispute resolution''.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Subchapter III of title 5, United States Code, is amended by adding at the end thereof the following new section:

''§ 570a. Authorization of appropriations

''There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subchapter.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 570 the following:

''Sec. 570a Authorization of appropriations.''

(e) STUDY.—No later than 180 days after the enactment of this Act, the Director of the Office of Management and Budget shall complete a study with recommendations on expediting the establishment of negotiated rulemaking committees, including eliminating any redundant administrative requirements related to filing a committee charter under section 9 of the Federal Advisory Committee Act and providing public notice of such committee under section 564 of title 5, United States Code.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4045) was agreed to.

AMENDMENT NO. 4046

(Purpose: To provide the United States Court of Federal Claims with exclusive jurisdiction over contract bid protests)

Mr. LOTT. I understand Senator COHEN has an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. COHEN, proposes an amendment numbered 4046.

At the end of the Committee amendment add the following:

SEC. 11. JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS: BID PROTESTS.

(a) BID PROTESTS.—

(1) TERMINATION OF JURISDICTION OF DISTRICT COURTS.—Section 1491 of title 28, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (d);

(B) in subsection (a)—

(i) by striking out ''(a)(1)'' and inserting in lieu thereof ''(a) CLAIMS AGAINST THE UNITED STATES.—'';

(ii) in paragraph (2), by striking out ''(2) To'' and inserting in lieu thereof ''(b) REMEDY AND RELIEF.—To''; and

(iii) by striking out paragraph (3); and

(C) by inserting after subsection (b), as designated by paragraph (1)(B)(ii), the following new subsection (c):

''(c) BID PROTESTS.—(1) The United States Court of Federal Claims has jurisdiction to render judgment on an action by an interested party objecting to a solicitation by a Federal agency for bids or proposals for a proposed contract or to a proposed award or the award of a contract. The court has jurisdiction to entertain such an action without regard to whether suit is instituted before or after the contract is awarded.

''(2) To afford relief in such an action, the court may award any relief that the court considers proper, including declaratory and injunctive relief.

''(3) In exercising jurisdiction under this subsection, the court shall give due regard to the interests of national defense and national security and the need for expeditious resolution of the action.

''(4) The district courts of the United States do not have jurisdiction of any action referred to in paragraph (1).''.

(2) CLERICAL AMENDMENTS.—

(A) SECTION HEADING.—The heading of such section is amended by inserting ''**bid protests;**'' after ''**generally;**'',

(B) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1491 and inserting in lieu thereof the following:

''1491. Claims against United States generally; bid protests; actions involving Tennessee Valley Authority.''.

(b) NONEXCLUSIVITY OF GAO REMEDIES.—Section 3556 of title 31, United States Code, is amended by striking out ''a district court of the United States or the United States Claims Court'' in the first sentence and inserting in lieu thereof ''the United States Court of Federal Claims''.

(c) SAVINGS PROVISIONS.—

(1) ORDERS.—The amendments made by this section shall not terminate the effectiveness of orders that have been issued by a court in connection with an action within the jurisdiction of that court on the day before the effective date of this section. Such orders shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by a court of competent jurisdiction or by operation of law.

(2) PROCEEDINGS AND APPLICATIONS.—(A) The amendments made by this section shall not affect the jurisdiction of a court of the United States to continue with any proceeding that is pending before the court on the day before the effective date of this section.

(B) Orders may be issued in any such proceeding, appeals may be taken therefrom, and payments may be made pursuant to such orders, as if this section had not been enacted. An order issued in any such proceeding shall continue in effect until modified, terminated, superseded, set aside, or revoked by a court of competent jurisdiction or by operation of law.

(C) Nothing in this paragraph prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1996.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4046) was agreed to.

Mr. LOTT. I ask unanimous consent that the committee amendment be agreed to, the bill then be deemed read a third time, the Senate then immediately proceed to Calendar No. 427, H.R. 2977; further, that all after the enacting clause be stricken and the text of S. 1224, as amended, be inserted in lieu thereof, the bill then be read a third time, passed, the motion to reconsider be laid upon the table, the Senate then insist on its amendment and request a conference with the House, the Chair be authorized to appoint conferees on the part of the Senate, the bill S. 1224 be placed back on the calendar; and, finally, that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 2977), as amended, was deemed read for the third time, and passed as follows:

Resolved, That the bill from the House of Representatives (H.R. 2977) entitled ''An Act to reauthorize alternative means of dispute resolution in the Federal administrative process, and for other purposes.'', do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Administrative Dispute Resolution Act of 1995''.

SEC. 2. AMENDMENT TO DEFINITIONS.

Section 571 of title 5, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking out ''settlement negotiations,''; and

(B) by striking out ''and arbitration'' and inserting in lieu thereof ''use of ombuds, and binding or nonbinding arbitration,''; and

(2) in paragraph (8)—

(A) in subparagraph (B) by striking out ''decision,'' and inserting in lieu thereof ''decision.''; and

(B) by striking out the matter following subparagraph (B).

SEC. 3. AMENDMENTS TO CONFIDENTIALITY PROVISIONS.

(a) TERMINATION OF AVAILABILITY EXEMPTION TO CONFIDENTIALITY.—Section 574(b) of title 5, United States Code, is amended—

(1) in paragraph (5) by adding ''or'' at the end thereof;

(2) in paragraph (6) by striking out ''; or'' and inserting in lieu thereof a period; and

(3) by striking out paragraph (7).

(b) LIMITATION OF CONFIDENTIALITY APPLICATION TO COMMUNICATION.—Section 574 of title 5, United States Code, is amended—

(1) in subsection (a) in the matter before paragraph (1) by striking out ''any information concerning''; and

(2) in subsection (b) in the matter before paragraph (1) by striking out ''any information concerning''.

(c) ALTERNATIVE CONFIDENTIALITY PROCEDURES.—Section 574(d) of title 5, United States Code, is amended—

(1) by inserting ''(1)'' after ''(d)''; and

(2) by adding at the end thereof the following new paragraph:

''(2) To qualify for the exemption established under subsection (j), an alternative confidential procedure under this subsection may not provide for less disclosure than the confidential procedures otherwise provided under this section.''.

(d) EXEMPTION FROM DISCLOSURE BY STATUTE.—Section 574 of title 5, United States Code, is amended by striking out subsection (j) and inserting in lieu thereof the following:

''(j) A dispute resolution communication which is generated by or provided to an agency or neutral, and which may not be disclosed under this section, shall also be exempt from disclosure under section 552(b)(3).''.

SEC. 4. AMENDMENT TO REFLECT THE CLOSURE OF THE ADMINISTRATIVE CONFERENCE.

(a) PROMOTION OF ADMINISTRATIVE DISPUTE RESOLUTIONS.—Section 3(a)(1) of the Administrative Dispute Resolution Act (5 U.S.C. 581 note; Public Law 101–552; 104 Stat. 2736) is amended by striking out ''the Administrative Conference of the United States and''.

(b) COMPILATION OF INFORMATION.—

(1) IN GENERAL.—Section 582 of title 5, United States Code, is repealed.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by striking out the item relating to section 582.

(c) FEDERAL MEDIATION AND CONCILIATION SERVICE.—Section 203(f) of the Labor Management Relations Act, 1947 (29 U.S.C. 173(f)) is amended by striking out ''the Administrative Conference of the United States and''.

SEC. 5. AMENDMENTS TO SUPPORT SERVICE PROVISION.

Section 583 of title 5, United States Code, is amended by inserting ''State, local, and tribal governments,'' after ''other Federal agencies,''.

SEC. 6. AMENDMENTS TO THE CONTRACT DISPUTES ACT.

Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended—

(1) in subsection (d) by striking out the second sentence and inserting in lieu thereof: ''The contractor shall certify the claim when required to do so as provided under subsection (c)(1) or as otherwise required by law.''; and

(2) in subsection (e) by striking out the first sentence.

SEC. 7. AMENDMENTS ON ACQUIRING NEUTRALS.

(a) EXPEDITED HIRING OF NEUTRALS.—

(1) COMPETITIVE REQUIREMENTS IN DEFENSE AGENCY CONTRACTS.—Section 2304(c)(3)(C) of title 10, United States Code, is amended by striking out ''agency, or'' and inserting in lieu thereof ''agency, or to procure the services of an expert or neutral for use''.

(2) COMPETITIVE REQUIREMENTS IN FEDERAL CONTRACTS.—Section 303(c)(3)(C) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(3)(C)), is amended by striking out ''agency, or'' and inserting in lieu thereof ''agency, or to procure the services of an expert or neutral for use''.

(b) REFERENCES TO THE ADMINISTRATIVE CONFERENCE OF THE UNITED STATES.—Section 573 of title 5, United States Code, is amended—

(1) by striking out subsection (c) and inserting in lieu thereof the following:

''(c) In consultation with other appropriate Federal agencies and professional organizations experienced in matters concerning dispute resolution, the Federal Mediation and Conciliation Service shall—

''(1) encourage and facilitate agency use of alternative means of dispute resolution; and

''(2) develop procedures that permit agencies to obtain the services of neutrals on an expedited basis.''; and

(2) in subsection (e) by striking out ''on a roster established under subsection (c)(2) or a roster maintained by other public or private organizations, or individual''.

SEC. 8. ARBITRATION AWARDS AND JUDICIAL REVIEW.

(a) ARBITRATION AWARDS.—Section 580 of title 5, United States Code, is amended—

(1) by striking out subsections (c), (f), and (g); and

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

(b) JUDICIAL AWARDS.—Section 581(d) of title 5, United States Code, is amended—

(1) by striking out ''(1)'' after ''(b)''; and

(2) by striking out paragraph (2).

SEC. 9. PERMANENT AUTHORIZATION OF THE ALTERNATIVE DISPUTE RESOLUTION PROVISIONS OF TITLE 5, UNITED STATES CODE.

The Administrative Dispute Resolution Act (Public Law 101–552; 104 Stat. 2747; 5 U.S.C. 581 note) is amended by striking out section 11.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subchapter IV of title 5, United States Code, is amended by adding at the end thereof the following new section:

''§ 584. Authorization of appropriations

''There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subchapter.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 583 the following:

''Sec. 584. Authorization of appropriations.''.

SEC. 11. REAUTHORIZATION OF NEGOTIATED RULEMAKING ACT OF 1990.

(a) PERMANENT REAUTHORIZATION.—Section 5 of the Negotiated Rulemaking Act of 1990 (Public Law 101–648; 5 U.S.C. 561 note) is repealed.

(b) CLOSURE OF ADMINISTRATIVE CONFERENCE.—

(1) IN GENERAL.—Section 569 of title 5, United States Code, is amended—

(A) by amending the section heading to read as follows:

***''§ 569. Encouraging negotiated rulemaking''**; and*

(B) by striking out subsections (a) through (g) and inserting in lieu thereof the following:

''(a) The President shall designate an agency or designate or establish an interagency committee to facilitate and encourage agency use of negotiated rulemaking. An agency that is considering, planning or conducting a negotiated rulemaking may consult with such agency or committee for information and assistance.

''(b) To carry out the purposes of this subchapter, an agency planning or conducting a negotiated rulemaking may accept, hold, administer, and utilize gifts, devises, and bequests of property, both real and personal: Provided, That agency acceptance and use of such gifts, devises or bequests do not create a conflict of interest. Gifts and bequests of money and proceeds from sales of other property received as gifts, devises, or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the head of such agency. Property accepted pursuant to this section, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gifts, devises, or bequests. For purposes of Federal income, estate, or gift taxes, property accepted under this section shall be considered as a gift, devise, or bequest to the United States.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by striking out the item relating to section 569 and inserting in lieu thereof the following:

''569. Encouraging negotiated rulemaking.''.

(c) EXPEDITED HIRING OF CONVENORS AND FACILITATORS.—

(1) DEFENSE AGENCY CONTRACTS.—Section 2304(c)(3)(C) of title 10, United States Code, is amended by inserting ''or negotiated rulemaking'' after ''alternative dispute resolution''.

(2) FEDERAL CONTRACTS.—Section 303(c)(3)(C) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(3)(C)), is amended by inserting ''or negotiated rulemaking'' after ''alternative dispute resolution''.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Subchapter III of title 5, United States Code, is amended by adding at the end thereof the following new section:

''§ 570a. Authorization of appropriations

''There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subchapter.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 570 the following:

''Sec. 570a. Authorization of appropriations.''.

(e) STUDY.—No later than 180 days after the enactment of this Act, the Director of the Office of Management and Budget shall complete a study with recommendations on expediting the establishment of negotiated rulemaking committees, including eliminating any redundant administrative requirements related to filing a committee charter under section 9 of the Federal Advisory Committee Act and providing public notice of such committee under section 564 of title 5, United States Code.

SEC. 12. JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS: BID PROTESTS.

(a) BID PROTESTS.—

(1) TERMINATION OF JURISDICTION OF DISTRICT COURTS.—Section 1491 of title 28, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (d);

(B) in subsection (a)—

(i) by striking out ''(a)(1)'' and inserting in lieu thereof ''(a) CLAIMS AGAINST THE UNITED STATES.—'';

(ii) in paragraph (2), by striking out ''(2) To'' and inserting in lieu thereof ''(b) REMEDY AND RELIEF.—To''; and

(iii) by striking out paragraph (3); and

(C) by inserting after subsection (b), as designated by paragraph (1)(B)(ii), the following new subsection (c):

''(c) BID PROTESTS.—(1) The United States Court of Federal Claims has jurisdiction to render judgment on an action by an interested party objecting to a solicitation by a Federal agency for bids or proposals for a proposed contract or to a proposed award or the award of a contract. The court has jurisdiction to entertain such an action without regard to whether suit is instituted before or after the contract is awarded.

''(2) To afford relief in such an action, the court may award any relief that the court considers proper, including declaratory and injunctive relief.

''(3) In exercising jurisdiction under this subsection, the court shall give due regard to the interests of national defense and national security and the need for expeditious resolution of the action.

''(4) The district courts of the United States do not have jurisdiction of any action referred to in paragraph (1).''.

(2) CLERICAL AMENDMENTS.—

*(A) SECTION HEADING.—The heading of such section is amended by inserting ''**bid protests;**'' after ''**generally;**''.*

(B) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1491 and inserting in lieu thereof the following:

''1491. Claims against United States generally; bid protests; actions involving Tennessee Valley Authority.''.

(b) NONEXCLUSIVITY OF GAO REMEDIES.—Section 3556 of title 31, United States Code, is amended by striking out ''a district court of the United States or the United States Claims Court'' in the first sentence and inserting in lieu thereof ''the United States Court of Federal Claims''.

(c) SAVINGS PROVISIONS.—

(1) ORDERS.—The amendments made by this section shall not terminate the effectiveness of orders that have been issued by a court in connection with an action within the jurisdiction of that court on the day before the effective date of this section. Such orders shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by a court of competent jurisdiction or by operation of law.

(2) PROCEEDINGS AND APPLICATIONS.—(A) The amendments made by this section shall not affect the jurisdiction of a court of the United States to continue with any proceeding that is pending before the court on the day before the effective date of this section.

(B) Orders may be issued in any such proceeding, appeals may be taken therefrom, and payments may be made pursuant to such orders, as if this section had not been enacted. An order issued in any such proceeding shall continue in effect until modified, terminated, superseded, set aside, or revoked by a court of competent jurisdiction or by operation of law.

(C) Nothing in this paragraph prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1996.

RELATIVE TO USE OF DISASTER RESERVE FOR DISASER ASSISTANCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 259; I further ask that the resolution be considered and agreed to and the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

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

The resolution (S. Res. 259) was agreed to as follows:

S. RES. 259

Resolved,

SECTION 1. USE OF DISASTER RESERVE FOR DISASTER ASSISTANCE.

It is the sense of the Senate that the Secretary of Agriculture should use the disaster reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) to alleviate distress to livestock producers caused by drought, flood, or other natural disasters in 1996, in the most efficient manner practicable, including cash payments from the sale of commodities currently in the disaster reserve. A livestock producer should be eligible to receive the assistance during the period beginning May 1, 1996, and ending not sooner than August 31, 1996.

SEC. 2. VOLUNTARY CONSERVATION ASSISTANCE.

It is the sense of the Senate that the Secretary of Agriculture should use the authorities provided in the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127) to provide voluntary conservation assistance to any person who is permitted to hay or graze conservation reserve land on an emergency basis.

RELATIVE TO SPECIAL CONSIDERATION FOR DISASTER ASSISTANCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 260; I further ask that the resolution be considered and agreed to and the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

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

The resolution (S. Res. 260) was agreed to as follows:

S. RES. 260

Resolved,

SECTION 1. SPECIAL CONSIDERATION FOR DISASTER ASSISTANCE.

It is the sense of the Senate that livestock producers who do not qualify for emergency

livestock feed assistance for the 1996 crop year, but have incurred feed losses in 1996 due to drought, flooding, or other natural disasters, should receive special consideration for assistance from commodities for the sale of commodities currently available in the disaster reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a). A livestock producer should be eligible to receive the assistance during the period beginning May 1, 1996, and ending not sooner than August 31, 1996.

Mrs. HUTCHISON. Mr. President, what has just cleared the Senate is a very important sense of the Senate that has unanimously passed that will help the areas of our country that have been devastated by this drought. In fact, this is the Gramm-Hutchison-Domenici-Bingaman resolution.

It says we encourage the Secretary of Agriculture to allow some of the counties—because of a regulatory snafu, a technicality—that are not now able to apply for livestock feed assistance under its old program to do so. The bulk of the counties in New Mexico, Texas, Oklahoma, and Kansas that are affected by this will have that opportunity. But because of the technicality, they have not been able to clear all of the counties. So we are asking the Secretary of Agriculture to do this for us. It is very important to the farmers and ranchers of these States.

Mr. President, this drought is hurting not only the farmers and ranchers of these States, but the consumers are going to see higher prices as well. We are in a situation now where farmers are not able to make loans because the drought has caused them either to be unable to plant or to be unable to have anything if they have planted. It also causes a great hardship on people who are raising cattle. There is no feed for the cattle because we have not been able to raise the hay.

It is a terrible situation, and I just appreciate very much all of my colleagues helping us with this sense of the Senate. I hope this will encourage the Secretary of Agriculture to help us through this technicality and help these farmers and ranchers make it this year so they can continue to provide the food and be the breadbasket of America next year.

RESOLUTION RELATIVE TO EMERGENCY LIVESTOCK FEED ASSISTANCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 261; I further ask that the resolution be considered and agreed to and the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

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

The resolution (S. Res. 261) was agreed to; as follows:

S. RES. 261

SECTION 1. ELIGIBILITY FOR EMERGENCY LIVESTOCK FEED ASSISTANCE.

It is the sense of the Senate that, as part of the orderly termination of the emergency livestock feed assistance program established under title VI of the Agricultural Act of 1949 (7 U.S.C. 1471 et seq.), livestock producers who were eligible for emergency livestock feed assistance for the 1995 crop year, but were unable to apply for the assistance for the 1996 crop year, and who have suffered a qualifying loss as determined by the Secretary, should be eligible to receive assistance under the program through at least August 31, 1996.

UNANIMOUS-CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 178

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate on Thursday, June 13, begin consideration of the budget conference report 104–612 at 10 a.m., that there be 2 hours of debate equally divided between Senators DOMENICI and EXON; and, further, that at 12 noon tomorrow the Senate proceed to vote on the adoption of the budget resolution conference report with no intervening action or debate, all provided that the official papers have arrived in the Senate; and, further, that if the papers have not arrived, then the vote occur at a time and date to be determined by the majority leader after consultation with the Democratic leader.

I note for the Members that this has been discussed with the Democratic leader, and we have agreed on this.

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

ORDERS FOR THURSDAY, JUNE 13, 1996

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10 a.m. on Thursday, June 13; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate then begin consideration of the conference report to accompany the concurrent budget resolution as under the previous order.

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

PROGRAM

Mr. LOTT. For the information of all Senators, tomorrow there will be 2 hours remaining for debate on the budget conference report with a vote occurring at 12 o'clock on the adoption of that report.

Following that vote, the Senate will be in a period of morning business to accommodate a number of requests to speak. Additional rollcall votes on possible issues that are pending could come on Thursday, and the Senate may also be asked to turn to consideration of any other items cleared for action.

We are, frankly, hoping that we can begin debate tomorrow on the Federal Reserve Board nominations. We are consulting now with the Democratic leader. We hope to come to an agreement on how that matter will be handled in the balance of the day tomorrow and perhaps even over into next week.

ORDER FOR ADJOURNMENT

Mr. LOTT. If there be no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order following the remarks of Senator KENNEDY of Massachusetts.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Massachusetts.

CONGRATULATING MAJORITY LEADER LOTT

Mr. KENNEDY. Mr. President, I want to take a very brief moment to congratulate my friend and colleague from Mississippi, Senator LOTT, on being selected as the majority leader of the Senate. I have had the opportunity to work with TRENT LOTT in the Armed Services Committee. I have great respect for him, and friendship, and I look forward to working with him, trying to carry forward the country's business in whatever way we possibly can. So I congratulate him and congratulate his family. It is a great honor for him to be selected and I wish him the very best in his new responsibilities.

THE MISGUIDED REPUBLICAN BUDGET

Mr. KENNEDY. Mr. President, tomorrow we are going to be asked to consider a repackaged version of last year's misguided Republican budget. It has not improved with age. This budget plan, like last year's, undermines basic protections for children and the elderly, raises taxes on the working poor, and denies educational opportunity to millions of Americans, all to pay for the lavish tax breaks for the wealthy. If this budget plan becomes law, Medicare would be cut by $167 billion over 6 years, Medicaid would be cut by $72 billion at the Federal level and some $250 billion in the States by the year 2002, with the change in the formulas which have been developed in this proposal.

Education will be cut $25 billion. Yesterday, I addressed the Senate on this issue, pointing out what a mistake this really is, when we find out that the number of children who are going to be going to the high schools in this country is going to increase by 8 percent. We are going to go up to about 53 or 54 million children in the next 2 years. The number of traditional college-age students will increase by 12 percent. As a result, even a current services budget is failing to adjust to those particular

new realities and the funding that is included in this budget fails by about $20 billion to even come close to it. This is in contrast to the President's program that continues our ongoing commitment in the field of education.

Under this Republican budget, the earned-income tax credit will be cut $18 billion. That is the tax credit which is available to working families, phased out at approximately $28,000 to $30,000, and principally available to working families with children. All of these cuts would be made in order to bestow a lavish windfall of $122 billion to $180 billion, as Mr. KASICH has pointed out in the House of Representatives, for tax breaks for the wealthiest individuals in the Nation.

Mr. President, 42 percent of the mandatory cuts in this misguided budget come from programs that help the neediest families and individuals in the Nation; 47 percent of the tax breaks will go to those making over $100,000 a year. Meanwhile, corporate special interests are not asked to ante up a single nickel. The corporate welfare part of our budget, which is expenditures which otherwise could be used for deficit reduction, will be over $4 trillion over the period of the next 7 years—$4 trillion. Yet there is not $1 of savings from tax expenditures in the Republican budget. There is not one expenditure that is out there in the Federal Tax Code that is being eliminated by the Republican budget program.

We hear so often about how we have too many programs, programs that do not work, and many of us have been trying to address that issue. We had a good program to try to deal with the proliferation of job training programs under an excellent bipartisan bill that Senator KASSEBAUM and I worked on. It passed the Senate overwhelmingly in this Congress. We still have hopes about that program. We have been consolidating health programs and consolidating education programs in the period of recent years. But we cannot find, in the Republican budget, 1 nickel to save from some inefficient tax expenditures that may be enticing American corporations to go overseas and take American jobs with them—not one.

The President's program has $40 billion in savings. It seems to me we ought to be able to go up even significantly above that proposal. But there is not one—not one—in the Republican program.

Medicare cuts are a prime example of the Republican priorities. They are no less devastating simply because they sound familiar. The Medicare cuts have not improved with age. Last year the Republican plan was a thinly veiled attack on the entire concept of Medicare. It was designed to cause Medicare to ''wither on the vine,'' in the words of Speaker GINGRICH, by forcing senior citizens to give up their family doctor and join the private insurance programs.

When Republicans took up the issues of Medicare cuts last year, they proposed to cut the program by $270 billion—three times more than the amount the Medicare trustees said was needed to protect the solvency of the trust fund.

You cannot listen to a speech on the floor of the U.S. Senate without our good Republican friends saying we have to pass this in order to deal with the potential bankruptcy of the trust fund. The fact is, they are cutting the Medicare Program three times the amount that the trustees say is necessary in order to protect the solvency of the trust funds.

This year, the Republicans are proposing to cut $167 billion from Medicare. By contrast, the President's plan cuts it $116 billion, 44 percent less. Yet it guarantees the Medicare solvency for a decade and funds Medicare at the level necessary to assure that quality care will be available for senior citizens when they need it.

Even worse, Republicans support an inflexible ceiling on Medicare spending. Consequently, if inflation is higher or medical needs are greater than anticipated, Medicare spending will not go up as it should, and many senior citizens will be out of luck and out of care.

The President's plan has the right savings and right priorities. It provides ample time for Congress and the administration to work together to find the longer run solutions we need to deal honestly with Medicare's problems and preserve the quality of health care for the elderly.

In fact, we can take many steps to reduce Medicare costs without cutting the quality of benefits, without raising premiums, but these steps are not what the Republicans are proposing.

Another false Republican argument in defense of their Medicare cuts is that the reductions are not really cuts, because the total amount of Medicare spending will continue to grow. That argument was addressed, I thought, very effectively by the ranking minority member of the Budget Committee, Senator EXON, last evening.

But every household in America knows that if the cost of your rent and the cost of your utilities and the cost of food go up and your income stays the same or goes up less rapidly, you have taken a real cut in your living standard, and that is what is at issue.

In my own State of Massachusetts, the number of frail elderly, those who are 85 years old, is going to double in the period of the next 5 years, let alone the total number of elderly that is going to grow. This is a real national phenomenon, a demographic phenomenon. We are blessed to have our parents with longer and extended lives, and to try and play shell games, in terms of the quality of care for our seniors, I think, is particularly unacceptable when we are balancing that with tax breaks for wealthy individuals.

Republicans speak of a cut in defense, when defense spending does not increase by enough to offset rising costs. Apparently, the same Republican logic does not apply to spending on Medicare that applies to spending on guns, tanks and other weapons. A cut is a cut is a cut, whether it is in Medicare, Social Security, or national defense.

Even more damaging than the loss of billions of dollars that Republicans would slash from Medicare is their attempt to turn it over to the private insurance industry. The Republican budget contains a number of changes to force senior citizens to give up their own doctors and join private insurance plans.

Once they are forced into these plans, senior citizens will be stripped of many of the protections they enjoy today—protections against overcharges by doctors and other health providers, what we call double billing. The doctors, rather than taking what is allocated to them under the Medicare Program, say, ''Pay in full.''

Under current law, the seniors are protected from paying additional kinds of costs, but there is no such requirement if they go into private health insurance. They could be billed once and then be charged again. That is a problem that is readily understood. We thought we addressed that in amendments that I and others had offered earlier on the budget resolution, but those protections were discarded in the conference.

There were protections against premium gouging and profiteering by insurance companies, protection of their right to keep their own family doctor and go to the specialist of their choice.

Republicans claim they want to offer senior citizens a choice, but this is a choice no senior citizen should be forced to make.

I offered a sense-of-the-Congress resolution that was adopted by the full Senate stating that reconciliation should not include proposals to eliminate these protections. It specifically reaffirmed that private insurance plans should be prohibited from leveling premium surcharges for basic Medicare services, and the doctors should not be allowed to strap on extra charges to seniors participating in such plans. That proposal was dropped by the Republicans in the House-Senate conference. The Republican assault on Medicare is painfully clear, and the American people will never support this anti-elderly special interest agenda.

Republicans deny that their Medicare cuts will fund tax breaks for the wealthy. This time the leopard claims that it really has changed its spots, but the Republican budget clearly anticipates $60 billion in revenue increases from tax extenders and closing of selected corporate loopholes in order to fund $60 billion in new taxes for the undeserving rich. Without those lavish tax breaks, they would not need to cut Medicare by $167 billion. The Medicare trust fund should not be a slush fund for tax breaks for the rich.

There are appropriate ways to reduce Medicare spending and improve the

quality at the same time. Mr. President, we have had extensive hearings in this body, chaired by our friend and colleague Senator HARKIN, that has reviewed in very careful detail the billions of dollars that can be saved under Medicare by dealing more effectively with fraud and abuse. We can save tens of billions of dollars from unnecessary hospitalization—20 to 30 percent of hospitalizations are unnecessary—by trying to provide preventive services to keep the seniors at home or in a setting so they can be treated with good quality care in less costly settings.

We are talking about tens of billions of dollars that can be saved from avoiding adverse drug reaction. When our seniors are taking prescription drugs which are in conflict with each other and cause new illness and sickness, there are ways of dealing with this issue that can save the seniors enormous distress and pain and sickness and illness and plus save our system billions of dollars. But we have not even attempted to consider any of these items in this program.

The harsh cuts in Medicare contained in the Republican budget are a repudiation of our historic commitment to Social Security, because the distinction between Medicare and Social Security is a false one.

Medicare is part of the same compact between the Government and the people as Social Security. The compact says, ''Contribute during your working years, and we will guarantee basic income and health security in your retirement years.''

No budget plan that purports to be part of a Contract With America should break America's contract with the elderly. It is bad enough to propose these deep cuts in Medicare at all. It is even worse to make these cuts in order to pay for an undeserved, unneeded tax break for the wealthiest Americans.

We do not have to destroy Medicare in order to save it. Congress will never allow the Medicare trust fund to become bankrupt. I know that. The American people know it. It is time for Republicans to stop raiding Medicare, and join in sensible steps to improve and strengthen it for the future.

Mr. President, I appreciate the opportunity to address the Senate. I yield the floor.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate will now stand adjourned until tomorrow at 10 o'clock.

Thereupon, the Senate, at 5:30 p.m., adjourned until Thursday, June 13, 1996, at 10 a.m.

EXTENSIONS OF REMARKS

BELARUS FREEDOM FIGHTER DESERVES UNITED STATES SUPPORT

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. DELAY. Mr. Speaker, I rise today to join the growing chorus of protest against the increasingly violent and chaotic situation in the former Soviet satellite nation of Belarus.

As many of my colleagues know, Russian President Boris Yeltsin and Belarusan President Alexander Lukashenko last month signed an agreement that would reintegrate the political, economic, and social ties between the two nations. While I realize the importance of neighborly alliances, I am afraid that this new treaty has ominous implications for emerging democracies in the newly independent nations of Eastern Europe. In point of fact, the agreement has already produced frightening results.

Tens of thousands of Belarusans, realizing the very real threat to their new-found independence, have taken to the streets of Minsk to protest the agreement. In response, President Lukashenko has initiated a campaign of fear and terror meant to intimidate the Belarusan people into silence. Lukashenko has placed former members of the Soviet Armed Forces in top posts throughout the Belarusan secret police and military, sending them out into the streets to arrest thousands of his own people and to raid their homes and places of business. The Belarusan President's regard for his own countrymen, fighting homespun terrorism at the hands of their longtime oppressors, is so low that he has referred to them as " * * * sick people who have placed themselves outside of the law."

Standing in stark contrast to President Lukashenko's repressive tactics is Yury Khadyka, a longtime Belarusan freedom fighter. Mr. Khadyka fought the heavy yoke of communism when Belarus was a Soviet satellite and now that his homeland has tasted freedom, he has become a leading figure in the fight to preserve Belarusan independence. Distressingly, Mr. Khadyka has been imprisoned since April 27 for standing up to President Lukashenko's growing campaign of terror and intimidation.

Unfortunately, Mr. Speaker, the saddest chapter in this sordid story is the complicity of the Clinton administration in Mr. Khadyka's imprisonment. To fulfill a political agenda, this administration has stood idly by while the fragile framework of a newly independent nation crumbles and innocent people like Mr. Khadyka are imprisoned at the hands of a present-day dictator.

In order to prop up Boris Yeltsin's reelection campaign, this administration has signaled its tacit approval of the reintegration of Russia and Belarus. In fact, President Lukashenko, a career Communist Party bureaucrat, has given every indication that he would prefer to see one of President Yeltsin's more hard-line rivals prevail in the upcoming elections. If that happens, and if the Communist Party once again takes the reigns of power in Moscow, this agreement will signal the functional end of independence in Belarus. I support President Yeltsin's efforts to implement democratic and free-market reforms in Russia, but I would urge Mr. Yeltsin to recognize that Belarus has the right to pursue these same goals on its own terms.

As Thomas Jefferson wrote in the Declaration of Independence, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness." I do not quote this famous document lightly—the simple truth is that these words represent a plain, concise distillation of what we, as Americans, believe to be true for all people, everywhere. That is why I urge President Clinton to put political maneuvering aside and to support those ideals upon which the United States was founded. Now, as freedom takes root throughout Eastern Europe, the United States must support the standard-bearers of liberty on this democratic frontier. Yury Khadyka is such an individual, and he deserves our support and assistance as he strives to preserve democracy in his beloved homeland.

HONORING THE RUTHERFORD COUNTY RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Rutherford County Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a 4- to 6-month period which includes instruction in cardiopulmonary resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their service especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community volunteerism which moves them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish frys to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

WHITTIER CITY SCHOOL DISTRICT HONORS NEAL J. AVERY FOR 45 YEARS SERVICE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join me today in honoring Whittier City School District Superintendent Neal J. Avery as he retires after 45 years of service in public education. On Wednesday, June 12, district employees and friends will gather to celebrate and honor Neal for his commitment to the education of our students.

Born in Salt Lake City, UT, Neal moved to California to attend the University of Southern California, earning his bachelor's degree in education in 1951 and his master's degree in 1956. In September 1951, he began his teaching career in the Whittier City School District at Lydia Jackson School, teaching fifth and sixth grade students. In 1954, he transferred to Longfellow School as a teaching vice principal and received his tenure also that year. In 1956, he was appointed principal of George Washington School, and by 1959 was serving as principal of two schools, Lou Henry Hoover and Abraham Lincoln schools. In 1981, he was appointed superintendent of the district. His entire career has been spent dedicated to the students of the Whittier City School District.

In addition to his service to the school district, Neal has served on the Whittier YMCA board of directors for many years. He helped to establish the Whittier Youth Network Club in cooperation with the city of Whittier, which is held at several school sites. He received the PTA Honorary Service Award in 1993 from the Whittier/Pico Rivera Council PTA. He and his wife, Nedine, have two children.

Mr. Speaker, it is with pride that I congratulate my friend, Superintendent Neal Avery, on the occasion of his retirement from Whittier City School District after 45 years of dedicated service to our students and to our community.

A TRIBUTE TO EDWIN SCHNECK

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mrs. MORELLA. I rise to salute a long-term educator in my district, Mr. Edwin Schneck. He has taught science for over 35 years; 32 of the years were spent in Bethesda, MD.

Since 1964, Edwin Schneck has been a science teacher at Bethesda-Chevy Chase High School.

In order to further education in Montgomery County, Mr. Schneck focused on the rewriting of curriculum and also took a variety of leadership positions in the county. One of the founding members of Homework-Hotline, Edwin Schneck never tired of helping students learn, even if it was not in the classroom. He tirelessly took on a variety of roles so that the needs of the diverse student body of Bethesda-Chevy Chase High School could be met.

A coach as well as a teacher, Mr. Schneck coached basketball, baseball, and golf during his tenure at Bethesda-Chevy Chase High School. Whether on the playing field or in the classroom, Edwin Schneck gave of himself for the sake of his students.

Mr. Schneck's conscientiousness as an educator should be an example for all of us; he was a teacher whose community was a better place for his service.

Mr. Speaker, I thank you for the opportunity to pay tribute to this devoted educator.

SUPPORT IMPROVEMENTS TO OUR NATION'S MEAT AND POULTRY INSPECTION SYSTEM

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. CUNNINGHAM. Mr. Speaker, I rise to commend Chairman SKEEN and members of the Appropriations Subcommittee on Agriculture for supporting full funding for the Food Safety and Inspection Service [FSIS]. American rely on FSIS to assure that meat and poultry products meet Federal quality, labeling, and packaging standards. I strongly support the $574 million provided in the fiscal year 1997 Agriculture appropriations bill for FSIS, which will work to improve our 90-year-old meat and poultry inspection system. In the near future, FSIS will initiate the Hazard Analysis and Critical Control Point [HACCP] system, a new method of meat and poultry inspection. This new inspection system is needed to prevent harmful bacteria from ever entering the food supply, thus protecting the health of America citizens.

As many are aware, an outbreak of the E.coli bacteria hit the west coast over 3 years ago. This outbreak infected 700 people and killed 4 children. Some of the victims lived in my district. Following this tragedy, families and friends of victims joined together to establish "Safe Tables Our Priority," whose goal is to educate the public and legislators about the deadly E.coli bacteria. They are committed to improving the safety of the Nation's meat and poultry system. I am proud to have worked very closely with this organization over the last 3 years, and I am pleased that they join me in supporting full funding of FSIS.

PERSONAL EXPLANATION

HON. TOM LATHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. LATHAM. Mr. Speaker, I was absent for rollcall votes 222, 223, and 224 on June 10, 1996. Had I been present, I would have voted "yea" on all three votes.

A TRIBUTE TO SENATOR BOB DOLE

HON. TILLIE K. FOWLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mrs. FOWLER. Mr. Speaker, yesterday, as I stood on the floor of the other body watching my friend Bob Dole say farewell, I was impressed, as always, by his remarks—which were delivered with his trademark sincerity and self-depreciating humor. But I was just as impressed with the response he got from the crowd, which ran the gamut from Senators and House Members to capitol tour guides, pages, and Senate staff.

It was clear to me that everyone present, regardless of party affiliation, age or importance, held this man in high regard. There was a palpable sense of affection and respect in that room—the kind of affection and respect that is only given to someone who has earned it over the years.

I would venture to say that although most Americans know about Bob Dole's leadership; his record of service; his keen intellect, and his commitment to making a difference for America, many of them do not know what the crowd in the Senate Chamber knew—that Bob Dole is a man with tremendous heart, and that he has served the American people, and the institution of the Senate for many years with everything he had to give.

Bob is known around here as one of the kindest, most generous people in Washington—the man who knows everyone in the Capitol, from the plumbers and the carpenters to the Senators and the reporters—and treats everyone the same. He is known as a leader of great skill, vision, and rock-solid integrity, and he is known as a man with heart.

It was Bob's heart that led him to serve our Nation during war, and that gave him the strength to recover from injuries that would have killed many men.

It is his heart that makes him someone who is consistently rated as a favorite by Capitol employees, and who has gone out of his way time and again to help me since I came to Washington. It is his heartfelt belief in the American ideals of hard work, individual responsibility and helping others that has led him to work night and day to make a difference for this Nation.

Bob Dole is a proven leader and a true American hero. He has the character, the courage, the compassion—and the heart—to lead this Nation into the next century, and I join with all his other friends, and colleagues in wishing him well as he departs Capitol Hill to move on to his next challenge.

STATEMENT OF LECH WALESA

HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. HOKE. Mr. Speaker, the great twilight struggle against the incredible evil of communism produced some of history's most extraordinary people. But if you had to choose the three people who played the biggest role in relegating communism to the dustbin of history it would have to be Ronald Reagan, Pope John Paul II, and a shipyard worker from Gdansk named Lech Walesa—the three men Time Magazine dubbed "The Holy Alliance."

The centerpiece of the operation to free Eastern Europe from the chains of communism was Solidarity, the workers' union founded by Lech Walesa. Everything else flowed from that. Solidarity was the weapon that the Pope and President Reagan nurtured and protected and eventually used to help bring about communism's collapse, first in Poland, then in the rest of Eastern Europe.

None of what was accomplished, however, could have happened without Lech Walesa. It was his bravery, his skill, his dedication, and his love for his country and its people that showed the way. The world owes an debt of gratitude to this common man with uncommon valor.

Last week a ceremony was held in Washington both to honor this hero, as well as to celebrate the introduction of the NATO Expansion Act, a bill that will bring Poland, Hungary, and the Czech Republic into NATO. In many ways this bill is the culmination of all the Mr. Walesa has worked for and I am proud not only to be an original cosponsor of this bill, but also that I had a hand in drafting some of the language. I urge the Congress to pass this important bill and the President to sign it.

I would like to submit a copy of Mr. Walesa's inspiring remarks for the RECORD.

STATEMENT OF THE HONORABLE LECH WALESA, WASHINGTON, JUNE 4, 1996

Mr. Speaker, Members of Congress, Ladies and Gentlemen, Dear Friends.

First and above all, I would like to say how very grateful I am for being invited here today. Being here again brings back cherished memories of that day six years ago, when, as we were all witnessing the end of the communist empire and of the Cold War, I had the honor of addressing the joint session of the United States Congress. It was one of those rare moments when we all felt that history was being made. There are indeed very few such great landmarks to one's lifetime.

But this was not the first time Poles and Americans shared such moments. It was two centuries ago when, by a historical coincidence, our ancestors both in America and in Poland were simultaneously experiencing momentous changes in the lives of their nations. America had just won her independence and in 1790 ratified a democratic constitution. A year later and an ocean away on May 3rd, the Polish Parliament also passed its own constitution, a grand design for modern political reform.

There were striking similarities between them. The basic concept of the American constitution, that the source of governmental power stems from the will of the people, was also embodied in the Polish one. Both stated the same basic objective: liberty and general welfare of the people. The Polish

reformers were spiritually at home with the American Founding Fathers; they shared the same fundamental ideals. America was viewed as a model; it was certainly not an accident that Polish Reformer-King Stanislaw August had put a bust of George Washington in his study at the Warsaw Castle. And it was certainly not accidental that Polish volunteers participated in the American Revolution. At this point I must express my most sincere gratitude for the recent joint resolution of the United States Congress commemorating the two hundred fifth anniversary of the adoption of Poland's first constitution.

But while the America envisaged by the Founding Fathers has become a great democracy and still governs itself by the same constitution, Poland had spent most of the last two centuries relentlessly struggling to achieve among the nations of the earth that which your Declaration of Independence called ''a separate and equal station to which laws of nature and Nature's God entitle them''. I am not a historian, as you know, but sometimes I think that, perhaps, apart from the right ideals and stubborn resolve, nations need a bit of luck too. For instance, I would have liked Fortune to have placed the Poland of the 1791 Constitution somewhere on the map of North America and not in the center of Europe, between autocratic and imperial Russia and Prussia.

It was exactly 200 years ago that President George Washington was retiring. Having led a victorious fight against the imperial tyranny of Britain and ensured America's independence, he could withdraw into the peace and tranquillity of his beloved Mount Vernon. He cautioned that free people must always remain wary of potential threats, but he was convinced that what he called America's ''detached and distant position'' offered hope that the republic would endure. As you well know, my country, inhabiting the heart of Europe, unfortunately had not the luxury of such a ''distant and detached position'' over the past two centuries. The tough experiences of our history do not make a retirement in true peace of mind a very likely possibility for any leader. Perhaps that is why Poles love liberty as one loves a bride but Americans love her more as a grandmother.

But I believe that, although we cannot affect Fortune, we can and should help it. From 1989, liberty in Central Europe had been given a new, historic chance, a chance preceded by a very, very long and bitter struggle, and, as such, deserving the needed nourishment of peace and security. May I point out that Poland is today the fastest growing economy in Europe a remarkable evidence of fruits born of regained liberty.

We have before us a rare window of opportunity to help preserve both peace and freedom—and the former depends much on the latter—and ensure that it extends well into the twenty first century. Just as the eighteenth-century constitutions opened a new epoch, the fall of totalitarianism in Europe offers a similar prospect today. But many a great battle in history had been ultimately lost due to a lack of follow up by the victors to ensure a durable success. I strongly believe that this is such a moment requiring a follow up in the form of providing NATO security to ensure the durability of the democratic revolutions of 1989. Only United States has the power and authority today to lead towards this goal. I am particularly pleased that this cause has found much bipartisan support in the United States Congress. It gives me much faith and hope that the liberty for which so many have struggled for so long will be given the protection and opportunity it merits.

I wish to thank you once again for your kind invitation and for your inestimable support now as in the past.

HONORING THE SHACKLE ISLAND VOLUNTEER FIRE DEPARTMENT AND RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Shackle Island Volunteer Fire Department and Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a 4- to 6-month period which includes instruction in Cardiopulmonary Resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their service especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community volunteerism which moves them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish frys to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

THE MILLENNIUM ACT OF 1996

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. DAVIS. Mr. Speaker, today I am introducing the Millennium Act of 1996 along with my colleagues, Representatives MORAN, BATEMAN, PICKETT, SCOTT, SISISKY, L.F. PAYNE, BOUCHER, WOLF, GEJDENSON, FROST, WILSON, MOORHEAD, FAZIO, BEREUTER, ROEMER, MANTON, MONTGOMERY, LANTOS, STEARNS, COSTELLO, CONYERS, DURBIN, MARKEY, D. YOUNG, WHITFIELD, and BILIRAKIS.

This bill is a bipartisan effort to focus the Nation's attention on what may become one of the most anticipated events in history—the beginning of a new millennium. As the new millennium nears, this bill hopes to focus our attention on the achievements of the past 1,000 years and help to foster educational opportunities for those who may take on leadership responsibilities in the next 1,000 years.

Since its founding in 1979 by a group of college students from around the world, the Millennium Society has worked successfully to organize a global celebration and commemoration of humankind's achievements during this millennium and to endow a crosscultural scholarship program to help educate future leaders. I believe it is the oldest organization in the country formed for the specific purpose of celebrating and commemorating the historical significance of the millennium. The society was incorporated as a 501(c)(3) nonprofit, charitable organization in 1984 for the purpose of establishing and administering the Millennium Society Scholarship Program.

The Millennium Society plans to organize and telecast ''Countdown 2000'' celebrations here and around the world to permanently endow its Millennium Scholars Program.

Unlike the Bicentennial Commission which required Federal funding, this bill asks for no Federal funds. Title I of this bill provides the society with the official authorization and designation to administer millennium activities both here and abroad and ensures that charitable proceeds will go to the Millennium Scholars Program. The organizers hope that this designation can operate much like the U.S. Olympic trademark. Mr. President, to the best of my knowledge, there are no other organizations that are competing for this designation nor have any indicated any specific interest in doing so.

The second title authorizes the minting of commemorative coins. This bill incorporates some of the language from the House commemorative coin reform legislative package, H.R. 2614. Specifically, the Millennium Society agrees not to derive any proceeds until all the numismatic operation and program costs allocable to the program have been recovered by the U.S. Mint. Moreover, it embodies some of the key criteria and recommendations of the Citizens Commemorative Coin Advisory Commission. The minting of the millennium coins will not begin until July 1999. Further, through its own fundraising efforts, the Millennium Society will match the funds received through commemorative coin sales for its scholarship program.

The third title expresses the sense of Congress that the U.S. Postal Service should consider the issuance of stamps to commemorate the close of the second millennium and the advent of the third millennium.

The Millennium Society was established as an international, charitable organization dedicated to giving students from around the world a chance to go on to college and to promote international fellowship and understanding among the world's peoples on an unofficial and nongovernmental basis.

Mr. Speaker, I hope my colleagues will join us in supporting this legislation to both commemorate the coming millennium and help provide scholastic funding for its future leaders.

TRIBUTE TO JULIAN CERVANTES ON HIS RETIREMENT FROM UAW LOCAL 509

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. TORRES. Mr. Speaker, today I rise to recognize a dear friend and tireless advocate for the working men and women of America. Next Tuesday, June 18, 1996, Julian Cervantes will retire from the United Auto Workers Amalgamated Local Union No. 509 after 43 years of dedicated and exemplary service.

I have had the distinct pleasure of knowing Julian for most of his 43 years of membership in the UAW. We started our careers together, organizing hard working Americans under the banner of trade unionism and fighting to ensure workers would receive a decent wage for jobs well done.

Following his graduation from Roosevelt High School in east Los Angeles, Julian began his career at ITT Cannon Electric. In 1956, he was drafted and served with distinctin in the U.S. Army. Julian returned to ITT Cannon Electric, after his tenure in the Army.

After serving as UAW committeeperson, in 1968 Julian was elected chairperson of over 3,000 members to help with organizing drives for UAW Region Six. He also served until 1974 on the staff of the International Unions Manpower O.J.T. and an east Los Angeles community development corporation as an instructor for on-the-job training program.

In 1975, Julian was elected Local 509's vice president and service representative. Among his other duties at local 509 have included: co-coordinator of community services; the CAP Council; recreation committee; retires committee; and the F.E.P.C.

Currently, Julian serves as an international trustee, a position he was elected to at the International UAW Convention, and as local 509's president.

Julian and his loverly wife of 28 years, Marlene, have four children, Lorraine, Larry, James, and Mark, three grandchildren and one great granddaughter.

Mr. Speaker, Julian Cervantes has been a true champion for America's working men and women. His legacy of fair and decisive leadership will serve as a guiding light for local 509's membership in the days to come. I ask my colleagues to join me in saluting this great American and wishing him well in his retirement.

A TRIBUTE TO ED MULLANEY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mrs. MORELLA. Mr. Speaker, I take this opportunity to acknowledge one of Montgomery County's finest teachers, Ed Mullaney, on the occasion of his retirement. For 30 years, he has ensured that the students of the Montgomery County school system received educations of the highest standard. First a geography and history teacher at Leland Junior High School and later a social studies teacher at Bethesda-Chevy Chase High School, Mr. Mullaney energetically devoted himself to the students he taught. Yet far more than just teaching them academics, he educated students about community service.

As a founder of teen organizations, sponsor of yearbooks, student governments, and sports programs, Ed Mullaney gave of himself so that the communities of the schools in which he worked would be stronger. At B-CC, he was often recognized as the spirit of the school, a teacher who made students realize how fortunate they were to attend Bethesda-Chevy Chase High School. Even when they left, students could not forget Mr. Mullaney, for he even organized alumni events during his past 7 years at B-CC.

Wherever Mr. Mullaney has been, he has encouraged his students to involve themselves in their communities. He realizes that community spirit is the key to a successful education.

I fondly remember that when I was a Maryland State Legislator, Mr. Mullaney could be depended upon to bring students of the highest caliber to the State capitol. His organization of these excursions was always beyond the duty of a teacher, but he wanted to give his students something more than a classroom education.

Ed Mullaney will be missed both as a teacher and a leader in Montgomery County. Mr. Speaker, I am honored to add my voice to the praises of his students and colleagues who gather to salute him.

SAVING MEDICARE IS ''MISSION: IMPERATIVE''

HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. HOKE. Mr. Speaker, the Medicare trustees have just issued their annual report and the news isn't good.

Medicare is now losing money for the first time ever, and will be completely broke by 2001 unless prompt, effective, and decisive action is taken to control costs.

Last year the trustees—who include three members of the Clinton Cabinet—projected Medicare wouldn't run out of money until 2002. So the situation has worsened.

But as bad as the news is, the American people need to know that regardless of who wins in November, Medicare's financial crisis will be solved.

Letting Medicare go bankrupt simply is not an option.

Both Congress and the White House have offered plans that limit the rate of growth in Medicare spending—by strikingly similar amounts. The White House would increase spending 7.2 percent annually, Congress 7.0 percent. To put this in perspective, bear in mind that private sector health care spending is now growing at less than 3 percent annually.

This no doubt comes as a surprise to those who already have suffered from overexposure to the semihysterical, patently false, and politically motivated mantra of ''cuts, cuts, cuts.'' President Clinton himself put it well: ''When you hear all this business about cuts, let me caution you that that is not what is going on. We are going to have increases in Medicare.''

While the sides essentially are in agreement with respect to how much, there are significant differences as to how.

The President and those who believe Washington knows best are committed to a top-down, bureaucratic solution that would increase the Government's role in the health care of our seniors, essentially identical to Mrs. Clinton's defeated health care plan of 1994.

The far better solution is to modernize Medicare by giving seniors the kinds of options, including medical savings accounts, now available in some of the best private sector plans, while preserving their right to stay with traditional Medicare. In addition, we must mount the first ever attack on the waste and fraud that have helped bring Medicare to the brink of bankruptcy. The congressional plan to preserve Medicare contains both of these elements.

Unfortunately, some folks, including politicians, Washington special interests groups, even the President, have indulged their partisan ambitions by intentionally trying to scare seniors into believing that Congress might take their Medicare benefits away from them. Helping to spread the poison are the big labor bosses in Washington, who have spent millions of dollars confiscated from their own rank and file membership on advertisements pusing that same big lie.

Yet when you cut through all the political grandstanding, one thing becomes crystal clear: the longer a Medicare solution is put off, the harder and more unpalatable the choices become.

We need all sides working together now—not as Republicans and Democrats, but as Americans—to solve this problem.

So the next time you hear someone attack Congress for killing Medicare, ask them to show you their plan to save it. Chances are they won't have one. That's because they're thinking more about the next election than the next generation.

A RECOGNIZED HERO

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. KNOLLENBERG. Mr. Speaker, I rise today to honor a special person and true hero—Chief Warrant Officer 2 Wade Chapple of Milford.

The operations group soldier was recently awarded the Soldier's Medal of Honor for an act of heroism that saved a Colombian man's Life.

Serving a 3-year tour as a tactical training advisor to the Colombian Army 10th Airborne Division in Malgar, Colombia, Chapple and his crew rescued an injured Colombian man who had fallen off a cliff.

First, Chapple was able to diplomatically convince the base commander to provide a helicopter for the rescue. After landing on a small finger of open space nearly 700 feet below the injured victim, Chapple and his crew of two men went to work.

Chapple scaled the vertical climb dragging a stretcher that was tied to his waste.

Upon arriving at the injured man, Chapple notice multiple injuries and the man in shock. Working quickly to immobilize the man, Chapple and his crew eased the injured man slowly down the steep face of the mountain

The helicopter rushed the victim back to the base and there a waiting ambulance rushed the man to the hospital. Three months later, Chapple met the man who was beginning to walk again and has since recovered.

The incident was reported to Chapple's commanders by the Colombian Army without his knowledge.

Chapple is a symbol of today's military. Compassionate, skilled and heroic. Wade put his life on the line to save a man he didn't even know. I am proud of Wade Chapple. His great and noble rescue has made our community smile.

THE 50TH ANNIVERSARY OF HIS MAJESTY, KING BHUMIBOL ADULYADEJ'S ACCESSION TO THE THRONE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GILMAN. Mr. Speaker, on June 9, 1996, citizens of Thailand celebrated the 50th anniversary of the accession to the throne of His Majesty, King Bhumibol Adulyadej. This is a joyous moment for the people of Thailand and the people of the United States join with them on this special auspicious occasion.

The King is a good friend of the United States. He permitted Thailand to be the most supportive nation in the region throughout the Vietnam war. He always makes sure that Thailand is a tremendous refuge for people fleeing repressive governments in the region.

The King has underscored that Thailand is a democracy in an otherwise undemocratic region. His tact, intelligence, and grace has enabled Thailand to grow and prosper. He is in constant touch with his people and he travels regularly throughout Thailand.

The King was born 68 years ago here in the United States and he is the world's longest serving living monarch. He is known as the ''working king'' because of his extensive travels throughout Thailand and the 2,000 projects in Thailand that he initiated.

Because of his diligent work, Thailand is a beacon of hope and serves as an example for other nations in the region.

Accordingly, I invite my colleagues to join me in wishing His Majesty, King Bhumibol Adulyadej's a long, healthy, and prosperous life on this auspicious occasion of the 50th anniversary of his accession to the throne.

STOP ATTACK ON CALIFORNIA AVOCADO JOBS

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. CUNNINGHAM. Mr. Speaker, as we consider the fiscal year 1997 Agriculture Appropriations Act, I want to take this opportunity to inform my colleagues of another Clinton administration attack on California agricultural jobs. Six thousand American avocado growers and 21,000 avocado industry workers are in danger of losing their livelihood should the USDA implement its proposed plan to modify the quarantine on Mexican Hass avocados. The quarantine was placed in 1914 to protect our avocado crops from Mexican pests and fruit flies.

During a trip to Mexico City, USDA Secretary Dan Glickman spoke about lifting the current ban. He continues to tell me that he is ''absolutely committed to a sound, well-founded, science-based decision on this proposal.'' This is what I expect from the USDA. However, Secretary Glickman continues to ignore the warnings of independent scientists at the University of California Riverside and elsewhere that infestation of pests from Mexico is very likely if the quarantine is lifted. The USDA believes that Mexico can handle their serious pest problem. But, science has proven that Mexico has failed for years to destroy pests. NAFTA specifically left the quarantine intact because our Government knows that Mexican pests would devastate American avocados. The University of California Center for Exotic Pest Research released an important report based on their studies, entitled ''Risks of Exotic Pest Introductions from Importation of Fresh Mexican Hass Avocados into the United States.'' Secretary Glickman must carefully consider the results of this report before a final rule is made.

Mexican pest-infested avocados have already been smuggled across our border. On January 5, 1996, the U.S. Customs Service confiscated and destroyed 3,337 pounds of Mexican Hass avocados at the Otay Mesa commercial facility in San Diego County. The driver, who had previously been arrested for the same offense, admitted to similar smuggling activities in recent months. Although U.S. Customs officials thought they were seizing a truck loaded with drugs, they definitely touched on a problem of significant concern to California's avocado growing region.

It is evident that the USDA proposal will only harm our country. I encourage my colleagues to give me a call, should any of you have questions about this plan to destroy the crops and lives of American avocado growers and workers. We must stop this attack against California jobs.

HONORING THE SMITHVILLE-DEKALB COUNTY RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Smithville-DeKalb County Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a 4- to 6-month period which includes instruction in cardiopulmonary resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their service especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community voluntarism which moves them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish frys to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

GILBERT DE LA ROSA HONORED FOR LIFETIME OF SERVICE TO CITY OF PICO RIVERA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join me today in paying tribute to a friend of mine, the Honorable Gilbert ''Gil'' De La Rosa, Pico Rivera City Councilman. On Saturday, June 8, 1996, the board of directors of the Intercommunity Blind Center will recognize Gil for his many years of dedicated service to the city by honoring him with its Distinguished Leadership Award.

Gil served on the Pico Rivera City Council from 1982 to 1990. He served as mayor in 1986, and is currently mayor pro-tempore. He was elected again to the council in 1994.

He also was elected to the El Rancho Unified School District Board of Education in 1966, and was reelected to this position four times, serving until 1982. He was appointed to a management skills team to represent the California School Boards Association, and advised districts throughout the State on good management techniques. Gil was elected president of the Mexican-American School Boards Association in 1981, and was appointed by the National School Boards President to a 10 person task force that developed an investment procedure for school districts throughout the United States.

Gil is an active member of the Pico Rivera Lions Club, and served as its president in 1984–85. His extensive work with the St. Francis of Xavier Holy Name Society, and the Beverly Hospital Foundation, on whose board he has served for 16 years, are well known and respected throughout the community. His involvement in the community also includes membership on the board of directors of the Pico Rivera Redevelopment Agency, and the Pico Rivera Housing Assistance Agency; he also serves with the League of California Cities Environmental Quality Committee, the United Way Board, Pico Rivera Transportation Committee, and is a member of the Southeast Mosquito Abatement District.

Gil has received three gubernatorial appointments as a probate referee, and has been honored as a life member of the California Parents and Teachers Association. He is a member and now serves as immediate past president of the Intercommunity Blind Center. Gil is a veteran of the U.S. Army, having served in WWII. He and his lovely wife, Sylvia, live in Pico Rivera.

Mr. Speaker, it is with pride that I ask my colleagues to join me in saluting the Honorable Gilbert De La Rosa for his many years of selfless service to the Intercommunity Blind Center, the city of Pico Rivera, and to our Nation.

A TRIBUTE TO LESTER OLINGER

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mrs. MORELLA. Mr. Speaker, I would like to take this opportunity to pay tribute to Lester

Olinger, a highly esteemed teacher who has taught U.S. history at Bethesda-Chevy Chase High School for more than 35 years. As he retires this year, he leaves behind generations of students who would never have had such an exceptional appreciation and understanding of American history were it not for Lester Olinger.

At Bethesda-Chevy Chase High School, his teaching style was legendary. Students knew that they would not leave his classroom without enhancing their knowledge of the history of their country. As a result, Mr. Olinger's students were known to have some of the highest test results in the Nation. He also taught advanced placement classes on U.S. history and American government.

As well as being an exceptional teacher, Lester Olinger gave time to a variety of clubs. A sponsor of both the frisbee and the ski teams, he could always be depended upon to cheer Bethesda-Chevy Chase's athletes to success.

Mr. Speaker, I thank you for the opportunity to salute a phenomenal teacher, Lester Olinger.

LEGISLATION TO IMPROVE THE LMA PROCESS

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. FARR of California. Mr. Speaker, today I am introducing legislation to address a serious flaw in the rules governing local marketing agreements for television stations.

Current FCC rules allow television stations to enter into what are called ''local marketing agreements'', or LMA's. An LMA allows a television station or other entity to manage programming, sales, and operations at another station.

For troubled stations, the LMA can provide needed assistance to maintain both their operations and independence. However, as they have become more frequent, so have they become broader and more comprehensive in their scope.

Strangely, although FCC rules are clear with respect to TV station ownership—owing two stations in the same market is illiegal—they are extremely vague with respect to television LMA's.

For example, current FCC regulations do not take into account the size of a local marketing agreement, the amount of operations managed through an LMA, or the size of the media market affected. Nor do they require prior notice or public comment from the communities that might be impacted.

My own community has been affected by this ambiguity in FCC rules. Recently, two local stations in Monterey, CA reached a local marketing agreement which affected a sizeable portion of the programming and operations of one of the stations. No prior notice was given or required; no public input was requested; and there were no studies or consideration of the possible impact, positive or negative, of the LMA on the region.

Unfortunately, Mr. Speaker, this is a growing problem. Although radio LMA's account for the majority of such agreements, the expanding number of consolidations and mergers in the television industry have put greater economic pressures on small stations. LMA's have become an increasingly attractive alternative to bankruptcy—but also, for some, a useful loophole in the duopoly laws.

My bill will resolve this problem by extending the more exact and time-tested LMA rules for radio to television as well. As for radio, television LMA's affecting 15 percent or less of broadcast time on a station would not require prior notice or approval by the FCC. However, more comprehensive LMA's would require prior notice and public comment before the FCC could approve them. Such approval would have to be made on the basis of public interest, convenience, and necessity.

My bill will resolve the current ambiguity in FCC rules—ambiguity which leaves the LMA process open to broad interpretation, and makes no allowance for the needs, interests, or concerns of local communities. Making LMA rules clear and fair will benefit the station owners who benefit from these agreements, as well as television viewers and local communities affected by them.

I urge my colleagues to support this legislation.

A POEM OF REMEMBRANCE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. YOUNG of Florida. Mr. Speaker, Memorial Day has just passed, but we should always hold in our hearts the memory of those who came before us offering their service to our country. They made many a sacrifice, none small, some ultimate, for the greatness of our Nation.

My constituent, Mr. Curt Perdelwitz, a retired U.S. Air Force Master Sergeant, has written a very poignant poem to remind us of our obligation to honor their memory. The poem, ''We Remember,'' which I will include following my remarks, was selected as the Editor's Choice by the National Library of Poetry and published in the ''Path Not Taken.'' I commend it to my colleagues and all Americans as a constant reminder of the great price we pay to defend freedom throughout the world.

WE REMEMBER

(By Curt W. Perdelwitz)

The guns of the battle are now silent,
The cries of the wounded no longer are heard
The fields at Verdun and Bastogne are now peaceful,
Antietam and the Hue are history remembered.
Inchon and Desert Storm but memories of conflicts,
Iwo Jima and Guadalcanal are part of our lore.
But, for those whose blood turned battlefields red,
And those who now rest in Valhalla,
We, on this day, offer this prayer:—
Oh Father in heaven! Lord of all living things!
Bestow on Your lowly human mortals
The wisdom and strength to lay aside
Our greed, and power, and desire for material things.
Awake within us, the sights of those crosses en row,
Remind us of the souls who rest beneath—those
Who gave their lives for us who now remain.
It is for us to keep alive their spirits and hopes
For those freedoms that shall never die.
Grant us the ability to keep the faith and our promises
To those who gave so much to us who now survive.

TRIBUTE TO FIFTH DISTRICT BOY SCOUTS

HON. GEORGE R. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. NETHERCUTT. Mr. Speaker, I would like to take this opportunity to recognize the achievements of several Boy Scouts from my district. Eric Jordan and Kevin Engbretson were recently recognized in a National Court of Honor Ceremony, and Travis Passey received his Eagle Scout Award, joining his five brothers in receiving this honor.

In the early morning of February 19, 1994, Scout Eric Jordan, of Walla Walla, WA, awoke to find his bedroom filled with smoke. Eric shared the bedroom with his younger brother Kristopher, and heard him gasping from the dense smoke. Crawling along the floor, Eric found his brother's electric blanket burning and the younger boy unconscious. He dragged Kristopher from the room and closed the bedroom door to suffocate the fire. For his quick thinking in averting the potential tragedy, Eric was awarded the National Heroism Medal.

On May 27, 1994, Scot Kevin Engbretson, also of Walla Walla, was on a field trip with his seventh grade class at Charbonneau State Park. When one of his classmates was playfully pushed off a dock into the Snake River, and it became apparent that she could not swim, Kevin quickly waded into the river and towed the girl to safety. For his efforts in rescuing his classmate, Kevin was awarded the National Certificate of Merit.

Travis Passey, of Cheney, WA, recently earned his Eagle Scout Award for organizing a project that raised funds for area libraries. Travis deserves recognition for his service, but equally deserving are his five brothers: Jared, Ryan Nathan, Allan, and David. Each of Glenn and Joan Passey's six sons have earned the rank of Eagle Scout, and I would like to congratulate this family's accomplishment. The young men honored their father's guidance over the years with a flag flown over the Capitol, and I think the accompanying certificate precisely summarizes their appreciation for his support. The certificate read, ''Your six Eagles Scouts sons honor you for your dedication, inspiration and love.''

Mr. Speaker, I feel privileged to recognize the achievements of these young men. I was a Life Scout, and I know of the significant personal dedication that is required of Boy Scouts. The lessons learned in Scouting are of great personal benefit but as these men have demonstrated, our families and communities are even greater beneficiaries Eric Jordan and Kevin Engbretson calmly reacted to crises that could have become tragedies. Travis, Jared, Ryan, Nathan, Allan, and David Passey, through their service as Eagle Scouts, have contributed lasting community service projects. I am proud of the contributions that

these young men have made, and grateful for their commitment to their families and communities.

HONORING THE SMYRNA RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Smyrna Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a four to six-month period which includes instruction in Cardiopulmonary Resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their service especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community volunteerism which moves them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish frys to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

TRIBUTE TO BRIG. GEN. ANDREW P. GROSE

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. SPENCE. Mr. Speaker, I rise today to recognize Brig. Gen. Andrew P. Grose upon his retirement from the U.S. Air Force after 33-years of exemplary service. General Grose is currently the Air Force Reserve mobilization assistant to the director of legislative liaison for the U.S. Air Force. Since assuming this post in 1991, General Grose has demonstrated sound judgement and a keen sense of priority. His in-depth knowledge of the Air Force and the Congress has been of great benefit to Members of the House of Representatives as we have deliberated issues relating to our national security interests.

General Grose has served with distinction in demanding positions. The leadership and commitment that he has demonstrated throughout his career have earned for him the respect and gratitude of those who have had the privilege of working with him. Mr. Speaker, on behalf of my colleagues on the Committee on National Security, I bid General Grose a fond farewell and wish he and his family the very best as they move on to face new challenges and rewards.

CARRYING THE TORCH FOR THE 1996 OLYMPICS

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. BOEHLERT. Mr. Speaker, I would like to congratulate the individuals in my district who have been honored to carry the torch in the Olympic Torch Relay.

These individuals have distinguished themselves in the community by helping others who have been less fortunate. This group combines people of all ages, men and women for one purpose, to help bring the Olympic flame to Atlanta.

The Olympics are held only rarely in the United States. We should take advantage of this great opportunity to showcase true patriots of this country. Once again I congratulate these individuals on their achievement.

The individuals from my district are: James Barefoot, Sauquoit; Darrell Bruder, Rome; John Cribbs, Sidney; Judith Greiner, Clinton; Leo Hofmeister, Utica; Carlton Jarvis, III, Barker; Jeffrey Jost, Wampsville; Derek Macero, Utica; Dick Mattia, Utica; Robert Merritt, Utica; Allen Pylman, New Hartford; Kristina Rico, Rome; Sandy Shivas, Ilion; James Suriano, Sidney; Russell Brooks, II, Utica; Tim Catella, Oneonta; Eugene A. DiFondi, Jr., Utica; Dustin Hite, Camden; Scott Huges, Herkimer; David Jones, Utica; Joe Kelly, Whitesboro; Ward Mack, Sidney; Steven Mac, Utica; Thomas Mirabito, Jr., Sidney; David Rich, Utica; Williams Rys, New Hartford; James Simpson, New Hartford; and Bob Wood, Sauquoit.

PRINTING ALL THE NEWS THAT FITS AN AGENDA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. DORNAN. Mr. Speaker, just when I thought that Wes Pruden could not be more incisive in his commentary, he out does himself again. I submit for the RECORD his column which was printed in the June 11 Washington Times.

PRINTING ALL THE NEWS THAT FITS AN AGENDA

(By Wesley Pruden)

Bill Clinton and his boys on the bus are getting a hard lesson about how times have changed.

They can't any longer decide what news is fit to print—and more to the point, they can't any longer prevent news they think is not fit to print from getting printed anyway. This will become even more important three months hence.

The story about how the White House was building an enemies list from secret FBI files first broke on Thursday, with the revelation that Bernard Nussbaum, or someone using his name, asked the FBI to supply its dossiers on Billy Dale seven months after Mr. Dale, the head of the White House travel office until Hillary Rodham Clinton ordered the president's men to delivery his head, was beheaded.

This was the main, or lead, story in this newspaper, stretched across the top of Page One. The Washington Post put it on Page 4, a decorous announcement to the reporters around town, who imagine The Post to be the arbiter of what's news, that it wasn't much of a story. The New York Times, couldn't find any room at all for it on Thursday or Friday. But in fairness to the New York Times, there was a crush of other stuff of compelling interest to its constituency, mostly news about how maybe you can, too, catch AIDS by taking unclean foreign objects in your mouth. There was even a story about how monkeys, if forced to by lab attendants, can catch AIDS this way.

The Associated Press, no doubt influenced by The Post and the New York Times, at first paid grudging attention to the story. But when the story grew, and it became clear that the White House had more in mind than merely seeking dirt on Billy Dale, the story sprouted legs.

By Saturday morning it was in full gallop, with the disclosure that the White House had obtained FBI dossiers on 339—or 341, the figure grew by the hour—Republicans. The White House explanations grew from improbable to unlikely and then to fanciful: It was of course ''an innocent mistake,'' made because maybe they needed to know just who these people were, men like James Baker, the former secretary of state; Marlin Fitzwater, the press secretary for both President Reagan and President Bush; and Tony Blankley, the press secretary for Newt Gingrich. They might want to offer them jobs. Mr. Clinton is determined to keep the unemployment rate down, and you never know when these guys might be out of work.

By now the story was getting out of hand. The silence of the lambs at the New York Times and the reticence of the wolves at The Post was supposed to tell everyone that this was not news fit to print, but some people (like us) never seem to get the word. The New York times put it plain enough for everyone but people like us on Saturday: ''Senior White House officials said tonight that they have discovered new facts about a White House request to the Federal Bureau of Investigation for information about a fired employee, *showing that the request was an innocent mistake.*'' (Emphasis mine.) Everybody could now go back to sleep, and send your apologies to Bill and Hillary.

Too bad for Mr. Clinton and his pals, but now the story was racing on its little baby legs to front pages across the country, and by Sunday morning the TV talk shows couldn't get enough of it. Even Ann Lewis, the deputy director of the Clinton re-election campaign, in a fit of uncontrolled candor, likened the Clinton list to the enemies list compiled for Richard Nixon.

''That's the point we've been trying to make,'' said Tony Blankley.

''I was trying to be funny,'' replied Miss Lewis, frostily. (The resident wit, she's famous for cracking everybody up at the White House.)

''Oh,'' said Mr. Blankley. Being one of nature's gentlemen, he obliged with a laugh.

President Clinton, no doubt irritated that his pals had not contained the story, attempted a diversion on the weekend with his radio speech decrying—as he should have, but in a less blatantly political way—the torching of black churches in the South. He told reporters that the torchings particularly upset him because when he was just a little shaver in Hot Springs he was saddened by the smoking ruins of black churches in Arkansas.

This was too much for the home folks, black and white. None of them remembered a black church being torched, ever. Well, never mind. The story sounded good at the time, and since he had long since shredded the good name of his native state, what difference could it make?

His hometown paper, the Arkansas Democrat Gazette, called him on it the next day, quoting skepticism and outrage from the state historian and a collection of knowledgeable black ministers and NAACP officials. Washington read about it in the pages of this newspaper, which, like his hometown paper, knows him best. The news didn't fit in certain other famous places.

TRIBUTE TO TODD KAMINSKY

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. KING. Mr. Speaker, I rise today to commend Mr. Todd Kaminsky of Long Beach High School for the outstanding leadership which he has shown as a columnist and political activist to his school and community. It is encouraging to see an active, independent young man playing such a leading role in our political process.

Mr. Kaminsky will be graduating this month from Long Beach High School and plans to attend the University of Michigan. I am certain that he will have a particularly successful academic career.

I am pleased to insert in the CONGRESSIONAL RECORD a recent column which Mr. Kaminsky wrote for the April 1996 edition of the "Tide" which is the student newspaper for Long Beach High School.

KING CALLS FOR STUDENT INVOLVEMENT

(By Todd Kaminsky)

For a few months a year, a couple of hundred of men and women gather in a neatly assembled, large, white building to discuss a few matters concerning the state of our nation's well being. Welfare reform, gun control, the environment, and even the occasional blurb on nuclear weapons are some of the random sounds you might hear bounce off the inner walls of this stately building.

These are just some of the great topics most teenagers couldn't care less about. But these men and women are our Congressmen, easily some of the most important people in our country. Although the attitude on politicians reflected in the prior paragraph may be the prevailing one amongst teenagers, the teens of Long Beach have reason to breathe a little easier.

Of the near 500 members of Congress, struggling to tackle daily important foreign and domestic issues that face this nation, you will see that at least one of these brave souls is looking out for the future of our nation. Congressman Peter T. King, who represents Long Beach among other areas in the House of Representatives, knows how important teenagers are to a prosperous democracy.

"Even when I was very small, I was still interested in political events. I guess it was a natural interest," said King, who is one of the few politicians who realizes how vital a role teens actually play in our government.

In Congress right now, there are many important domestic issues that our Congressmen vote on. Some of this legislation effects teens directly, and some will affect them later on down the road. This is why King feels, "Teens owe it to themselves to get involved."

King has gained most of his fame in Congress, by passing or being the sponsor of bills that directly affect teenagers. Recently, he was given much attention for a bill which would make English the official language, and would end bilingual education. Representative King has always been involved in making important educational decisions. "I feel that my greatest work as a Congressman was done with the English bill. It has been one of my greatest accomplishments," said King.

There is a great variety of things a teenager can do to make a difference in his or her community. Most political meetings, (school board, or otherwise) are held publicly. Just by attending a few of these meetings, you can become aware of what is taking place in your community.

It is almost considered a fact, that most teenagers would rather play sports than follow the nation's political affairs. We have a whole slew of sports teams in LBPS, but do we have a Young Republican Club? Of course, we don't.

Congressman King played basketball in high school and boxed as well. He admits to never being great at these sports, but he always tried his hardest. If you ask any coach what makes a great athlete, he will tell you hard work, good thinking, and perseverance. It is no coincidence that when I asked Congressman King what are the characteristics one needs to be successful in Congress, he replied, "hard work, smarts, and perseverance."

Of all the characteristics King described, he felt that perseverance was the most important. He lost a race for State Attorney General a number of years ago. Not only did he lose, but he got clobbered. He lost by almost 1 million votes. But King kept coming back again, and again, and again. Now he is among the most powerful in Washington.

A TRIBUTE TO BEVERLY FIEGE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to Beverly Fiege on the occasion of her retirement. A teacher at both Richard Montgomery High School and Bethesda-Chevy Chase High School, Ms. Fiege has taught French in the Montgomery County school system for over 15 years.

At Bethesda-Chevy Chase High School, Madame Fiege was beloved by her students. A joyful, cheerful educator, she transformed the learning of a language from the mundane memorization of grammar and vocabulary to a creative, enjoyable learning experience. Her enthusiasm for her work was undeniable to those who saw her teach. In addition, her remarkable attentiveness to every one of her students was never forgotten by those who were members of her class.

Mr. Speaker, I thank you for this opportunity to salute Beverly Fiege, an outstanding educator.

"TEENS ASSISTING SENIOR CITIZENS" VOLUNTEERS RECOGNIZED

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join with me today in honoring and thanking the volunteers at Teens Assisting Senior Citizens [TASC], located in Pico Rivera. On Friday, June 14, 1996, TASC will hold its annual recognition dinner to acknowledge and thank the volunteers who make this program successful year after year.

TASC is a program that serves the needs of Senior citizens while allowing local youth to benefit from service and involvement in the community. It began in 1983, with local youth and adult volunteers being recruited and trained in aging, communication, and emergency management. The volunteers were then sent to the homes of older community members who could benefit from help in their homes and sharing with youth. Volunteers provide friendly visiting, light housekeeping, shopping assistance, and yard work.

The goal of the program is to help older individuals of the community to remain independent and avoid unnecessary or premature institutionalization. TASC is a program of Catholic Charities Aging Services Department, a United Way Agency, and is supported by funds from the city of Pico Rivera. Kiwanis of Pico Rivera, and private donations.

The volunteers who deserve special recognition are: Rosa Alcocer; Lorraine Aldarondo; Frank Alvarez; Sergio Aguilar; Tiffany Avila; Adriana Bagues; Stephanie Barba; Cherly Bautista; Elizabeth Blanco; Omar Bravo; Cesar Chavez; Fabiola Chavez; Richard Chavez; Greg Cordova; Carlos Covarrubias; Diana De La Rosa; Araceli Delfin; Janice Diaz; Monique Dovalina; Mark Elias; Janet Gallogos; Gabriela Garcia; Michelle Garcia; Sandra Garcia; Ernie Gevara; Huge Gomez; Sally Gomez; Carolina Gonzalez; Matthew Heilgeist; Gia Hua; Sakina Hussain; Luis Jiminez; Stephanie Kary; Lendy Le; Tanya Lopez; Jessica Mecado; Eric Medrano; David Morales; Patty Morales; Sandy Mudry; Mary Nguyen; Fernando Ortega; Susana Ortega; Chantha Ouk; Priya Patel; Andy Perez; Richard Perez; Erin Perez; Carmen Ramirez; Janet Renteria; Fabiola Robles; Armando Rodriguez; Rocio Rodriguez; Yazmin Romero; Cesar Ruiz; Jennifer Salamat; Veronica Singh; Frances Soliz; Rosemary Soliz; Jesica Tapia; Andy Torres; Peter Ubugen; Lisa Valles; Elizabeth Vasquez; Michael Velasquez; Linh Vuoung, and TASC program director Cristina Quijada.

Mr. Speaker, it is with pride that I ask my colleagues to join me in honoring the volunteers in our community who have dedicated themselves to selfless service by participating in Teens Assisting Senior Citizens.

HONORING THE WILLIAMSON COUNTY RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Williamson County Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a 4- to 6-month period which includes instruction in cardiopulmonary resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their service especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community voluntarism which moves them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish frys to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

TRIBUTE TO LARRY E. GRIFFIN

HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. PARKER. Mr. Speaker, I come before the House to ask you to join me in honoring Mr. Larry E. Griffin, the current president of the International Right of Way Association and a resident of Laurel, MS.

Born on December 28, 1949, in Laurel, Mr. Griffin earned his bachelor of science degree from the University of Southern Mississippi. Following his graduation he began his career as a specialist in the acquisition of power line and pipeline rights-of-way. While serving in the Mississippi highway department, Griffin earned his senior right-of-way designation and worked to ensure that his peers were recognized and rewarded for their achievement. After 12 years of dedicated service to the department and the people of Mississippi, Mr. Griffin moved on in 1987 to become the director of lands at the South Mississippi Electric Power Association.

Mr. Griffin has been active with the International Right of Way Association serving in many capacities—treasurer, membership chairman, local president, director, public awareness chairman, course coordinator, nomination and election committee, liaison committee, president's club, a course coordinator, nomination and election committee, liaison committee, president's club, a representative for the pacesetter campaign, and as vice-chair and chair of the Southeast United States Region. In 1985, he received his chapter's Professional of the Year Award. He also has been recognized by two international awards: the Gene L. Land award for the greatest percentage increase in chapter membership, and the Frank C. Balfour professional of the year award.

A year ago, I had the privilege of installing Mr. Griffin as the 41st president and the first Mississippian to be president of the International Right of Way Association. In addition to holding this prestigious position, he has continued his daily responsibilities to the people of Mississippi, and his other commitments to his church and family, his children's schools and civic organizations. He is an advisory board member of the Word of Life Church, Parent Teacher Organization president, and director of the Kiwanis Club of Laurel.

Mr. Speaker and colleagues, I ask you to join with me in thanking Mr. Griffin for his dedicated service and in wishing his continued success. Mr. Griffin, thank you for all you have done for Mississippi and our Nation.

DEJA VU BUDGET

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. THOMPSON. Mr. Speaker, I rise today out of deep concern for our children, senior citizens and the working poor. This budget is deja vu all over again. I thought that the leadership learned a lesson last year when they shut down the Government and lost favor in the eyes of the American people but here we go again with the same old gimmickry. Just like last year, they are using the annual report published by the Medicare Board of Trustees to justify these extreme cuts in Medicare, while everyone knows that these cuts are going to used to pay for the tax cuts they plan to bestow on their wealthy friends.

Mr. Speaker, my colleagues on the other side of the aisle would have the American people believe that they are doing seniors a favor by causing them to have to choose between going to the doctor and buying groceries. This is no favor it is a vicious attack on the Nation's elderly. There are over 388,000 medicare beneficiaries in Mississippi and this bill will have a devastating impact on them.

Mr. Speaker, because this budget is just like the old one, more than 6 million families with children will see a reduction in the earned income tax credit. This is a credit that goes to working families and is not a welfare payment. To take this credit away from working families makes about as much sense as asking the Bulls to play without Michael Jordan tonight.

Mr. Speaker, it is a sad day when we are forced to stand before the American people as leaders and speak out to protect the most vulnerable people in our society against an irresponsible plan that would cause undue pain. I urge a ''no'' vote on this budget resolution.

RECOGNITION OF THE UNITED FAMILY COALITION

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Ms. NORTON. Mr. Speaker, I would like to recognize the United Family Coalition for its commitment to regaining control of their community in Ward 7, Washington, DC. On June 13, 1996, UFC will courageously march against drug offenders in their neighborhood. The organization will march from 60th and East Capitol Streets to the U.S. Capitol Grounds as a symbolic show of their solidarity and determination to rid the community of drug dealers and their illegal activity. The United Family Coalition will put all drug dealers and abusers on notice that the sale of narcotics and violent behavior will not be tolerated in Ward 7. UFC and march participants will announce to Congress that Ward 7 can govern itself.

UFC's mission is to enhance the quality of life for children, youth, and families in at-risk communities. This organization provides individual and group counseling on substance abuse, AIDS, employment, and parenting skills. They also provide tutoring and college preparation referrals.

We should all applaud the United Family Coalition for its efforts to regain control of their community. I enthusiastically support the march's objective to create safer communities for our children and families. I urge my colleagues on Capitol Hill to make a similar commitment.

TRIBUTE TO MARTHA M. RICH OF EDGEFIELD, SC

HON. LINDSEY O. GRAHAM

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GRAHAM. Mr. Speaker, Martha M. Rich, who is known affectionately throughout Edgefield County as Miz Martha, has served the people of Edgefield County in many ways since moving here in 1956. In that year she began work with the South Carolina Highway Department. Previously, she had worked as a bank teller in Augusta, GA, and operated a restaurant and motel in McCormick County.

It was in 1963 that Martha Rich was asked by then-County Commissioner Frank Timmerman to consider working for Edgefield County. Starting her county work in the tax assessor's office, she was involved that year in the very first property value reassessment program. In 1970, she was named assistant county administrator. During her 33 years with the county, she has served the public on matters as diverse as roads and bridges, emergency medical and fire operations, and waste disposal. Ms. Rich was a key figure in the transition to home rule, when county governments were gaining local control under new laws enacted at the State level. In the often trying political environment of country government, Ms. Rich has served six county administrators and numerous local elected officials. She has also remained a key contact person with State and Federal office holders on behalf

of Edgerfield County. Her professionalism and historical perspective of our county government will be missed tremendously now that she has decided to retire.

Though her work schedule has remained heavy throughout the years, Mr. Rich has always made time for community and family. She has been active in the Senior Citizens' Advisory Council, Piedmont Technical College, the Edgefield County Red Cross, the Edgefield County Transportation Committee, and the Governor's Beautification Task Force. She is also a fixture at Red Oak Grove Baptist Church, where she participates in the WMU and the Edgefield Baptist Association. Away from public life and civic pursuits, Martha Rich occupies herself with family. She has a son, Jackie, and three daughters: Patsy Smith, Greenie Crowder, and Georgia Morris. she has one brother, Kenneth Morgan. Six grandchildren also keep here quite busy and bring her a great deal of joy. Ms. Rich looks to family as a first priority in her retirement.

We wish Miz Martha the best in retirement, and we thank her for the work she has done on the behalf of Edgefield County.

IN HONOR OF FIRE CHIEF PETER PHELAN

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Ms. DELAURO. Mr. Speaker, on Wednesday, June 12, 1996, the Milford Fire Department will hold a testimonial dinner to honor Chief Peter Phelan who is retiring. It is with great pleasure that I salute Chief Phelan and his distinguished career of service to the Milford Fire Department.

Chief Phelan's career as a firefighter began in 1944 when he joined the Milford Fire Department as a volunteer firefighter with the former Myrtle Beach Volunteer Engine Company No. 3. He was following a long family history of firefighting for the town of Milford as both his father and grandfather had served in the same company. Chief Phelan was permitted to join even though he was only 17 years old and still in high school at the time. World War II had created a manpower shortage within the fire department so the chief's young age was overlooked.

In November of 1948 Chief Phelan was appointed to the Career Department. He left briefly from 1951 to 1953 to serve with distinction in the Korean conflict. The chief's early career included work with the late Fire Chief Richard Coley to reorganize the old civil defense programs into the Milford Civil Preparedness Agency. Chief Phelan was responsible for preparing plans to put the city of Milford in line for Federal grant programs.

In 1966, Chief Phelan was promoted to the rank of lieutenant. He was promoted again in 1967 to the newly established rank of captain. The chief became a battalion chief in 1972 and, in 1977, became the assistant chief/fire marshal. When the department was reorganized, he was named assistant chief/operations. On January 1, 1996, he was appointed to the office of fire chief.

Chief Phelan has earned a number of awards during the course of his career. The most outstanding awards are the Ryder Fireman of the Year Award and a bronze medal from the Connecticut Humane Society for his part in the rescue of a handicapped person from the second floor of a burning building. These awards illustrate Chief Phelan's dedication to firefighting and the safety of the residents of Milford. He is without doubt one of Milford's most important public servants.

In addition to his involvement with a number of community organizations, Chief Phelan has served as chairman of the Connecticut Fire Marshal's Association's Annual Educational Seminar for the past 15 years. He is also a member of the New England Division of the International Association of Fire Chiefs and was a member of the first group of the Fairfield County Arson Task Force. He is a past president of the Connecticut State Fireman's Association, has served as president of the Connecticut Fire Marshal's Association and has been a member of the board of directors of the New England Fire Marshals Association and the New Haven County Fire Chiefs Emergency Plan.

I am so pleased to join Chief Phelan's colleagues at the Milford Fire Department, his wife Catherine, and his children and grandchildren in congratulating him on his retirement. His departure is a great loss to the town of Milford and the Fire Department. I thank Chief Phelan for a lifetime of extraordinary service to the public and wish him enjoyment in his retirement.

THE WINNING TRADITION OF HUNTINGTON HIGH SCHOOL TENNIS

HON. NICK J. RAHALL, II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. RAHALL. Mr. Speaker, for years we have heard that national sports figures have been role models to young Americans all around the country. There has been a great debate centering around academics versus athletics and what takes precedent in the lives of young adults. I rise today to honor a group of individuals from my district that I am proud to say have excelled on both the athletic field and in the classroom.

The Huntington High School Pony Express boys and girls tennis teams have won a total of three State championships in a span of 2 years. The school won dual titles in 1995 and the girls team won again in 1996. Although they may not be as well known as Andre Agassi or Steffi Graf, they are great example of what one can achieve through hard work and dedication.

Under the guidance of coach Roberta Bunch, the teams combined have attained a record of 68 wins and 2 losses in 2-year span. They are the true definition of what one would call exceptional athletes.

But their performance does not stop between the baselines. In the classroom, this group of players is among the best in the school. All of the players are college bound to schools such as Marshall University, West Virginia University, Duke University, Wake Forest University, and Indiana University. The grade point averages among these players consistently rank in the top 10 percent of their respective classes. They are the true definition of what one would call exceptional students.

Mr. Speaker, I ask that their names be entered into the RECORD at this time: Jeff Morrison, Kyle Foster, Adam Woodruff, Jay Hatten, Jimmy Leach, Ellie Earles, Taryn Foster, Ashleigh Harrison, Lindsay Wilson, Tiffany Kassab, Erin Allen, Lauren Oxley, Jenna Hegg, Kate Denman, Ramsey Cook, Katie Twohig, Lynsey Jenkins, and Sabrina Copley.

I am proud to recognize these individuals who have striven for and attained the highest peak possible in the Mountain State. I congratulate and salute them.

OFFICER SORRY FOR ATTACK ON NAVY CHIEF

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. JACOBS. Mr. Speaker, the following is an article published by the Indianapolis Star on May 29.

Our Center Township assessor, Jim Maley, says, "Sticks and stones may have broken his bones, but names and words broke his heart. We good guys are proud of Big Mike Boorda."

An honest mistake which hurts no one else does not deserve dishonor, much less death.

At the airport, sometimes they turn the metal detector up too high and it even picks up the ring on your finger. If anything, Adm. Jeremy Boorda's sense of honor was too high. And whatever that is, it is certainly not dishonor.

[From the Indianapolis Star, May 29, 1996]

OFFICER SORRY FOR ATTACK ON NAVY CHIEF

(By Robert Burns)

WASHINGTON.—A Navy officer whose unsigned letter attacking Adm. Jeremy M. "Mike" Boorda was published in the Navy Times three days before Boorda's suicide has come forward and apologized.

"I am sorry for Admiral Boorda's family and for the sailors he loved," Cmdr. John E. Carey wrote in a letter to the editor of the Navy Times.

The newspaper, too, said it regretted publishing the earlier letter, which it called a "cheap shot." It promised to stop publishing letters containing personal attacks.

In a related development, the Navy distributed to all sailors a message from Boorda's widow, Bettie Moran Boorda, expressing thanks for their support.

In publishing Carey's attack against the chief of naval operations Navy Times did not mention that Carey had been relieved of command of the guided-missile destroyer USS Curtis Wilbur. He was punished for verbally abusing his crew.

In a suicide note left at his residence at the Washington Navy Yard, Boorda expressed distress over what he apparently felt would become a media scandal over questions about the propriety of two combat pins he had worn on his chest.

In the unsigned May 13 letter, Carey said Boorda had lost respect of his fellow officers and asked him to resign. He wrote that admirals often referred to the 5-foot-4-inch Navy chief as "Little Mikey Boorda" out of disrespect.

New York's Newsday, reported that Carey told one of its reporters he planned to leave the Navy soon.

THE 25TH ANNIVERSARY OF THE CLOSE UP FOUNDATION

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. YOUNG of Alaska. Mr. Speaker, I want to call the attention of my colleagues to a very special event that is taking place, the 25th Anniversary of the Close Up Foundation.

As many of you know, the Close Up Foundation is the largest civic education organization in the country. It has not always been that way, when Close Up started 25 years ago their first program included 25 participants from 14 States. Today, Close Up brings approximately 25,000 participants annually to Washington, DC, on their various programs. They have participants from all 50 States, the District of Columbia, Puerto Rico, and the Pacific Island territories.

These achievements are of themselves enough to make an organization and those who have supported it very proud; however, it does not stop there. Close Up has remained true to its mission over these 25 years. Their focus has been on efforts to be all inclusive and reach students who are underserved, either because of their economic, cultural, or geographic isolation. I am personally familiar with the difference Close Up has made to those who are geographically isolated.

Since 1979, more than 9,200 Alaska students and educators have participated in Close Up's programs. In 1987, Close Up began an effort to focus on including Alaska Native students in the Washington, D.C. High School Program. Since that time, approximately 685 Alaska Native students have taken part in the Close Up program. These students, from every corner of Alaska including our most remote villages, come to Washington and mix with their peers both from within Alaska and throughout the United States. While they are here, they are able to contribute to as well as learn from the diverse population of Close Up's student participants. By including Alaska Native students, young people, who rarely, if ever, have been outside of their villages, get the opportunity to expand their civic literacy as well as learn about the rest of the country and its citizens. We, in Alaska, are very proud of the input all of our Alaskan students bring to their peers from the rest of the country.

The contribution made by Alaska's students and educators takes many shapes, including returning to Alaska to become involved in and to organize Close Up local programs. These local programs provide civic education opportunities for all members of the community not just those students who were lucky enough to get to Washington, DC, to benefit from the Close Up experience. In this way, the Close Up message of informed, responsible citizenship is multiplied many times over to the great benefit of my State and the country.

In this time of distrust and cynicism, Close Up's program works to break down suspicion and to show high school students that government is relevant to their lives and important to them as citizens. With the recent disturbing results of a study of peoples' public opinion of Congress and the Government, we, as elected officials, should make it our goal to raise student interest in government because the future of this Nation depends on their civic involvement.

As we all know, Close Up's message of civic involvement is directed toward all students, not just the academic elite or the affluent. The federally funded Ellender Fellowship Program, along with Close Up generated fellowship funds, has made the Close Up civic learning opportunity a reality for students who would not otherwise be able to afford a trip to Washington, DC. In Alaska, students from families with limited means face an additional hurdle of very high travel costs. The Ellender fellowships help to level the playing field and provide civic educational opportunities to many students who might otherwise be overlooked or left behind.

Mr. Speaker, I have been a longtime supporter of the Close Up Foundation, and I am delighted to be able to send my heartiest congratulations to them on the celebration of their 25th anniversary. The congratulations are for a job well done, and one I hope will continue for another 25 years.

AN EASY WAY TO REDUCE MAIL FRAUD

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. VENTO. Mr. Speaker, I rise today to introduce legislation, the Mail Fraud Prevention Act, which will serve to increase the security of mail delivery for every individual who relies on the services of the U.S. Postal Service [USPS].

Current policies at the USPS allow an individual or household to change their address, and therefore forward their mail, to a new location simply by filling out a form and submitting it to the USPS. The forms can even be mailed to the postal service. This policy certainly makes service delivery more fluid for the estimated 42 million individuals or households who move and file mail forwarding orders each year. That convenience, however, has a price. That price may well be the security of personal and financial information delivered by the USPS to individuals and families across the Nation.

Because the USPS does not verify that the person submitting the forwarding order actually resides at the original address before processing the order and rerouting mail, criminals can fraudulently forward another individual or household's mail to a new address. The only information needed to submit a fraudulent forwarding order is the old address and a signature, which can be forged since the USPS does not check the identity of the individual at the time it accepts the completed form.

This policy gives criminals easy access to vital personal and financial information of every USPS customer, virtually every houshold in the Nation. Once bank account, credit card, or Social Security numbers fall into the hands of the thieves, it does not take long for them to drain finances and destroy credit histories that tool a lifetime of fiscal planning and saving to build. The USPS estimates that 1,000 people annually are victimized by this form of postal fraud.

To the credit of the USPS, they do eventually attempt to verify mail forwarding orders; however, this action comes only after the mail has been rerouted. The USPS mails letters to both addresses, new and old, telling residents that a forwarding order has been processed in their name. The flaw in this system, however, is that in the days or weeks it takes to send these verification notices, mail flows to the new address, sending sensitive and valuable information into the hands of the fraudulent filers.

The USPS has a responsibility to provide the highest level of security to its customers, and current policy regarding changes in address clearly ignores that responsibility. That is why I am introducing this legislation on the issue. This measure would require the USPS to check the identification of indivudals submitting change of address forms at the time the form is submitted, before mail is rerouted. Only forms that are submitted by residents of the original address will be processed.

There is an exception for homebound individuals and others who would have a difficult time getting to a USPS branch to submit the form, although the bill requires the USPS to develop policies to increase the security of these individuals' mail delivery as well. By verifying an individual's identity before mail is actually forwarded, criminals have less opportunity to access personal or financial information. With so many personal and financial documents being sent through the mail in today's society, we must ensure that these documents are as safe as we can make them. This legislation would take a large bite out of postal fraud crime and go a long way in increasing the security of mailed documents and information.

TRIBUTE TO THE LEDYARD HIGH SCHOOL GIRLS SOFTBALL TEAM

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GEJDENSON. Mr. Speaker, I rise today to commend the Ledyard High School girls softball team which has won four consecutive State championships, most recently on June 8, when it defeated Amity by a score of 4 to 3 in the finals.

Coached by Ellen Mahoney, a member of the school's faculty, Ledyard's program has compiled a remarkable record since it was started at the club level in the 1970's. The school has posted five State championships in the 1990's and had undefeated seasons in 1991 and 1993. This year saw yet another undefeated season, with an amazing record of 26 to 0, and a first place finish in the Hartford Courant's poll of girls' softball teams in Connecticut. Ledyard's record in the 1990's is a remarkable 165 victories and 10 losses. During the regular season this spring, the team compiled 16 shutouts in 20 games and allowed only 17 runs in the year's entire 26 game campaign.

Coach Mahoney says a dedicated coaching staff, fan support, and commitment from the kids contribute to the success of the Ledyard program.

The wonderful record of the girls softball team is one of the many elements on the academic and athletic fronts that makes Ledyard High School the excellent institution that it is.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

SPEECH OF

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 11, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes:

Mr. POSHARD. Mr. Chairman, I support the Frank amendment for the elimination of international military and education training [IMET] funding for Indonesia. I believe this is a focused and unmistakable message to the Government of Indonesia that their strong arm tactics in regard to human rights, especially concerning the people of East Timor, will not be condoned by the United States. At the same time, this action will not adversely affect the strong economic recovery that has increasingly, helped to pull the people of Indonesia out of poverty over the last 30 years.

The State Department has clearly documented the torture and killing of civilians, epecially nonviolent activists for self-determination in East Timor. Until good faith efforts to ensure the safety of the East Timorese are put in affect, talks on the political status of that country between Indonesia and Portugal, under the auspices of the United Nations, cannot go forward. This amendment will help to bring both Indonesia and East Timor in concert with the greater international community.

IMET brings foreign military officials to the United States for military training, which includes instruction in human rights standards. While this is certainly a laudable program, in this case it confers acceptance on the recent practices of the Indonesian Armed Forces. The last decade has seen increased improvement in relations between the United States and Indonesia, and the selected use of such targeted pressure will promote these trends and extend them to the issues of human rights and even workers rights. I support this trajectory and I support this amendment.

TRIBUTE TO STAN HALL

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. DELLUMS. Mr. Speaker, today I rise to share with you and my colleagues the outstanding professional career and community service of a distinguished constituent who has resided in the city of Oakland for over 25 years, Mr. Stan Hall. On the occasion of his 50th birthday, I wish to join with the community to pay tribute to his dedication and commitment that has endeared him to those he had worked with and earned him well-deserved accolades for over two decades.

Stan Hall was born in Richmond, CA, to William and Hazel Hall. He is the seventh of eight children. Stan attended local schools in the Richmond Unified School District, graduating from Harry Ells High School. He was a member of the student council, drama class, the school band, the school's State championship basketball team and the Forensic Society. Stan received the State Championship Award for Oratorical Interpretation.

He obtained his B.A. degree from San Francisco State University and his M.P.A. from Golden Gate University. He served as a faculty member of the Graduate School of Public Administration at Golden Gate University where he authored and published municipal management articles and presentations.

Throughout his life, Stan has been active in the community, serving as a member or in leadership positions with a number of professional and community organizations. Some of the organizations of which he has held or currently holds positions with, are the United Way of the Bay Area, Bay Area Urban League, Mt. Diablo Therapy Center, CHAD, the NAACP, Municipal Management Assistants of Northern California, the American Society of Public Administration, the National Forum for Black Public Administrators, and the International City Management.

In recognition of his achievements and dedication to the community, Stan was twice named an Outstanding Young Man of America, named in Who's Who in Black America, and Who's Who in California. Among the numerous awards for achievement and community service of which Stan has been the recipient are the Meritorious Service Awards from the city of Richmond, CA, from the Seaside Masonic Lodge, and from the U.S. Department of Labor.

Stan is an active member of the Allen Temple Church of Oakland, CA, where he serves as a member of the public ministries committee, community development committee, the male chorus, and the sanctuary choir.

I join in celebration of Stan's 50th birthday and his more than 20 years of public service.

HONORING THE RED BOILING SPRINGS FIRE AND RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Red Boiling Springs Fire and Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a 4- to 6-month period which includes instruction in Cardiopulmonary Resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their service especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community volunteerism which move them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish frys to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

COMMENDING JENNIFER TUTAK ON HER ESSAY ''THE BEST OF THE BEST''

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. BILIRAKIS. Mr. Speaker, I would like to share with my colleagues an excellent essay from an intelligent young student in my district named Jennifer Tutak. She writes that, looking back over the past 200 plus years of our country's history, we have made remarkable advances and are indeed the best of the best.

I would encourage my colleagues to take a moment and read her very optimistic and uplifting account of what we as Americans have accomplished since the beginning of our country. I certainly agree that the United States is the best country in the world, and Jennifer does well in reminding us of that.

THE BEST OF THE BEST

(By Jennifer Tutak)

Just over two hundred years ago, America was nothing more than a small band of colonies lacking unity and a strong government. Yet today we are leading the world in technological advances, medical breakthroughs, agricultural production, and global politics. A universal superpower, we have tremendous amounts of food, rich, vast lands, superb military forces, and a successful government. How did this happen? In two centuries, how did we surpass countries which have existed for thousands of years? The answer lies in the strong governmental and moral values of dedicated citizens which have pushed us to the top and continue to bring us to new heights and achievements.

It takes proficiency to make an administration strong, and our federal system of government provides just that. The ethical codes of each of the three branches have built up a stable governing body which meets the needs of its people and serves as a model for the rest of the world. The judicial branch protects the rights of all United States citizens, declaring them ''innocent until proven guilty''. Both the legislative and executive branches create laws to produce new benefits for the country, like safety regulations and trade agreements.

We hold public votes for our representatives in accord with the belief that the government directly serves us. They reflect our values and wishes and work to institute them. The United States strongly advocates world peace and belongs to a myriad of organizations and committees to promote goodwill, assistance, and trade between countries. We value our environment, the clean, crystal water, fresh air, and lush forests. The country recognizes the resources which we take for granted actually belong to our chil-

dren's children's children. The government likewise has set up national parks, land reserves, pollution regulations, and created protection for endangered species. A third standard demanded by the people involves that of education. Our government provides public schooling for every child in this country, so that they may grow up with the means to make bright futures for themselves.

Another area in which the American public and their administration have used strong ideals lies in the economy. We have always fiercely believed in a free enterprise system. The incentives of owning a private business and making profit instigated millions of citizens to work hard and develop the country. In doing so, the United States started growing as a capitalist giant through mining, farming, trade, industry, entertainment, and building, to name a few. The money brought in, new inventions, and immigrants eager to try their own hand in business never let the country look back.

The government did uphold and expand on such values, but it was the American voices behind them who presented these ideals and their own customary, unwritten morals. As already shown in the example on free enterprise, U.S. citizens have been zealous believers of hard work since the country's formation. The Founding Fathers set up a government and turned a loose group of states into a nation. Pioneers opened up the West. Immigrants introduced their ideas and joined the fight to advance America. Oil was found, railroads were connected, the Wright brothers flew the first airplane, women won the right to vote, America met victories in both World Wars, Dr. Jonas Salk found the polio vaccine, man landed on the moon, computers were invented, and we continue to speed down the Information Superhighway to new prospects on the horizon. The determination and devoted labor of all Americans has proved quite possible to be our greatest strength.

Besides working hard, the policy of helping others has long been a value which has made America great. Whether it be a neighbor in trouble like Mexico, a devastating earthquake in southern California, or the atrocious Oklahoma City bombing, Americans have come to the rescue. The Red Cross, 911 Emergency Medical Services, police departments, fire stations, and a multitude of other volunteer organizations come forth in times of need. We care about our brothers and sisters. U.S. citizens give money, volunteer time and talent, spread hope, and even donate their own blood and organs for each other. In a country where Good Samaritans live, good things are bound to happen.

Thus, by supporting the ethics of the Constitution and the values of hard work and love, the American people and their government have made our country the international force it is today. We value our freedoms and friends as much as hard work and free enterprise. We value education, the environment, and a peaceful world. We value all of these because we value the future of America. As the 21st century arrives, we shall accomplish new feats and set new goals and continue to make our great country even better.

INDIVIDUALS WITH DISABILITIES EDUCATION ACT OF 1996

SPEECH OF

HON. HELEN CHENOWETH

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1996

Mrs. CHENOWETH. Mr. Speaker, today I rise in support of H.R. 3268, the IDEA Improvement Act of 1996. I have kept very close watch on this very important legislation because my personal concerns and the concerns of the countless idahoans who have contacted me with their deep interest in the need for IDEA. I am very pleased to see that the bill before us reflects a balanced approach that I am proud to support. The legislation gives proper consideration to both the needs of the individual children and the needs of public schools that educate our children.

This bill takes major steps to improve IDEA. It provides new flexibility to parents. Parents will now have a well defined roll in the placement team as well as the learning plan team. This enhancement of the parents' roll gives them better access to school records and offers mediation services to resolve disputes before court costs begin running up.

Another important step this bill takes is the assistance it provides to school principals with additional flexibility to the schools. This legislation provides for increased local funding, simplified accounting, and fewer paperwork and procedural requirements. Most importantly this legislation creates safer schools for all students, disabled and non-disabled, and for teachers. This is accomplished by expanding opportunities for teacher training, ensuring the inclusion of appropriate supportive aids and services in the child's educational program; and enabling principals to quickly remove violent students and those who bring weapons or drugs to school from their current classrooms.

Don't take my word for it, listen to the comments I have received from the following groups.

The American Federation of Teachers wrote me:

The teachers are put in the best possible position to meet the needs of their students.

Idaho School Boards Association President-Elect, Vern Newby, wrote:

The re-authorization, as proposed, is a step in the right direction. The primary consideration is that local School Boards do what is best for all the kids.

Idaho Parents Unlimited Executive Director, Debra Johnson wrote:

We support H.R. 3268 and we appreciate your support of it as well. From the very beginning we have both agreed that maintaining a strong federal law that guarantees supports for students with disabilities is not only in Idaho's interest, it is in the nations best interest.

This legislation truly addresses the concerns that I have communicated to the Economic and Educational Opportunities Committee, and for that all of the committee members have my heartfelt thanks. I would especially like to thank Chairman GOODLING and Chairman CUNNINGHAM for their very good, hard work that made for a strong bill that I am proud to support.

I urge all of my colleagues from both sides of the aisle to join me in support for this greatly needed reform and re-authorization of IDEA. By voting "yes" we ensure that all children will have proper opportunities to excel in a stable learning environment.

REFORMING GOVERNMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 12, 1996, into the CONGRESSIONAL RECORD.

MAKING GOVERNMENT WORK FOR HOOSIERS

Hoosiers often tell me how they feel shut out from the political process. They say that Washington does not listen to them, and is more responsive to special interests than to their own concerns. Many have concluded that government either makes things worse or is incapable of making them better.

It has always been true that people in this country have been skeptical of power, and our system of government, with its checks and balances, reflects that view. Our citizens have long cherished the right to strongly criticize their leaders, and that attitude can be a healthy one.

But public cynicism today is severe, intense, and stronger than it once was. A top priority for elected officials must be to restore confidence in government. People want to see that the government is on their side, working to help not hurt them.

A key element of any reform program must be to make government more responsive to the needs and concerns of its citizens. That means opening up the political process, reducing the role of special interests, and making elected officials more accountable. Congress, with my support, has taken steps to these ends, but more needs to be done.

MAKING VOTING EASIER

Congress, with my support, approved a law in 1993 to ease voter registration procedures, and the results have been encouraging. Since the law went into effect in 1995, almost 10 million more Americans registered to vote, including about 500,000 Hoosiers.

BANNING GIFTS

The House, with my support, passed a bill last year to ban all gifts to Members, with limited exceptions for close family and friends. There is simply no reason to take valuable gifts, meals or vacations from lobbyists.

STRENGTHENING LOBBYING RESTRICTIONS

I voted for a tough lobbying reform law last year that requires paid lobbyists to disclose who pays them, whom they lobby, what issues they lobby for, and how much they are paid to influence the government. This should help make the system more open and accountable.

APPLYING WORKPLACE LAWS TO CONGRESS

Last January Congress passed a law to apply private sector laws to Congress. This law was based on a recommendation of the Joint Committee on the Organization of Congress, which I co-chaired. The legislation applies key workplace laws to Congress, including overtime, workplace safety and anti-discrimination rules.

REFORMING CAMPAIGN FINANCE LAWS

The House leadership has pledged to take up campaign finance reform this July. I regret it has taken the leadership so long to bring this priority item to the floor. My view is that genuine reform must include the following elements.

First, the importance of political action committees (PACs) should be reduced. We should cap total PAC contributions to a candidate and reduce the limit on contributions from a single PAC.

Second, Members of Congress should be prohibited from running ''leadership PACs,'' which a few Members, including leaders in both parties, use to gain power and influence over other Members for their own personal agenda.

Third, Congress should limit the flow of ''soft money'' and ''independent'' spending into political campaigns. Such spending, which is made by or on behalf of corporations, wealthy individuals, and other organizations, falls outside normal federal campaign finance restrictions, and has been abused by both parties in recent years.

Fourth, reforms should emphasize the importance of grassroots political fundraising over big-ticket donors. The number of large contributions should be capped.

Fifth, Congress should examine ways to encourage voluntary campaign spending limits, such as providing reduced-cost television and radio time to candidates who abide by the limits.

Sixth, Congress must give more authority and support to the Federal Election Commission to crack down on election law violations.

FREEZING CONGRESSIONAL SALARIES

I have consistently voted against congressional pay raises during my time in Congress, including the most recent increase in 1989; and for the last several years, have supported the freeze on Members' salaries.

CUTTING CONGRESSIONAL PENSIONS

The House will likely consider proposals this summer to reduce congressional pension benefits, and ban pensions to Members convicted of crimes. Possible reforms include increasing Members' personal contributions and capping total pension benefits. I voted last year to reduce congressional pensions.

LIMITING THE CONGRESSIONAL FRANK

Since 1992, with my support, the House has cut its mailing budget by more than 70%, banned mass mailings within 90 days of an election, and required all mass mailings to be approved by a bipartisan franking commission to ensure they are substantive and non-partisan.

REFORMING ETHICS PROCESS

I have introduced a bill to create an outside panel to investigate charges of mis-conduct against Members. The Ethics Committee has increasingly been unable to fully and fairly investigate, prosecute and judge ethics complaints against fellow Members.

REGULARIZING REFORM

In early 1995 the House, with my support, approved several internal House reforms, including proposals to eliminate three committees and cut committee staff by one-third. I have introduced a bill to regularize this type of reform effort by having Congress take up reform proposals every two years, rather than do one-shot, omnibus packages every twenty or thirty years.

CONCLUSION

No issue is more important than the restoration of the confidence of Americans in their government. Americans will forgive government's honest failings if they believe that it cares about their needs and is trying to do a better job. Members of Congress have an obligation to earn the public's respect and trust. Congress has taken some important steps, but other, broader reforms are necessary if Congress is to be the truly representative body the people deserve and the nation's founders intended.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

SPEECH OF

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 11, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes:

Mr. SMITH of New Jersey. Mr. Chairman, I rise in support of the amendment, which would prohibit IMET—foreign assistance for military education and training—to the Government of Indonesia.

For over 20 years, international human rights advocates have been calling attention to abuses by the Indonesian Government in its occupation of East Timor. There is evidence that United States military assistance has helped to further the atrocities in East Timor.

Indonesia's armed forces invaded East Timor in 1975, only weeks after East Timor had attained independence from Portugal. Since then, the Indonesian army has carried out a campaign of what amounts to ethnic cleansing against the Timorese through a program of forced migration. Persecution has been particularly harsh against the Christian majority.

More than 200,000 Timorese—out of a total population of 700,000—have been killed directly or by starvation in forced migrations from their villages since the Indonesian invasion.

There are recent reports of a renewed campaign of repression of Catholics in East Timor. These reports include atrocities such as the smashing of statutes of the Virgin Mary. The campaign has also been directed personally against the Catholic Bishop of Dili, Bishop Belo. His phones are tapped, his fax machine is monitored, his visitors are watched, and his freedom of movement is restricted. But Bishop Belo persists in his courageous efforts to defend justice, peace, and the preservation of the dignity of his people. Recently, he has set up a church commission to monitor human rights abuses, and a radio station to disseminate information and news.

Mr. Speaker, the people of East Timor comprise a sovereign nation. They differ from most Indonesians in language, religion, ethnicity, history, and culture. They are entitled to independence and freedom. And in the meantime, they are entitled to fundamental human rights including the freedom of religion.

Supporters of expanded IMET for Indonesia argue that since one of the purposes of such aid is to educate the military about human rights, we should provide such aid no matter what they do. But this presumes a willingness on the part of the government to change its dismal record. In the absence of such willingness, the only real effect of expanded IMET is to send a signal to the world that our disapproval of the Indonesian military—which we expressed after the 1991 massacre by cutting off all IMET—has softened. This is the wrong signal at the wrong time. We must not put our stamp of approval on a regime that massacres children in churchyards and then remains defiant.

I urge a ''yes'' vote on the amendment.

TRIBUTE TO MAJ. SCOTT BURAN

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. REED. Mr. Speaker, I rise today to recognize an exceptional officer of the U.S. Marines in Maj. Scott Buran. This week, Major Buran completes a highly successful tour as the Marine Corps' assistant liaison officer to this body over the past 4 years. It is truly a pleasure for me to recognize a few of his many outstanding achievements.

A native of Vestal, NY, Major Buran became dedicated to the service of this country by following the fine example of his father, Lt. Col. Frank Buran. A retired Marine officer with his own impressive achievements, the elder Buran led marines during the amphibious assault on Iwo Jima during World War II and later during the Korean war. Following in his father's footsteps, Major Buran was commissioned in the Marine Corps on May 15, 1982, upon his graduation from the State University of New York via the Platoon Leaders Course Program.

Upon completion of The Basic School in Quantico, VA, Second Lieutenant Buran attended the Artillery Officer Basic Course at Fort Sill, OK, before reporting for duty with the First Battalion, Eleventh Marines at Camp Pendleton, CA, in August 1983. With 1/11, he served successively as a forward observer, adjutant, and battery executive officer.

In July 1985, First Lieutenant Buran joined Marine Barracks Subic Bay, Republic of the Philippines, for duty as a platoon commander and guard officer. Completing a successful 14 months in the Philippines, he returned stateside in the winter of 1986 for his new assignment at the Marine Corps Recruit Depot, San Diego, CA. Here, newly promoted Captain Buran contributed immeasurably to the process of making marines while serving successively as a platoon, series, and company commander, and finally as the S–3 training officer.

After a 6-month return to school at Fort Sill for the artillery officers advanced course, Captain Buran returned to the Fleet Marine Force in November 1989. Just 4 months later, he deployed with 3rd Battalion, 10th Marines as an artillery battery commander for duty in Operations Desert Shield and Desert Storm. Serving with distinction, Captain Buran participated in the liberation of Kuwait City.

Captain Buran arrived at the Capitol in August 1992 for duty as the Marine Corps assistant congressional liaison officer. Soon thereafter, he was advanced to the grade of major. In this capacity he has been instrumental in providing Congress with a working knowledge of the Marine Corps. Most importantly, Mr. Speaker, Maj. Scott Buran has come to epitomize those qualities that we as a nation have come to expect from our marines—impeccable integrity, moral character, and absolute professionalism.

I had the privilege of traveling with Major Buran to Somalia and to the former Yugoslavia. His superb professionalism, mature

judgement, and tireless effort and enthusiasm made this trip not only possible, but extraordinarily useful as a means of informing the Congress of the situation in these troubled lands. Major Buran consistently exceeds the very high expectations of an officer of the Marines.

Major Buran's personal awards include the Combat Action Ribbon, the Navy-Marine Corps Achievement Medal with two gold stars in lieu of second and third awards, and the Meritorious Service Medal. Mr. Speaker, Maj. Scott Buran has served this Nation with distinction in war and in peace for the last 14 years. As he continues to do so, I call upon my colleagues from both sides of the aisle to wish him, his lovely wife Ann, and their three beautiful children, Elizabeth, Sydney, and Samuel, every success as well as fair winds and following seas.

A COLORADO AVALANCHE IN MIAMI

HON. WAYNE ALLARD

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. ALLARD. Mr. Speaker, I would like to take this opportunity to congratulate the Colorado Avalanche on their Stanley Cup championship. Colorado has had a long and illustrious history with all of its professional sports teams, yet the Avs are the first to bring home the top prize. While it has been almost 14 years since Colorado has had an NHL team, we are now able to appreciate Joe Sakic putting the biscuit in the basket and Patrick Roy's sterling defense in the net.

Coloradans closely associate themselves with the fortunes of our professional sports franchises, but it was the new kid on the block, the Avalanche, who overwhelmed the best team in NHL history, the Detroit Red Wings, for a shot at the NHL's most coveted prize. Marc Crawford and his Avalanche did not disappoint their frenzied fans at home. After hard fought victories in games one and three of the championship series, Uwe Krupp scored the final goal in the third overtime of the fourth game to complete a sweep of the Florida Panthers and bring the hardware home.

Mr. Speaker, since the Colorado Rockies hockey club left for New Jersey in 1982, NHL fans in Colorado have had little to celebrate. I can happily say that NHL hockey has returned to Colorado with a vengeance. With a team this young and talented, we look forward to many more championship seasons from the Colorado Avalanche.

A TRIBUTE TO REV. AARON GIBSON, SR.

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. PALLONE. Mr. Speaker, I rise to pay tribute to the Rev. Aaron Nathaniel Gibson, Sr., pastor of the Second Baptist Church of Long Branch, NJ. Reverend Gibson was overwhelmingly elected pastor by the members of the congregation on February 21, 1996, Ash Wednesday, after a 17-year association.

Mr. Speaker, the Second Baptist Church of Long Branch has a long and illustrious history, going back more than a century. In the 1880's, a group of believers in the Baptist faith settled in Long Branch. Finding no church, they met in the home of Mrs. Ellen Hill of Brook Street, with Brother William Bloodsaw as their leader. As the group of worshipers grew too large for the house on Brook Street, the congregation moved to Liberty Hall on Broadway, and, from there, back to Brook Street in the public primary school building, and then on to Layton Hall on Broadway. Brother Bloodsaw was succeeded by Reverend Jones, who was followed by Reverend Jeffries. It was during the tenure of Reverend Jeffries that the present site, 93 Liberty Street, was purchased and a frame building was constructed. The current stone building in which the congregation now worships was built in 1904. The church subsequently purchased a parish home on Liberty Street. The Reverend C.P. Williams was installed as pastor in 1934, and served continuously more than 50 years. During these sometimes difficult years of growth, expansion, and stability, the Second Baptist Church distinguished itself not only for providing its members with spiritual inspiration and sustenance, but also for civic, humanitarian, educational, and community endeavors.

Reverend Gibson, a native of Baltimore, has great experience not only as a minister, but also as an educator, published writer, human resource manager, and Army chaplain. He has studied at Brookdale Community College, El Paso Community College, Newark State College, and the University of Maryland. He has served as an associate minister of Fulton Baptist Church in Baltimore, assistant pastor of a 750-member church in Vogelweh, Germany, and as the director of parish development for the Army Chaplaincy. Reverend Gibson is married to Sheila Alexander, and they have three children: Aaron Nathaniel, Jr., Damon Garrick, and Rachel Renee.

Mr. Speaker, Reverend Gibson is seeking to lead the people of the Second Baptist Church of Long Branch on a spiritual pilgrimage of being "A Church Led By The Spirit Of God." Given the proud history of Second Baptist, the strong bonds of family and community of its members, and the inspired and devoted leadership of Reverend Gibson, I am confident that this spiritual journey will continue for many years to come.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 11, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes:

Mrs. MINK of Hawaii. Mr. Chairman, 3 months ago we passed the Federal Agriculture Improvement and Reform Act of 1996, better known as the freedom to farm bill. The 1996 farm bill was touted as the best deal for consumers because it removed the Government from the operation of farm programs and opened the sugar market to domestic competition. The cap on raw sugar prices added in this bill breaks faith with this policy. It sabotages the lowest part of the triangle: The grower. Moreover, it hands unlimited profits to the refinery and it opens the doors to foreign sugar. It deliberately wastes the grower for more profits for the refinery.

Under the Federal Agriculture Improvement and Reform Act of 1996, Congress eliminated marketing allotments and allowed an additional 1.5 million tons of imported sugar into the domestic market. We also requested America's sugar growers to pay an additional $288 million in market assessments to help pay for deficit reduction. These changes essentially took Government out of managing the sugar market. By placing a price cap, this amendment repeals the free market principle. The purpose of the cap is to ultimately eliminate our domestic sugar production, drive America's sugar growers out of business and allow foreign subsidized sugar to dominate the U.S. market. Instead of heeding our decision to save the domestic sugar program as evidenced by the defeat of the Miller-Schumer amendment in the farm bill, opponents are now seeking the same result by including a price cap for raw sugar in H.R. 3603.

According to the USDA, the only way to meet the 21.15 price cap is by increasing the amount of imported sugar allowed into the United States, exactly what the mega users want. The lower priced sugar helps the users and the imported sugar helps the refineries. By allowing more imported sugar into the United States, the downward pressure on raw sugar prices will likely result in increased sugar forfeitures with greater costs to the American taxpayer.

Since last November, the price margin between raw and refined sugar has increased significantly. Presently, Dominos refinery is asking 32 cents for its refined sugar, while raw sugar prices are 22 cents—a difference of 10 cents. Refineries are enjoying high margins of profit because beet sugar producers are expected to harvest less yields for the next couple of years. The USDA has predicted that this price difference will remain the same or even increase. This 10 cent difference is on top of the 1 to 2 cent discount that processors already give to many sugar refiners. Judging from these numbers, the only ones to benefit from the price caps are the refineries and the users. It doesn't matter to them if there are no domestic growers left. I rise to warn this Nation of the loss of an important farm product. If these price caps are adopted, many of America's sugar growers will go out of business. In the State of Hawaii, the remaining sugar growers, with the exception of one owned by a refinery, will likely be forced out of business. Sugar continues to be an essential component of Hawaii's economy, surpassed only by tourism and defense. In 1994, the sugar industry generated $248 million for the State's economy and directly and indirectly employed 6,000 workers. There are 121,000 acres of sugar land in production today. If the price caps on raw sugar become law, our

sugar industry, except for the refinery owned plantation, will possibly close.

A cap on raw sugar prices is contrary to the basic principles of the free market. Rather than allowing free competition in the domestic sugar industry, raw sugar price caps shackles the market with price controls to favor the user, without cost benefit to the consumer. I can't imagine this Congress knowingly voting for price controls at the grower level, but not at the refined sugar level. It makes no sense at all. A price cap on raw sugar is a death sentence against America's sugar growers and defies market principles espoused by all members of the majority party. I strongly urge my colleagues to vote against the bill.

QUEENS LIBRARY CELEBRATES 100 YEARS OF SERVICE TO RESIDENTS

HON. FLOYD H. FLAKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 12, 1996

Mr. FLAKE. Mr. Speaker, I rise today to recognize one of the oldest and most remarkable residents of my district. This constituent has lived in Queens for 100 years and has tirelessly given to many communities in the borough, reaching out to young and old of all faiths and ethnic groups. This constituent speaks dozens of languages, knows ancient history, understands the cultures of the world, and surfs the Internet.

This constituent of mine is the Queens Borough Public Library, which recently celebrated its centennial. Last month it marked 100 years of growth in size and services. It now boasts a central library and 62 branches within walking distance of almost the entire population of Queens, the highest circulation per capita of any public library, and more than 18,000 free cultural and educational programs each year.

After 100 years of growth and success, one could justifiably say that the library has hit its targets, it has made its mark, and it can rest on its laurels. The library has no such intentions. In the coming months, the library will open its new Asian center at the Flushing branch, a unique facility servicing the heart of the Asian community east of the Mississippi River; expand its highly popular and successfully latchkey and homework assistance programs that currently helps 35,000 children a year; and complete the networking of its branches with the main library to make even more resources available via computers to the community at large.

The Queens Library is simply an amazing place. Last year, it developed a special exhibit on Lewis Lattimer, an African-American inventor and engineer who worked with Edison on developing the electric light. It also displayed the oldest books printed with metal moveable type, brought all the way from Korea. It set up a database of community services for Queens residents, and even won the annual dragon boat race.

Mr. Speaker, I bring the library to our attention today with the utmost pride in its accomplishments. I congratulate the library on its century of service, and look forward to its second hundred years with great anticipation.

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 Thursday, June 13, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 14

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the General Accounting Office, and the Architect of the Capitol.
S–128, Capitol

1:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings to examine the status of the hemisphere.
SD–419

JUNE 18

9:00 a.m.
Rules and Administration
To hold hearings on public access to government information in the 21st century, focusing on the Government Printing Office depository library program.
SR–301

9:30 a.m.
Agriculture, Nutrition, and Forestry
Research, Nutrition, and General Legislation Subcommittee
To hold hearings to review a report to the Department of Agriculture by the Advisory Committee on Agricultural Concentration, and to examine other livestock industry issues.
SR–328A

Commerce, Science, and Transportation
To hold oversight hearings on the Federal Communications Commission.
SR–253

Environment and Public Works
Business meeting, to consider pending calendar business.
SD–406

Labor and Human Resources
To hold hearings on S. 1035, to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests.
SD–430

10:00 a.m.
Judiciary
To hold hearings to examine oversight of the Department of Justice witness security program.
SH–216

Commission on Security and Cooperation in Europe Briefing to assess the impact of recent Albanian elections and prospects for its future.
2255 Rayburn Building

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD–226

2:30 p.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for defense programs.
SD–138

JUNE 19

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to examine issues relating to salmon recovery research.
SR–253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD–366

Rules and Administration
To continue hearings on public access to government information in the 21st century, focusing on the Government Printing Office depository library program.
SR–301

10:00 a.m.
Judiciary
To hold hearings on S. 1740, to define and protect the institution of marriage.
SD–226

JUNE 20

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings with the Committee on Indian Affairs on provisons of H.R. 2406, United States Housing Act, relating to Native American housing assistance.
SD–538

Indian Affairs
To hold hearings with the Committee on Banking, Housing, and Urban Affairs on provisons of H.R. 2406, United States Housing Act, relating to Native American housing assistance.
SD–538

JUNE 21

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Secretary of the Senate, the Sergeant At Arms, and the Government Printing Office.
S–128, Capitol

JUNE 25

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine the security status of national computer information systems and networks.
SD–342

10:00 a.m.
Appropriations
Legislative Branch Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Library of Congress.
S–128, Capitol

JUNE 26

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 1726, to promote electronic commerce by facilitating the use of strong encryption.
SR–253

Energy and Natural Resources
To hold hearings on S. 1804, to make technical and other changes to the laws dealing with the territories and freely associated States of the United States, on a proposed amendment relating to Bikini and Enewetak medical care, and to hold oversight hearings on the law enforcement initiative in the Commonwealth of the Northern Mariana Islands.
SD–366

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine the security status of national computer information systems and networks.
SD–342

Rules and Administration
To hold hearings on proposed legislation authorizing funds for the Federal Election Commission, and on campaign finance reform proposals.
SR–301

Indian Affairs
To hold hearings on proposals to reform the Indian Child Welfare Act.
SR–485

JULY 16

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Department of Education.
SD–138

SEPTEMBER 17

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.
334 Cannon Building

CANCELLATIONS

JUNE 13

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1997 for the Office of National Drug Control Policy.
SD–192

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S6113–S6166

Measures Introduced: Five bills and three resolutions were introduced, as follows: S. 1864–1868, and S. Res. 259–261. **Page S6144**

Measures Passed:

Administrative Dispute Resolution Act: Senate passed H.R. 2977, to reauthorize alternative means of dispute resolution in the Federal administrative process, after striking all after the enacting clause and inserting in lieu thereof the text of S. 1224, Senate companion measure, after agreeing to a committee amendment in the nature of a substitute, and the following amendments proposed thereto: **Pages S6155–63**

Lott (for Levin/Grassley) Amendment No. 4045, to reauthorize the Negotiated Rulemaking Act of 1990. **Page S6161**

Lott (for Cohen) Amendment No. 4046, to provide the United States Court of Federal Claims with exclusive jurisdiction over contract bid protests. **Pages S6161–62**

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair was authorized to appoint conferees on the part of the Senate. **Page S6162**

Subsequently, S. 1224 was returned to the Senate calendar. **Page S6162**

Emergency Livestock Feed Assistance: Senate agreed to S. Res. 259, to express the sense of the Senate that the Secretary of Agriculture should use the disaster reserve established under section 813 of the Agricultural Act of 1970 to alleviate distress to all livestock producers who have suffered feed losses due to drought, flooding, or other natural disasters in 1996 in the most cost efficient manner practicable, including cash payments from the sale of commodities in the disaster reserve, and should provide voluntary conservation assistance to persons who hay or graze on conservation reserve lands. **Page S6163**

Emergency Livestock Feed Assistance: Senate agreed to S. Res. 260, to express the sense of the Senate that livestock producers who are not eligible for emergency livestock feed assistance in the 1996 crop year, and who have suffered feed losses due to drought, flooding, or other natural disasters in 1996, should receive special consideration for assistance from commodities or the sale of commodities currently available in the disaster reserve established under section 813 of the Agricultural Act of 1970. **Pages S6163–64**

Emergency Livestock Feed Assistance: Senate agreed to S. Res. 261, to express the sense of the Senate that the Secretary of Agriculture should allow livestock producers who had qualified for emergency livestock feed assistance in the 1995 crop year to be eligible for emergency livestock feed assistance in the 1996 crop year. **Page S6164**

Congressional Budget Resolution: Senate continued consideration of the provisions of the conference report on H. Con. Res. 178, establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002. **Pages S6117–37, S6164**

A unanimous-consent time-agreement was reached providing for further consideration of the conference report on Thursday, June 13, 1996, with a scheduled vote to occur thereon at 12 noon. **Page S6164**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report concerning the annual report of the National Endowment for the Arts for fiscal year 1995; referred to the Committee on Labor and Human Resources. (PM–153). **Pages S6141–42**

Messages From the President: **Pages S6141–42**

Messages From the House: **Page S6142**

Measures Referred: **Pages S6138, S6142**

Communications: **Pages S6142–43**

Petitions: **Pages S6143–44**

Statements on Introduced Bills: **Pages S6144–50**

Additional Cosponsors: **Pages S6150–51**

Amendments Submitted: **Pages S6151–52**

Notices of Hearings: Page S6152

Authority for Committees: Page S6152

Additional Statements: Pages S6152–55

Adjournment: Senate convened at 11:30 a.m., and adjourned at 5:30 p.m., until 10 a.m., on Thursday, June 13, 1996. (For Senate's program, see the remarks of the Majority Leader in today's Record on pages S6164–66.)

Committee Meetings

(Committees not listed did not meet)

FOOD SAFETY

Committee on Agriculture, Nutrition, and Forestry: Committee concluded hearings on S. 1166, to enhance public confidence in the safety of the American food supply, and facilitate the development and adoption of safe, effective pest control technologies, and S. 1491, to reform antimicrobial pesticide registration, after receiving testimony from Senators Kassebaum and Grams; Lynn R. Goldman, Assistant Administrator for Prevention, Pesticides and Toxic Substances, Environmental Protection Agency; Bruce Alberts, President, National Academy of Sciences; Philip J. Landrigan, Mount Sinai Medical Center, New York, New York; Dean Kleckner, Rudd, Iowa, on behalf of the American Farm Bureau Federation; John R. Cady, National Food Processors Association, Jay J. Vroom, American Crop Protection Association and Responsible Industry for a Sound Environment, Benjamin C. Bolusky, American Association of Nurserymen, on behalf of the Minor Crop Farmer Alliance, Stephen A. Ziller, Grocery Manufacturers of America, Inc., and Edwin L. Behrens, Procter & Gamble Company, all of Washington, D.C.; and Albert H. Meyerhoff, Natural Resources Defense Council, San Francisco, California.

COMMERCE ONLINE

Committee on Commerce, Science, and Transportation: Subcommittee on Science, Technology, and Space held hearings on S. 1726, to promote electronic commerce by facilitating the use of privacy-enhancing technologies, receiving testimony from Senators Leahy and Murray; Kenneth W. Dam, Chairman, National Research Council; Michael Zisman, Lotus Software, James Barksdale, Netscape Communications, Joe Holmes, Electronic Data Systems, Joel S. Lisker, Mastercard International, and Richard W. Sevcik, Hewlett-Packard, all of Washington, D.C.; Jim Bidzos, RSA Data Security, Redwood City, California; Tim Krauskopf, Spyglass Inc., Naperville, Illinois; Dan Buchanan, Zion's Data Services Company, Salt Lake City, Utah; Aharon Friedman, Digital Secured Networks Technology Inc., Englewood Cliffs, New Jersey; and Robert Bigony, Motorola, Scottsdale, Arizona.

Hearings continue on Wednesday, June 26.

BUSINESS MEETING

Committee on Finance: Committee ordered favorably reported the following bills:

H.R. 3286, to help families defray adoption costs, and to promote the adoption of minority children; and

H.R. 3448, to provide tax relief for small businesses, to protect jobs, to create opportunities, and to increase the take home pay of workers, with an amendment.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 17 public bills, H.R. 3617–3633; and 5 resolutions, H.J. Res. 180–181, H. Con. Res. 184, and H. Res. 452, 454 were introduced. Page H6285

Reports Filed: Reports were filed as follows:

H.R. 2803, to amend the anti-car theft provisions of title 49, United States Code, to increase the utility of motor vehicle title information to States and Federal law enforcement officials (H. Rept. 104–618); and

H. Res. 453, providing for consideration of H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997 (H. Rept. 104–619). Page H6284

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Lazio to act as Speaker pro tempore for today. Page H6185

Journal: By a yea-and-nay vote of 332 yeas to 76 nays with 1 voting "present", Roll No. 229, the House agreed to the Speaker's approval of the Journal of Tuesday, June 11. **Pages H6185, H6190**

Committees to Sit: The following committees and their subcommittees received permission to sit today during proceedings of the House under the 5-minute rule: Committee on Banking and Financial Services, Commerce, Economic and Educational Opportunities, Government Reform and Oversight, International Relations, Judiciary, National Security, Resources, Science, Transportation and Infrastructure, Veterans Affairs, and Select Intelligence.

Pages H6189–90

Drought Relief: House agreed to S. Con. Res. 63, to express the sense of Congress that the Secretary of Agriculture should dispose of all remaining commodities in the disaster reserve maintained under the Agricultural Act of 1970 to relive the distress of livestock producers whose ability to maintain livestock is adversely affected by disaster conditions existing in certain areas of the United States, such as prolonged drought of flooding. **Pages H6190–91**

Agriculture Appropriations: By a yea-and-nay vote of 351 yeas to 74 nays, Roll No. 234, the House passed H.R. 3603, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997.

Pages H6191–H6247

Agreed To:

The Bono amendment that expresses the sense of Congress that the Secretary of Agriculture should release a plan for compensating wheat farmers and handlers affected by the karnal bunt quarantine in Riverside and Imperial Counties of California, and review the risk assessment developed by the University of California at Riverside and submit a report to Congress describing how these risk assessments will impact the USDA policy on the quarantine area.

Pages H6211–12

Rejected:

The Fazio amendment that sought to limit funds for predator control efforts under the Animal Damage Control Program and reduce program funds by $13.4 million (rejected by a recorded vote of 139 ayes to 279 noes, Roll No. 230); **Pages H6192–97**

The Kennedy of Massachusetts amendment that sought to prohibit funds to trade organizations that promote the sale or export of alcohol or alcoholic beverages; **Pages H6198–99**

The Kennedy of Massachusetts amendment that sought to prohibit funds to trade organizations that promote the sale or export of alcohol or alcoholic beverages unless the promotion activities benefit a small-business concern (rejected by a recorded vote of 133 ayes and 288 noes, Roll No. 232);

Pages H6199–H6201, H6210–11

The Kolbe amendment that sought to prohibit funds to administer a peanut program that maintains a season average farmer stock price, for the 1997 crop of quota peanuts, in excess of $640 per ton (rejected by a recorded vote of 189 ayes to 234 noes, Roll No. 231); **Pages H6201–10**

The Schumer amendment that sought to prohibit funds for the market access program and eliminate $90 million from the Commodity Credit Corporation for this purpose; and **Pages H6212–17**

The Durbin amendment that sought to prohibit funds for tobacco crop insurance and extension services and apply $22.5 million to the Rural Utilities Assistance Program and $2.5 million to the Distance Learning and Medical Link Program (rejected by a recorded vote of 210 ayes to 212 noes, Roll No. 233). **Pages H6217–36**

Summer Olympic Torch Relay: The House agreed to the Senate amendment to H. Con. Res. 172, authorizing the 1996 Summer Olympic Torch Relay to be run through the Capitol Grounds. **Page H6247**

Budget Resolution: By a yea-and-nay vote of 216 to 211 nays, Roll No. 236, the House agreed to the conference report on H. Con. Res. 178, establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002. **Pages H6257–68**

H. Res. 450, the rule which waived points of order against the conference report, was agreed to earlier by a yea-and-nay vote of 232 yeas to 190 nays, Roll No. 235. **Pages H6247–57**

Presidential Message—National Endowment for the Arts: Read a message from the President wherein he transmits the 1995 Annual Report of the National Endowment for the Arts—referred to the Committee on Economic and Educational Opportunities. **Page H6268**

Shipbuilding Trade Agreement: House agreed to H. Res. 448, providing for the consideration of H.R. 2754, to approve and implement the OECD Shipbuilding Trade Agreement. **Pages H6268–75**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H6286–87.

Senate Messages: Message received from the Senate today appears on page H6185.

Quorum Calls—Votes: four yea-and-nay votes and four recorded votes developed during the proceedings of the House today and appear on pages H6190, H6197, H6210, H6210–11, H6235–36, H6246–47,

H6256–57, and H6267. There were no quorum calls.

Adjournment: Met at 10:00 a.m. and adjourned at 11:59 p.m.

Committee Meetings

INTERIOR APPROPRIATIONS

Committee on Appropriations: Ordered reported Interior appropriations for fiscal year 1997.

FANNIE MAE AND FREDDIE MAC—PRIVATIZATION

Committee on Banking and Financial Services: Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises held a hearing on the Privatization of Fannie Mae and Freddie Mac. Testimony was heard from June O'Neill, Director, CBO; and James Bothwell, Director, Financial Institutions and Market Issues, GAO.

GAO REPORT—DEPARTMENT OF ENERGY'S ALIGNMENT AND DOWNSIZING INITIATIVE

Committee on Commerce: Subcommittee on Energy and Power held a hearing on the GAO Report on the Department of Energy's Strategic Alignment and Downsizing Initiative. Testimony was heard from Bernice Steinhardt, Associate Director, Resources, Community and Economic Development Division, GAO; and Donald W. Pearman, Jr., Associate Deputy Secretary, Field Management, Department of Energy.

DEPARTMENT OF ENERGY—TRAVEL EXPENDITURES

Committee on Commerce: Subcommittee on Oversight and Investigations continued hearings on the Department of Energy: Travel Expenditures and Related Issues. Testimony was heard from public witnesses.

Hearings continue tomorrow.

BUDGET RECONCILIATION RECOMMENDATIONS—WELFARE REFORM

Committee on Economic and Educational Opportunities: Approved welfare reform reconciliation recommendations to be transmitted to the Committee on the Budget for inclusion in the Omnibus Budget Reconciliation Act for fiscal year 1997.

BLUE PLAINS WASTEWATER TREATMENT PLANT

Committee on Government Reform and Oversight: Subcommittee on the District of Columbia held a hearing on Blue Plains Wastewater Treatment Plant. Testimony was heard from Representative Hoyer; Michael McCabe, Regional Administrator, EPA; the following officials of the District of Columbia: Michael Rogers, City Administrator; and Larry King, Director, Department of Public Works; Kate Hanley, Chairman, Board of Supervisors, Fairfax County, Virginia; and public witnesses.

OVERSIGHT

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a hearing on oversight of Federal Drug Interdiction Efforts in Mexico: Review of a Rising National Security Threat. Testimony was heard from the following officials of the GAO: Ben Nelson, Director, International Relations and Trade Issues; and Alan Fleener, Senior Evaluator; George Weise, Commissioner, U.S. Customs Service, Department of the Treasury; and Doug Wankle, Chief of Operations, DEA, Department of Justice.

MIDDLE EAST DEVELOPMENTS

Committee on International Relations: Held a hearing on Developments in the Middle East. Testimony was heard from Robert H. Pelletreau, Assistant Secretary, Near Eastern Affairs, Department of State.

DEFENSE OF MARRIAGE ACT

Committee on the Judiciary: Ordered reported H.R. 3396, Defense of Marriage Act.

WAR CRIMES ACT

Committee on the Judiciary: Subcommittee on Immigration and Claims held a hearing on H.R. 2587, War Crimes Act of 1995. Testimony was heard from Michael Matheson, Principal Deputy Legal Advisor, Department of State; John H. McNeil, Senior Deputy General Counsel (International Affairs and Intelligence), Department of Defense; and public witnesses.

U.S.-PUERTO RICO POLITICAL STATUS ACT

Committee on Resources: Subcommittee on Native American and Insular Affairs approved for full Committee action amended H.R. 3024, United States-Puerto Rico Political Status Act.

DEPARTMENT OF DEFENSE APPROPRIATIONS

Committee on Rules: Granted, by voice vote, an open rule providing 1 hour of debate on H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997. The rule waives all points of order against consideration of the bill for failure to comply with clause 2(I)(6) of rule XI (the 3-day requirement for availability of the report), clause 7 of rule XXI (the 3-day requirement for availability of printed hearings and reports on appropriations bills) or section 302(c) of the Congressional Budget Act of 1974 (prohibiting consideration

of legislation containing new budget or spending authority within the jurisdiction of a committee until that committee makes allocations in connection with the most recent budget resolution).

The rule waives points of order against provisions in the bill which do not comply with clause 2 of rule XXI (prohibiting unauthorized appropriations and legislation on general appropriations bills) and clause 6 of rule XXI (prohibiting transfers of unobligated balances). The rule makes in order, without intervention of any point of order, the amendment printed in the report of the Committee on Rules to be offered by Mr. Young of Florida or his designee, prior to consideration of any other amendments. The amendment shall be debatable for 20 minutes divided equally between the proponent and an opponent, shall not be subject to amendment and shall not be subject to a demand for a division of the question. The rule provides that if the amendment is adopted, the bill, as amended, shall be considered as the original bill for purposes of further amendment.

The rule provides that after the disposition of such amendment, the appropriate allocation of new discretionary budget authority within the meaning of section 302(f)(1) of the Congressional Budget Act of 1974 shall be $245,065,000,000. The corresponding level of budget outlays shall be $243,372,000,000.

The rule accords priority in recognition to those amendments that are pre-printed in the *Congressional Record.* The rule provides that the Chairman of the Committee of the Whole may postpone recorded votes on any amendment and that the chairman may reduce voting time on postponed questions to 5 minutes, provided that the vote takes place immediately following another recorded vote and that the voting time on the first in a series of questions be not less than 15 minutes.

The rule further provides that a motion to rise and report the bill to the House with such amendments as may have been adopted shall have precedence over a motion to amend, if offered by the Majority Leader or a designee after the reading of the final lines of the bill. Finally, the rule provides one motion to recommit, with or without instructions. Testimony was heard from Representatives Young of Florida, Murtha, and Menendez.

SPACE LAUNCH STRATEGY

Committee on Science: Subcommittee on Space and Aeronautics held a hearing on U.S. Space Launch Strategy. Testimony was heard from Daniel S. Goldin, Administrator, NASA; Robert Davis, Deputy Under Secretary, Space, Department of Defense; Frank Weaver, Associate Administrator, Commercial Space Transportation, FAA, Department of Transportation; the following officials of the Office of the U.S. Trade Representative: Don Eiss, Deputy Assistant U.S. Trade Representative, Industry and Labor; and Catherine A. Novelli, Deputy Assistant U.S. Trade Representative, Eastern/Central Europe and Eurasia; and public witnesses.

COASTWISE TRADE LAWS IMPACT

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held an oversight hearing on the impact of U.S. coastwise trade laws on the transportation system in the United States. Testimony was heard from Albert J. Herberger, Administrator, Maritime Administration, Department of Transportation; Stuart P. Seidel, Assistant Commissioner, Office of Regulation and Ruling, U.S. Customs Service, Department of the Treasury; Robert A. Rogowsky, Director of Operations, U.S. International Trade Commission; and public witnesses.

DEPARTMENT OF VETERANS AFFAIRS—CUSTOMER SERVICE STANDARDS

Committee on Veterans' Affairs: Subcommittee on Compensation, Pension, Insurance and Memorial Affairs and the Subcommittee on Education, Training, Employment and Housing held a joint hearing on customer service standards at the Department of Veterans Affairs and the Veterans' Employment and Training Service. Testimony was heard from Robert Gardner, Chief Financial Officer, Veterans Benefits Administration, Department of Veterans Affairs; Preston Taylor, Assistant Secretary, Veterans' Employment and Training, Department of Labor; and representatives of veterans organizations.

BUDGET RECONCILIATION RECOMMENDATIONS—WELFARE REFORM

Committee on Ways and Means: Approved of welfare reform reconciliation recommendations to be transmitted to the Committee on the Budget for inclusion in the Omnibus Budget Reconciliation Act for fiscal year 1937.

BRIEFING—RUSSIAN PRESIDENTIAL ELECTIONS

Permanent Select Committee on Intelligence: Met in executive session to receive a briefing on Russian Presidential Elections. The Committee was briefed by departmental witnesses.

COMMITTEE MEETINGS FOR THURSDAY, JUNE 13, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Commerce, Science, and Transportation, business meeting, to resume mark up of proposed legislation to authorize appropriations for the Federal Aviation Administration, and to consider other pending calendar business, 9:30 a.m., SR–253.

Committee on Energy and Natural Resources, to hold hearings on S. 1844, to direct a study of the opportunities for enhanced water based recreation, 9:30 a.m., SD–366.

Committee on Finance, to hold hearings on S. 1795, Personal Responsibility and Work Opportunity Act, 10 a.m., SD–215.

Committee on Foreign Relations, to hold a closed briefing on Palestine Liberation Organization (PLO) compliance, 11 a.m., S–116, Capitol.

Committee on the Judiciary, business meeting, to consider pending calendar business, 10 a.m., SD–226.

Subcommittee on Constitution, Federalism, and Property Rights, business meeting, to resume consideration of S.J. Res. 8, proposing an amendment to the Constitution of the United States to prohibit retroactive increases in taxes, 2 p.m., SD–226.

Committee on Labor and Human Resources, Subcommittee on Aging, to hold hearings to examine whether working America is adequately preparing for retirement, 9 a.m., SD–430.

NOTICE

For a listing of Senate Committee Meetings scheduled ahead, see page E1077 in today's Record.

House

Committee on Agriculture, to continue consideration of recommendations to the Committee on the Budget to comply with the instructions included in the Budget Resolution (Food Stamp Reform Program), 10 a.m., 1300 Longworth.

Committee on Appropriations, to markup the following: revised Budget allocations for fiscal year 1997; and the Veterans Affairs, Housing and Urban Development and Independent Agencies appropriations for fiscal year 1997, 8:30 a.m., 2360 Rayburn.

Committee on Commerce, to markup the following: Title II, Subtitle A—Medicaid Restructuring Act of 1996; Title II, Subtitle B—Other Provisions; and H.R. 248, to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, 1 p.m., 2123 Rayburn.

Subcommittee on Oversight and Investigations, to continue hearings on the Department of Energy: Travel Expenditures and Related Issues, 9:30 a.m., 2322 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on Civil Service, to mark up H.R. 3586, Veterans Employment Opportunities Act of 1996, 2 p.m. 2247 Rayburn.

Subcommittee on Government Management, Information and Technology, oversight hearing on Federal Information Policy, 9:30 a.m., 2154 Rayburn.

Subcommittee on National Security, International Affairs, and Criminal Justice, to continue hearings on White House Communication Agency, Part II, 10 a.m., 311 Cannon.

Committee on International Relations, hearing on the Effectiveness of U.S. Assistance in Russia, Ukraine, Armenia, and the Other New Independence States, 10 a.m., 2172 Rayburn.

Committee on National Security, hearing on challenges posed by Russia to U.S. national security interests, 9:30 a.m., 2118 Rayburn.

Committee on Resources, Subcommittee on Fisheries, Wildlife and Oceans, hearing on the following bills: H.R. 3287, Crawford National Fish Hatchery Conveyance Act; H.R. 3546, Walhalla National Fish Hatchery Act; and H.R. 3557, Marion National Fish Hatchery Conveyance Act; to be followed by an oversight hearing on Mitchell Act Hatcheries, Management of Bluefin Tuna, 10 a.m., 1334 Longworth.

Subcommittee on National Parks, Forests and Lands, to markup the following bills: H.R. 639, West Virginia Rivers Technical Amendments Act of 1995; H.R. 640, West Virginia National Rivers Boundary Modifications Act of 1995; H.R. 1825, to amend the Wild and Scenic Rivers Act to limit acquisition of land on the 39-mile headwaters segment of the Missouri River, Nebraska and South Dakota, designated as a recreational river, to acquisition from willing sellers; H.R. 2255, Lamprey Wild and Scenic River Act; H.R. 2292, Hanford Reach Preservation Act; H.R. 3534, Mineral King Act of 1996; H.R. 3006, to provide for disposal of public lands in support of the Manzanar Historic Site in the State of California; H.R. 2636, to transfer jurisdiction over certain parcels of Federal real property located in the District of Columbia; and H.R. 3127, Southern Nevada Public Land Management Act of 1996, 10 a.m., 1324 Longworth.

Committee on Standards of Official Conduct, executive to, consider pending business, 2 p.m., HT–2M Capitol.

Committee on Transportation and Infrastructure, to markup the following bills: H.R. 3592, Water Resources Development Act of 1996; and H.R. 2940, Deepwater Port Modernization Act, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, to markup the following bills: H.R. 3107, Iran Oil Sanctions Act of 1996; and H.R. 3161, to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Romania, 10 a.m., 1100 Longworth.

Next Meeting of the SENATE

10 a.m., Thursday, June 13

Senate Chamber

Program for Thursday: Senate will continue debate of the conference report on H. Con. Res. 178, Congressional Budget Resolution, with a vote scheduled to occur thereon at 12 noon.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, June 13

House Chamber

Program for Thursday: Consideration of H.R. 2754, the Shipbuilding Trade Agreement Act (modified closed rule, 1 hour of general debate); and

Consideration of H.R. 3610, DOD Appropriations Act of FY 1997 (open rule, 1 hour of general debate).

Extensions of Remarks, as inserted in this issue

HOUSE

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