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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. HEFLEY].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
September 11, 1996.

I hereby designate the Honorable JOEL HEFLEY 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:

Bless this day and bless this land,
Keep us safe with Your strong hand.
May Your spirit, O God, forgive,
All our lives so we might live.

May Your benediction, O gracious God, that is new every morning and with us until the last light of day, surround us and keep us in Your peace, now and forevermore. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Mississippi [Mr. MONTGOMERY] come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that during the joint meeting to hear an address by His Excellency John Bruton, only the doors immediately opposite the Speaker and those on his right and left will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of Thursday, September 5, 1996, the House will stand in recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 2 minutes a.m.), the House stood in recess subject to the call of the Chair.

During the recess, beginning at about 10 a.m., the following proceedings were had:

□ 0955

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY HIS EXCELLENCY, JOHN BRUTON, PRIME MINISTER OF IRELAND

The Speaker of the House presided.

The Assistant to the Sergeant at Arms, Donald T. Kellaher, announced the President pro tempore and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the President pro tempore taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House, the Chair appoints as members of the committee to escort the Prime Minister of Ireland into the Chamber: the gentleman from Texas [Mr. ARMEY]; the gentleman from Texas [Mr. DELAY]; the gentleman from Ohio [Mr. BOEHNER]; the gentleman from California [Mr. COX]; the gentleman from New York [Mr. GILMAN]; the gentleman from Massachusetts [Mr. BLUTE]; the gentleman from New Jersey [Mr. FRANKS]; the gentleman from New York [Mr. KING]; the gentleman from New York [Mr. LAZIO]; the gentleman from New York [Mr. QUINN]; the gentleman from Pennsylvania [Mr. ENGLISH]; the gentleman from Illinois [Mr. FLANAGAN]; the gentlewoman from New York [Mrs. KELLY]; the gentleman from New Jersey [Mr. MARTINI]; the gentleman from Michigan [Mr. BONIOR]; the gentlewoman from Connecticut [Mrs. KENNELLY]; the gentleman from Maryland [Mr. HOYER]; the gentleman from Mississippi [Mr. MONTGOMERY]; the gentleman from Massachusetts [Mr. MARKEY]; the gentleman from Michigan [Mr. KILDEE]; the gentleman from Montana [Mr. WILLIAMS]; the gentleman from Pennsylvania [Mr. BORSKI]; the gentleman from New York [Mr. MANTON]; the gentleman from Washington [Mr. MCDERMOTT]; the gentleman from Massachusetts [Mr. NEAL]; the gentleman from Virginia [Mr. MORAN]; the gentlewoman from New York [Mrs. MALONEY]; and the gentleman from Rhode Island [Mr. KENNEDY].

The PRESIDENT pro tempore. The President pro tempore of the Senate, at

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the direction of that body, appoints the following Senators as a committee on the part of the Senate to escort His Excellency, John Bruton, the Prime Minister of Ireland into the Chamber: the Senator from Wyoming [Mr. SIMPSON]; the Senator from Mississippi [Mr. COCHRAN]; the Senator from Alaska [Mr. STEVENS]; the Senator from Florida [Mr. MACK]; the Senator from South Dakota [Mr. DASCHLE]; the Senator from Massachusetts [Mr. KENNEDY]; the Senator from Vermont [Mr. LEAHY]; and the Senator from Rhode Island [Mr. PELL].

□ 1000

The Assistant to the Sergeant at Arms announced the Acting Dean of the Diplomatic Corps, Dr. Joseph Edsel Edmunds, Ambassador of Saint Lucia.

The Acting Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Assistant to the Sergeant at Arms announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 10 o'clock and 5 minutes a.m., the Assistant to the Sergeant at Arms announced His Excellency, John Bruton, the Prime Minister of Ireland.

The Prime Minister of Ireland, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great privilege, and I deem it a high honor and personal pleasure to present to you His Excellency, John Bruton, the Taoiseach, Prime Minister of Ireland.

[Applause, the Members rising.]

ADDRESS BY HIS EXCELLENCY, JOHN BRUTON, PRIME MINISTER OF IRELAND

PRIME MINISTER BRUTON. Mr. Speaker, Senator THURMOND, Members of Congress, it is a great honor to Ireland that I have been asked to address this joint session of Congress today, as only the 30th head of State or government of an European country to do so since 1945. But it is a particular honor to be asked to speak here on this day, the 11th of September.

For it was on this day, the 11th of September, 210 years ago almost to the hour, that delegates from New York, New Jersey, Delaware, Pennsylvania, and Virginia met just 32 miles from here at Annapolis in Maryland, and it was there, at Annapolis, that they decided to convene the convention in Philadelphia that gave the people the Constitution of the United States of America, the world's first Federal constitution, the constitution that made Americans ''the first people whom Heaven has favoured with an opportunity of deliberating upon, and choosing, the form of government under which they shall live,'' making America the pioneer of that most powerful of all political ideas: democracy under the rule of law.

Two hundred and ten years later Americans can look back with pride at what they have given to the world. Never before in that long period have more of humanity lived under a system based on democracy and the rule of law than do so today.

Even in the case of countries as afflicted as Burma, people are standing up for democracy and the rule of law. For the first time in their history, the Russian people have freely elected their own President. The American model, constitutional democracy, has succeeded and spread because it is built on a realistic view of human nature. Checks and balances are needed.

As James Madison said: ''You must first enable the Government to control the governed, and in the next place, oblige it to control itself.''

American democracy has worked because it has controlled itself through the separation of powers in a written Constitution, and through a strong and independent Supreme Court that interprets that Constitution.

As President Andrew Jackson, a man of Irish ancestry, said in 1821: ''The great can protect themselves, but the poor and humble require the arm and the shield of the law.''

I speak today as President in office of the European Council, a body that is aiming to do for the 15 member states of the European Union what the men who met, and they unfortunately only were men who met at Annapolis and at Philadelphia, did so long ago for the 13 colonies of America. The European Union, through an Inter-Governmental Conference launched last April in Turin, is seeking to write a new constitution for Europe that will enable the European Union to add new members to its east, just as your constitution of 1789 enabled this great union to add so many new members to its west.

The establishment of the United States of America was the great constructive constitutional achievement of the late 18th century. The establishment of the European Union out of the devastation of World War II could be described as the great constructive constitutional achievement of the late 20th century.

We in Europe have much to learn from American experience. Americans came together because of necessity. Very few of the eventual Framers of the U.S. Constitution who met at Annapolis were inspired by the theories of Montesquieu or Locke, wanting to build the perfect state, a model democracy, a castle built in the sky. They came together rather because they had to reach urgent agreement on a framework to sort out immediate problems about shipping on the Potomac, about how they would pay for the army, about who was going to pay taxes and how they were going to be collected, how they would get their goods to market, and how their frontiers would be protected, very practical problems.

Americans in 1786 knew at Annapolis that they could not agree on commercial reforms to protect trade without making political reforms as well. That is why the men at Annapolis 210 years ago decided to call a constitutional conference in Philadelphia the following May. By working together to find the means of solving the practical problems of life for their citizens, the Framers of the U.S. Constitution forged the most durable and perhaps the fairest system of government the world has ever seen. They came together as people who were each loyal, first and foremost, to their own States. But they knew that that loyalty and allegiance could find its best expression as part of a wider American continental loyalty.

Mr. Speaker, it was necessity that brought Europe together too, the necessity of reconstruction after World War II, the necessity of resisting communism, and the necessity to resolve national conflicts that had caused 3 wars in just 80 years. That dynamic, that necessity, continues in Europe today.

It is often said that politicians and politics are made to serve commercial needs. The European Union has done the reverse. It has made commerce the servant of a great political objective. By creating a single coal and steel industry, a single agricultural market, a single commercial market, the European Union has created economic bonds that bind its members together politically.

The European Union has undermined the economic base of that force that causes wars, national chauvinism, but the psychological base of national chauvinism still remains a threat in Europe. If Europeans do not constantly work at bringing their union closer together, the strains arising from remaining differences will gradually pull their union apart.

Can the European Union create economic bonds that are strong enough to persuade European states to make sacrifices and take risks for a common objective? That is an important question for Europe, and it is also an important question for Europe's allies and the United States. And it is a question that Europe has to answer for itself. And depending on that answer, we will know whether the Yugoslav violence of 1992–93 was just the last convulsion of an old and primitive Europe or a sign of wider threats to come. And Europe has to answer that question while simultaneously bringing in new members, with a different political tradition from Central and Eastern Europe. That problem, that precise problem of bringing existing members closer together, while also expanding membership, is a familiar problem to anyone who has studied the 19th century history of the United States.

Europe's task of constitution-building today is particularly difficult. Europeans were on different sides in past wars, whereas America's Founding Fathers had all been on the same side. But, Mr. Speaker, we are determined to make the European Union work, to make it work for peace, to make the European Union a firm friend and partner of this great American union.

The United States has built a union that is robust enough to accommodate radical disagreements and still take tough decisions when tough decisions have to be taken. Europe must do the same.

This union, the United States, has worked because it is based on freedom. As Thomas Jefferson said, ''Error of opinion may be tolerated, so long as reason is left free to combat it.''

Conformism of thinking, political correctness, if you will, is the great enemy of democratic discourse. We must not be afraid to disagree. We must not dismiss other people's opinions just because they have used the wrong words to express them. Equally, we must accept that some people's views are so profoundly different from ours that we will never agree with them or them with us.

Living with difference. That's the challenge for the United States today. It's the challenge for Europe. It's the challenge for Ireland as a whole, but in a very particular way, it is a challenge for Northern Ireland—living with difference.

In Northern Ireland we see two communities, each offended by the views of the other, and by how those views are expressed. Two communities, each feeling itself to be a minority, a minority that has been oppressed or a minority that may be oppressed in the future. The fears of each community mirror those of the other.

Two minorities, equally justly proud of their heritage, each believing that their heritage is founded on tolerance and civil liberties, and each believing that sincerely. Two minorities who yet will always be different from one another, but who have not yet been able to see that, on many important issues, they already agree with one another far more than they disagree, and far more than either agree with others. They have exaggerated their differences and minimized their similarities.

Thus, if there is to be a peaceful and fair accommodation in Northern Ireland, each tradition must be willing to sit down and listen for long enough to the views, the worries, and the concerns of the other tradition, to uncover the common ground.

Thanks to the efforts of so many people here in the United States, the President and Vice President GORE, Speaker GINGRICH, and other leaders of both Houses of Congress, most of the parties in Northern Ireland have been sitting down and listening to one another since the 10th of June, under the able chairmanship of Senator George Mitchell, whose skill and commitment I salute today. They have had about 6 weeks of talks together, and they have reached agreement on important procedural issues, and laid the foundation for forward movement.

Against the background of 25 years of barbarity of every kind, and almost four centuries of distrust, it is hard to expect rapid agreement between nine different parties in the space of only 6 weeks. My own view is that the harmony that we seek will not come overnight. It will come in stages, from the experience of working together to solve practical, immediate problems.

But, if that is to happen, it is the strong view of my government that the talks must now move beyond procedure and soon discuss really substantive issues, substantive issues of disagreement. This must happen quickly. This must happen quickly if we are not to miss the window of opportunity, so often highlighted by President Clinton during his recent visit to Ireland.

On that occasion, the President spoke for all Americans. Almost as much as the Irish themselves, Americans welcomed the political efforts that gave us a ceasefire of 17 months. But now all of us want the IRA to stop for good. True negotiations can only take place in an atmosphere of genuine peace.

The all-party talks, for which we have all worked so hard, have been delivered. We must have everybody there at those talks now, genuinely willing, and able, to negotiate. That can only happen when everyone has been convinced that violence will never be used again to intimidate opponents or to control supporters, never again. That means a cessation of violence by the IRA that will hold in all circumstances, and I know that I have the full support of the U.S. Congress for that vital objective.

In trying to work out a system of government that all can share in Northern Ireland in quality and parity of esteem, we are not asking Unionists to cease to be loyally British, any more than we are asking Nationalists to cease to be loyally Irish, any more than the original Framers of the U.S. Constitution ceased to be loyal Virginians or loyal members of the Commonwealth of Massachusetts. We are asking Nationalists and Unionists to agree on a political framework which will allow them, together, to take on responsibility for solving the day-to-day problems that affect the lives of the 1½ million people who live in Northern Ireland, and to do so in harmony and cooperation with Britain and with the rest of Ireland.

Let the parties build on what they already agree about. All parties in Northern Ireland already agree that the form of government should be democratic. All agree that there should be a Bill of Rights. All agree that there should be links with the rest of the island. Each tradition agrees that the other should be respected, and each agrees that the other tradition cannot be coerced.

The Irish Government has no interest in propelling anybody into an arrangement that they do not wish to be part of. We are not motivated by any interests of our own other than that of obtaining an agreement which is reasonable and fair to the aspirations of both communities in Northern Ireland.

Mr. Speaker, as a historian, I know that you are very conscious of the fact that Europe has many psychological boundaries that go back to the Thirty Years War and further, boundaries of religion, boundaries between one world view and another. One of those psychological boundaries does indeed run through the ancient province of Ulster. Yet similar boundaries in Europe have not prevented the development of agreed political structures across boundaries, which allow regions and countries, majorities and minorities, and within states, to work together in partnership, to the mutual benefit of their people.

We in Ireland can admire our history. We can regret aspects of it, too, but we certainly cannot erase it. We don't owe our history any debts. We can't relive our great-grandparents' lives for them. We are not obliged to take offense on their behalf, any more than we are obligated to atone for their sins.

□ 1030

It is our task to live in this generation, as people who live in Ireland and whose children will live there too.

Northern Ireland needs a political system that allows the people there to take responsibility together for their own future. Taking responsibility, something that you, Mr. Speaker, and many other Members of this Congress on both sides of the House have emphasized time and again, taking responsibility. Thanks to the generous support of Congress, the people of Northern Ireland, of both traditions, already take responsibility together for economic projects, aided by the International Fund for Ireland.

They also have taken responsibility together at a local level this summer by agreeing in very different circumstances in many areas the routes of contentious marches. Unfortunately, agreement was not reached in every case, but one should not underrate the importance of responsibility having been taken in many other cases.

But a wider political agreement is what we need now. The destructive force of sectarianism is all too easily fanned. It can quickly get beyond the control of those who fan it, making compromise impossible, and eventually coming back to consume its authors.

That is why we need an agreement, within a workable timeframe. Such an agreement is within reach. The Irish and British Governments were able to agree last year on a detailed model or framework of such an agreement. The parties can add to that. They can subtract from it, or they can come up with

an entirely new draft. But the core problems that the two governments, the British and Irish Governments, have plainly identified last year must be tackled and overcome by this present generation of political leaders. I am absolutely determined that that will happen.

Mr. Speaker, a number of the men who met in Philadelphia to frame the U.S. Constitution were of Ulster Scots ancestry. Some of their distant cousins sit on the Unionist benches at the Belfast talks, just as some of their ancestors defended Derry's walls in 1689.

If men of that ancestry could devise the fairest and greatest democratic Constitution in the world, surely they can work with neighbors today to devise a fair and just system for their own country.

Agreed institutions for Northern Ireland must be ones that enforce fairness and check the arbitrary excesses of whoever happens to be in the majority in any area at any particular time.

Your second President, John Adams, made a bleak, but not altogether unrealistic, comment on universal human nature, when he said:

> The people, when unchecked, have been as unjust, tyrannical, brutal, barbarous and cruel as any king or senate possessed of uncontrollable power. The majority has eternally, and without exception, usurped over the rights of the minority.

Mr. Speaker, that is why the enforcement of fairness through law has been one of the keystones of the American Constitution.

That is also why we need rules, and a balanced system of institutions, in Northern Ireland. Rules which limit uncontrollable power. Rules that require people to share power. Rules that allow people to build trust through small successes. Rules which recognize that people are different from one another, and that people's allegiances may be many and varied.

That is a lesson that the world as a whole needs to learn, if it is to live at peace.

Political theorists of the 19th century assumed that a person could only have one sovereign allegiance to his or her territorial nation state.

In the 19th and early 20th centuries, territorially based natural resources, agriculture and mineral, were crucial to the economy, so nation and territory normally had to be one and the same.

In contrast, knowledge, instant communications, multiculturalism, or at least a multiplicity of cultures, and mobility, people moving from one country to another, money moving from one country to another in an instant, these would be the characteristics of the 21st century, and nationalities will inevitably become more and more intermixed, one with the other. That is why in many parts of the world, a new political model is needed to organize this new social reality, a model that recognizes that people can have more allegiances than one, and yet live and work happily together.

The European Union reflects that new concept. In the European Union one can at the same time owe allegiance to Flanders, to Belgium, and to Europe, and yet share the same working and living space with someone who has the different set of national allegiances.

If such a model can work for Europe, it can work for Northern Ireland too, and if we can get it right in Northern Ireland, we will be setting a model for similarly divided communities across the world, just as men of Irish descent set a model for the world 210 years ago today, when they met at Annapolis and decided to draw up the Constitution of this United States.

Yes, both Ireland and the United States have responsibilities to the wider world, to the 6 billion people who inhabit this globe. There are three times as many people in the world today as there were when the Irish state was founded in December 1921, and six times as many people as there were when the United States was formed. Africa had half Europe's population in 1950. Thirty years from now there will be three times as many Africans as Europeans.

All of these people will have to be fed and clothed. All will need around 2,000 calories per day, some will want to consume more, some ought to consume less, and will need, and this is even more important, two liters per day of clean, I emphasize, clean, water. There will be 2 billion more people in the globe 30 years from now, all of whom will have those requirements, and we know that that is going to happen. And all of them, if we are to have peace, will need to feel that they are respected parts of the world community, that they are not second class.

The world is a better place today than it was 50 years ago. It can be even better 50 years from now if we build freedom, freedom for all, within rules set by democratic consent.

Lawmakers everywhere must remember that rules work best when there is consent to the way in which they have been played, and when everyone has had a recognized input to the making of the rules. That is why we need to reform the United Nations, because we cannot impose rules unilaterally. If the United Nations had not been set up in San Francisco in 1946, we would have to be inventing it today, because given the scale of the world's problem, given the extreme increase in world population, we must have a means of making rules which allow us all to share the world together, rules in which all nations have had a part in the making.

Let me take one area as an example of where world rules are needed. We need global rules against terrorism, terrorism which exploits the freedom of our media. As President Bush said, ''simply by capturing the headlines and television time, the terrorist partially succeeds.''

Violence and democratic politics can never mix. Civilized states do not negotiate under threat. That is why those who wish to win respect through democratic politics must give up all connections with terror, give up the threat of terror, and give up even giving coded warnings about terror.

□ 1040

Terror cannot be part of the political calculus of a democracy. That is why Ireland strongly supports the United States efforts to create world rules to combat terrorism, terrorism of which United States citizens have been victims in recent times.

Freedom and democracy work, because in a democracy change must be based on consent, and because it gives space to individuals to innovate; creating the best conditions, freedom, for economic growth.

Ireland is a good example of a democracy that works. Ireland's economic growth rate last year was the highest in Europe for the third year in a row. Inflation in Ireland is amongst the lowest in Europe. Government spending came down from 52 percent of GNP in 1986, to just 40 percent today. Four times as many Irish people go to college today as did so in 1965. The proportion of Irish children who complete high school have quadrupled since then and the numbers have more than quadrupled.

As a result, as a direct result, one-third of all U.S. high-technology investment going to Europe as a whole comes to Ireland. One-third.

Education is the key.

We do have problems. Too many Irish people are unemployed.

But the biggest common factor amongst the unemployed is that they left school too early. It is not enough that 85 percent of Irish children complete high school, or to use the Irish term, sit the Leaving Certificate, we need 100 percent to do so. Not just to acquire a technical qualification but to understand their place in the world, where they are coming from, who they are, and as much as possible about the other peoples with whom they must share this increasingly crowded globe.

Mr. Speaker, I thank all Americans, and Americans of Irish heritage in particular, for their contribution to Ireland's success. I salute the contributions that men and women of Irish heritage have made to this great Nation, in every walk of life.

Mr. Speaker, I ask Congress to continue to support the peace process in Ireland. And, Mr. Speaker, I ask Congress, representing this great American union, to work together with the European Union to build a structure of peace for the world as a whole.

Thank you.

[Applause, the Members rising.]

At 10 o'clock and 43 minutes a.m., the Prime Minister of Ireland accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Assistant to the Sergeant at Arms escorted the invited guests from the Chamber in the following order:

The Members of the President's Cabinet.

The Acting Dean of the Diplomatic Corps.

JOINT MEETING DISSOLVED

The SPEAKER. The purpose of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Accordingly, at 10 o'clock and 45 minutes a.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The House will continue in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. CAMP] at 12 noon.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. ROTH. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

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

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3396. An act to define and protect the institution of marriage.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3230) ''An Act to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.''

The message also announced that the Senate had passed bills of the following titles in which the concurrence of the House is requested:

S. 1669. An act to name the Department of Veterans Affairs medical center in Jackson, Mississippi, as the ''G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center''; and

S. 1918. An act to amend trade laws and related provisions to clarify the designation of normal trade relations.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 640) ''An Act to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAFEE, Mr. WARNER, Mr. SMITH, Mr. BAUCUS, and Mr. MOYNIHAN, to be the conferees on the part of the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

EXPORTS, JOBS, AND GROWTH ACT OF 1996

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

Mr. ROTH. Mr. Speaker, today we are going to have a very important vote. Yesterday, under suspension, we debated H.R. 3759, and I ask my colleagues to pay attention to this bill. It is the Exports, Jobs, and Growth Act. It adds $38 billion in exports. It adds some 123,000 new American jobs, and it cuts the deficit by $600 million. Fifteen unions have endorsed this legislation, business has endorsed this legislation, people all across America are asking for this bill.

With all the emphasis today on the negative things in politics, let us do something positive for America. Let us vote for H.R. 3759 when it comes up today.

RELEASE THE OUTSIDE COUNSEL'S REPORT ON NEWT GINGRICH

(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, a month ago James Cole, who is the special counsel investigating our Speaker, NEWT GINGRICH, filed a report with the Committee on Standards of Official Conduct. It cost half a million dollars of taxpayers' money.

What has happened to it? Well, it has been submerged by the Committee on Standards of Official Conduct. They are not going to release it, it appears.

Well, what did NEWT GINGRICH say about these kinds of reports? Back in March 1989, he said in regard to the report of the special counsel on our former Speaker, Jim Wright:

Now that report is secret; I don't know what's in it. I don't know of anybody other than the committee members and Mr. Phelan, who was special counsel, who know what is in it—except Mr. Wright's lawyer. And I think that report and the back-up documents have to be published.

I cannot imagine going to the country—tell them we've got a $1.6 million report—and, by the way, there's nothing in it, but you can't see it, but clearly that report is going to have to be published.

Well, Mr. Speaker, why don't you tell your Committee on Standards of Official Conduct to release the report? They are meeting today at 1:30. Let every Member have it. I would like to have a copy of that report. Every Member of this House by tomorrow should have a copy of that report. I do not know what is in it. I do not know if it exonerates you, but let us release the report.

VOTE ''YES'' FOR THE EXPORTS, JOBS, AND GROWTH ACT

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

Mr. MANZULLO. Mr. Speaker, today we will vote on the Exports, Jobs, and Growth Act. This bill is divided into three parts, first the Overseas Private Investment Corporation, which helps to ensure against long-term political and commercial risk.

The Congressional Budget Office estimates that OPIC will lower the deficit by $600 million over the next 5 years. OPIC is not corporate welfare because companies pay, I will repeat, pay for the services they receive.

Second is the Trade Development Agency. This small 38-employee agency designs in-U.S. specifications into foreign infrastructure projects so American companies can gain valuable contracts overseas.

Finally is the International Trade Administration division of the Commerce Department. Within this division is the United States and Foreign Commercial Service which operates 83 field offices in the United States. They primarily serve small business exporters in the search for export opportunities.

If Members vote against this legislation, it will unilaterally disarm American workers in the global trade war. Our European and Asian competitors spend much more on these programs. It is time to wake up to the imperfect reality of the global trading system and support this legislation. The Clinton administration supports it; business groups support it; labor unions support it. Vote for H.R. 3759.

TIME FOR ETHICS COMMITTEE TO QUIT STALLING

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, revise and extend her remarks, and include extraneous material.)

Mrs. SCHROEDER. Mr. Speaker, today the New York Times lead editorial talks about this House and its stalling on ethics. This is shameful. The New York Times points out that the Committee on Standards of Official

Conduct is supposed to meet today, and it goes on to say: If after all this time, Mrs. JOHNSON and her colleagues cannot rise above partisanship to act promptly on Mr. Cole's findings and make them public, then they will demonstrate that this is little more than a charade and not the principled committee upholding the traditions and honor of this House.

Mr. Speaker, I hope everybody looks at this and everybody in this body realizes we will all be tainted if we do not get this report out. It has taken 2 years, it has taken half a million dollars, and they are trying to hermetically seal it down there, say none of us can see it, but then pronounce that it says nothing. If it said nothing, I would think we would be able to see it.

Mr. Speaker, I include the New York Times article for the RECORD.

[From the New York Times, Sept. 11, 1996]

STALLING ON ETHICS

Crowning two years of partisan gridlock, the House Ethics Committee seems determined to sacrifice whatever little is left of its credibility by letting Congress adjourn without resolving any of the pending ethics complaints against Speaker Newt Gingrich. The committee's present plans do not even call for making public the lengthy report filed last month by James Cole, the special counsel belatedly hired by the committee to look into tax law charges against the Speaker.

By stalling so long to shield him, the committee's Republican chairwoman, Nancy Johnson of Connecticut, has left the panel little time to resolve all allegations against Mr. Gingrich. But the two weeks or so before Congress adjourns is surely ample time to bring at least this phase of the case to an honorable conclusion.

Mrs. Johnson and her G.O.P. colleagues succumbed to public pressure last December and finally agreed to retain an outside counsel, Mr. Cole. They gave him a limited mandate to examine whether Mr. Gingrich had violated tax laws by using tax-deductible donations to finance a college course he taught in Georgia in 1993. It intentionally omitted a range of questions involving Gopac, Mr. Gingrich's aggressively partisan political action committee, which helped to develop the course. These questions, which are the subject of a complaint filed by the House minority whip, David Bonior, also need review by an outside counsel, but Republicans on the committee are resisting.

It is not known whether the evidence gathered by Mr. Cole exonerates the Speaker on the tax charges, or suggests he behaved either improperly or unethically. Committee members have said the report simply lays out the facts while failing to make any recommendations. But the issue at this point is not just Mr. Gingrich's conduct, or the thoroughness of Mr. Cole's work, but the efficacy of the committee itself.

The Ethics Committee is scheduled to meet today. If after all this time Mrs. Johnson and her colleagues cannot rise above partisanship to act promptly on Mr. Cole's findings and make them public, they will demonstrate that this supposedly principled panel is little more than a charade.

OUR CHILDREN DESERVE BETTER THAN DRUGS

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

Mr. BALLENGER. Mr. Speaker, the National Center on Addiction and Substance Abuse has released some survey information on teenage drug activity that is absolutely shocking.

The researchers found that by the time a teen reaches the age of 17, 68 percent of them can buy pot within a day; 62 percent have friends who use marijuana; 58 percent have been solicited to buy marijuana; 58 percent know someone who uses acid, cocaine, or heroin; 40 percent have personally witnessed the sale of drugs in their own neighborhood; and less than one in three attend a drug-free school.

Mr. Speaker, this country is losing the war on drugs. We are literally losing a generation of children to hopelessness, to shattered dreams, and eventually to a loss of their freedom.

Our children deserve better. Every child should have a strong family, a drug-free school, and safe streets. And we must do all we can as leaders to make this a reality for all children, before it's too late.

Mr. Speaker, where is our President on this?

ETHICS COMMITTEE SHOULD RELEASE COLE'S REPORT

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

Mr. KLINK. Mr. Speaker, 7 years ago, the current Speaker of the House of Representatives stood on this very floor and said I think that it is vital that we take as a Congress our commitment to publish that report and to release those documents so that the country can judge whether or not the man who is second in line to be President, the Speaker of the House, should be in that position.

Of course, that was NEWT GINGRICH talking about then Speaker Jim Wright. But Speaker GINGRICH's words are as true today as they were 7 years ago. And now we have another report, this one not by Mr. Phelan, but by James Cole, that cost the taxpayers of this country a half million dollars, and every Member of the House of Representatives should know today what is in that report. The people of this Nation who paid for that report need to know what is in that report.

Again the words of then Member GINGRICH, now Speaker GINGRICH, who said I cannot imagine going to the country to tell them that we have got $1.6 million in this report, and, by the way, there is nothing in it. You cannot see it. We must let the American people and this Congress see this report.

TWIN DISASTERS HIT EASTERN NORTH CAROLINA

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

Mr. FUNDERBURK. Mr. Speaker, I have just returned from the second district of North Carolina. The devastation to people, property, and crops is overwhelming. We are moving to assess the damage and provide relief to the human suffering caused by Hurricane Fran. I delivered a check to the American Red Cross from U.S. Tobacco to help alleviate the budgetary strain that Fran has placed on the Red Cross. Today, I am joining my colleagues from eastern North Carolina in introducing a bipartisan bill that will provide emergency appropriations to agencies that may run out of money due to the devastation from the hurricane and ongoing flooding.

Mr. Speaker, I want to thank the President for visiting eastern North Carolina this coming weekend to assess the damage on a first-hand basis. He will see the extent of the devastation from Hurricane Fran. Hopefully, he will stop to speak with the tobacco farmers in my district who have suffered a major blow from this natural disaster. But as Bill Clinton flies over the destruction to the people and property of North Carolina, he might ponder about the man-made disaster he helped create—FDA regulation of tobacco—and the devastation it will bring to the tobacco farmers in my district.

RELEASE ETHICS REPORT ON SPEAKER

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

Mr. DELAURO. Mr. Speaker, NEWT GINGRICH is absolutely right. He said, ''The 435 Members of the House should look at all the facts, should have available to them all the reports and all the background documents and the American people should have the same.''

NEWT GINGRICH said that in 1989 about the ethics report on then Speaker Jim Wright. And what he said then about the need for full disclosure is equally true today about the outside counsel's report on NEWT GINGRICH'S own dealings.

Don't just take my word for it. Today's New York Times calls upon the House Ethics Committee to release the report. The Times says ''If after all this time, Mrs. Johnson and her colleagues cannot rise above partisanship to act promptly on Mr. Coles' findings and make them public, they will demonstrate that this supposedly principled panel is little more than a charade.

Stop the coverup. Release the ethics report on NEWT GINGRICH.

EXPORTS, JOBS, AND GROWTH ACT OF 1996

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

Mr. BEREUTER. Mr. Speaker, if Members want to send high-paying export-related jobs to Japan, Germany,

France, and Canada then they should vote today against, the Jobs, Exports and Growth Act of 1996.

But if Members want to keep high-paying export-related jobs in the United States while generating over $600 million toward deficit reduction, then they should vote for this legislation.

Revisionists have labeled the Overseas Private Investment Corporation as corporate welfare. Yesterday, this Member challenged their leader, the distinguished gentleman from Ohio, to point to 1 year in the last 25 of OPIC's history where it lost taxpayer's money.

You know what Mr. Speaker, the gentleman from Ohio didn't answer this Member's question because he can't. OPIC has generated positive net income for our Government very year since its inception in 1971—that's why it has $2.6 billion in reserves.

Without OPIC, America would have sent $43 billion in United States exports and 200,000 American jobs to Japan, France, Germany, Canada, Italy, and other industrialized countries. Political leaders in those countries don't call it corporate welfare, they rightly call export promotion a national priority.

THE NEW AMERICA

(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, there is a new book out called ''The Complete Guide to Offshore Money Havens.'' A big ad in the Wall Street Journal says ''Make millions, protect your privacy and legally avoid paying any taxes on the profits.''

Think about it. The New America. Invest overseas, hire foreign workers for pennies, then ship your product back to America. And do not worry if you make a profit; you do not even have to pay taxes on it.

There are more loopholes in the U.S. Tax Code than those old hockey nets at the Boston Garden. Beam me up. The truth is, America keeps shipping jobs and money overseas, and America is getting in return two truckloads of mangoes and two baseball players to be named later. Think about that shot.

OPPOSE THE EXPORTS, JOBS, AND GROWTH ACT

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

Mr. HOKE. Mr. Speaker, I rise in opposition to H.R. 3759, the so-called Exports, Jobs, and Growth Act. This legislation is going to double the size of OPIC, the Overseas Private Investment Corporation. The increase will dramatically increase the exposure of OPIC to high risk areas, such as Africa and Russia, and default on these loans would have a very substantial impact on our budget.

At a time when we are so doggone concerned about the size of our budget deficit, how can we in good conscience expand a program that protects the profits of Fortune 500 corporations at the expense of the American taxpayer and sends more jobs overseas?

□ 1215

I strongly urge my colleagues to oppose corporate welfare and vote against H.R. 3759.

NEW YORK TIMES IS RIGHT: ETHICS COMMITTEE IS STALLING ON GINGRICH COMPLAINTS

(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, the New York Times has it about right. For the past 2 years we have witnessed a systematic coverup and stall by the Committee on Standards of Official Conduct in dealing with the ethics complaints regarding our Speaker, NEWT GINGRICH.

They stalled for the consideration of the early complaints. They dismissed those complaints without interviewing without gathering evidence. They stalled in the gathering of evidence in the major complaints against Speaker GINGRICH. And finally, reluctantly, they yielded to public pressure and appointed an outside counsel.

But when they appointed the outside counsel, they restrained his ability to engage in a comprehensive investigation, and then they limited his mandate and what he could investigate. And then, finally, they did not allow him to draw conclusions from the investigation that he engaged in after spending $500,000.

This House cannot go home to our constituents and not be able to report on the findings of the special counsel. The time has come for the Committee on Standards of Official Conduct to stop the coverup, to stop the stall, and to give this House the information that it has and to let the special counsel do its work.

OPIC BILL WILL DOUBLE SUBSIDIZED INSURANCE TO FORTUNE 500 COMPANIES

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

Ms. NORTON. Mr. Speaker, Members should vote ''no'' on the OPIC bill before us today unless we want to double subsidized insurance and loans for the Fortune 500. That is what the OPIC bill does.

OPIC is touted as a Government subsidized entity that acts like a private corporation. Nonsense. If it is a corporation, why does it pay no taxes? That is a subsidy right off the top. Why does it declare no dividends? Why does two-thirds of its income come from Treasury securities?

Contrary to what we were told yesterday, the AFL–CIO does not support this bill. It has no position. Why? Because some unions support it and some do not.

The standard should be not are some jobs made, but are more jobs made than are in fact destroyed. Look at the OPIC Fortune 500, just 4 of them: Ford, 160,000 Americans laid off; Exxon, 83,000 Americans laid off; AT&T, 127,000 Americans laid off; GE, 85,000 Americans laid off.

Until they bring in jobs to match Americans laid off, we must vote against more subsidies for OPIC.

TREASURY AND THE DEBT CRISIS

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

Mr. NEAL of Massachusetts. Mr. Speaker, last November I was extremely concerned about the debt ceiling. I admired the manner in which Secretary Rubin handled the crisis. Secretary Rubin and his staff worked diligently to find a solution to the possibility of hitting the debt ceiling.

Congress' failure to take action placed the Department of the Treasury in a precarious position. Congressional leadership was holding the debt ceiling hostage during the battle of the budget. Congress played chicken with the financial markets and the good name of our country. Secretary Rubin skillfully used every tool possible to save the credit reputation of the United States and to keep the United States from defaulting. The United States faced the real possibility of a default. Our credit rating had dropped.

Secretary Rubin took courageous steps to keep the Government functioning and the markets stabilized and he was severely criticized. At one point, there was even talk of impeachment. Unfortunately, Secretary Rubin was criticized by many Members of this body. Many were concerned about the use of investments of Federal employment retirement funds. The General Accounting Office [GAO] has released a report on Treasury's handling of the debt ceiling. The GAO report concluded that Treasury conducted the Nation's debt management legally and properly during the debt ceiling crisis. Treasury's actions avoided a default and violation of the statutory debt limit.

The GAO report reviewed all actions taken by the Treasury during the period leading up to and after the debt limit was reached, approximately October 1995, through March 1996. Treasury used extraordinary measures because the statutory limit was not raised until 5 months after the old limit was reached. The GAO report concluded Treasury used normal debt management procedures such as investment of trust fund assets. Also, Treasury acted in a proper and legal manner. Treasury's actions were designed to ensure

full and prompt restoration of lost interest to uninvested trust funds within the limits of the law.

I am pleased with the results of the GAO report. This report confirms my belief that Secretary Rubin acted properly and averted a serious and volatile crisis. Once again, I think we should commend the actions Secretary Rubin took this past winter.

VOTE ''NO'' ON OPIC CORPORATE WELFARE PROGRAM

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

Mr. SANDERS. Mr. Speaker, let us be frank. Exxon, Ford, Citibank, and DuPont are profitable multibillion dollar corporations who pay their CEO's millions of dollars in salary. These companies do not need OPIC corporate welfare payments from the taxpayers of this country to provide them with incentives to invest abroad. Incentives to invest abroad.

At a time when some Members of this body are proposing huge cuts in Medicare, Medicaid, education, veterans programs, environmental protection, it is totally absurd to increase the amount of corporate welfare that we provide to these huge profitable corporations.

Not only is this a bad deal for taxpayers, it is bad economic development and job creation. Many of these same corporations are downsizing, laying off hundreds of thousands of American workers. Our policy should not be to encourage these companies to invest abroad, our policy should be to demand that these companies reinvest in the United States of America, in the State of Vermont, all over this country, and create decent paying jobs here.

Let us vote no on this OPIC corporate welfare program.

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT SHOULD RELEASE SPECIAL COUNSEL REPORT ON SPEAKER GINGRICH BEFORE ADJOURNMENT

(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, I am appalled at how my colleagues across the aisle are misusing the powers of the Committee on Standards of Official Conduct. They have stalled the review process on a complaint about Speaker GINGRICH to such an extent that now they may not even address the allegations at all before we adjourn this year.

Exactly what does the Committee on Standards of Official Conduct do, if it will not report on findings? What is in the report that they do not want the American people to see it?

The investigation has so far cost the American people half a million dollars. I think these same taxpayers, as well as Mr. GINGRICH's own constituents in Georgia, deserve to know if the allegations are true or false.

If the Republicans on the Committee on Standards of Official Conduct plan to adjourn before addressing this complaint, the least they should do is release the report from the outside counsel. Let the people of America judge for ourselves if there is any wrongdoing.

TAX CUTS FOR THE WEALTHY MEANS CUTS FOR MEDICARE AND STUDENT LOANS

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

Mr. BROWN of Ohio. Mr. Speaker, we have been here before. The same folks who brought you the Government shutdown are back. Speaker NEWT GINGRICH, Bob Dole, and others want a $500 billion tax break, mostly for the wealthy.

What does that mean? It means more Medicare cuts, higher even than the $270 billion that the Gingrich-Dole plan originally gave us. It means a doubling of premiums. Where premiums are $46 a month for senior citizens for Medicare, those premiums will go to $90 or $100 a month, perhaps even $110 a month, to pay for the tax break for the wealthy that Mr. Dole and Mr. GINGRICH want to bring to us. It means higher deductibles and higher copayments for Medicare. It means elimination and cutting back of the student loan program and higher costs for those student loans that still remain.

Mr. Speaker, these tax breaks for the wealthy mean more Medicare cuts, more student loan cuts. They are simply not what the public wants.

THE ARGUMENT AGAINST A RETURN TO SUPPLY SIDE ECONOMICS

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

Mr. HINCHEY. Mr. Speaker, just before the August recess the Wall Street Journal published an op-ed urging Presidential candidate Bob Dole to embrace a return to supply side economics. Shortly thereafter the Journal printed a letter I authored in response to that op-ed, showing that the economy performed better since 1992 than it had during the previous 12 years of supply side economics.

In comparing economic performance under Clinton since 1992, to the Reagan-Bush years, we find that under President Clinton the economy has grown more rapidly, employment has risen at a faster rate, per capita income has increased more quickly, and the deficit is much smaller relative to the economy.

Last month's unemployment rate of 5.1 percent provides evidence of just how healthy the economy has become despite the fact that the growth has not been shared equally among all regions of the Nation.

Mr. Speaker, we owe much of this progress to the success of the 1993 budget reduction law which was enacted by the Democratic Congress. It was reduced the deficit by more than 60 percent. It has expanded the EITC program, providing tax breaks averaging $500 for New Yorkers alone.

Let us not return to supply side economics. Let us keep on a steady course which is providing economic growth for all Americans.

GOP MEANS GET OLD PEOPLE

(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, I support tax cuts cuts. We all support tax cuts, but not when they are at the expense of Medicare.

We have already witnessed attempts by the Gringrich-Dole Congress over the last 2 years to raid Medicare for tax breaks for the rich. Democrats stood up and stopped the Republicans dead in their tracks, preventing the demise of Medicare as we know it.

Today, Bob Dole is back in town, meeting with Speaker GINGRICH behind closed doors, likely discussing ways to attack Medicare again for their tax break schemes. Last year Speaker GINGRICH and former Senator Dole proposed the largest Medicare cuts in history to pay for a tax break that would have primarily benefited the wealthy.

Mr. Speaker, it is the same old story. GOP truly means get old people, again and again.

□ 1230

APPOINTMENT OF CONFEREES ON H.R. 3666, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1997

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3666) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

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

There was no objection.

MOTION TO INSTRUCT CONFEREES

Mr. STOKES. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. STOKES moves that the managers on the part of the House be instructed to agree

to the amendments of the Senate numbered 95, 117, and 118.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. STOKES] and the gentleman from California [Mr. LEWIS] each will control 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. STOKES].

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

Mr. Speaker, I rise to explain my motion to instruct House conferees on the 1997 VA-HUD-Independent Agencies Appropriations Act. I will be the first to admit that this instruction is not quite the norm, but I strongly believe that circumstances and timing dictate this course of action.

The first part of my motion deals with benefits for Vietnam Veterans' children suffering from spina bifida if their parents were exposed to agent orange. It directs the House conferees to agree to the Agent Orange Benefits Act added by the Senate (amendment number 95). The Senate provision is supported by the administration and is the result of research conducted by the National Academy of Sciences in response to congressional direction in 1991. A report issued by the National Academy this past March updated an earlier study presented in 1993. This year's report indicated limited suggestive evidence of an association between exposure to agent orange and incidence of spina bifida in offspring. Based on this new study, the VA has recommended that spina bifida in veterans' offspring be considered service-connected. Without this important provision, the VA lacks the authority to extend benefits to the children of veterans.

Although caring for the spina bifida children will have a cost, the amendment more than compensates for those expenses. By overturning the Gardner decision, the amendment fully pays for the cost of treatment and benefits and even returns several million dollars to the U.S. Treasury for deficit reduction. Under the Gardner decision will still allow veterans to receive compensation for additional disability or death caused by the VA only if there is evidence the VA was at fault. It is noteworthy that provisions overturning the Gardner decision have been included in several recent reconciliation bills. Since it appears highly unlikely that a separate reconciliation bill will be enacted this Congress, it makes sense to capture these savings now.

The second part of my motion deals with parity for mental health coverage under group health plans. It directs the House conferees to agree to the Senate amendment, No. 118, that would require health plans that have benefit limits on medical and surgical condition is to have the same limits on mental conditions. This provision is supported by National Alliance for the Mentally Ill, the National Mental Health Association, the American Psychiatric Association, the American Psychological Association, and the American Medical Association, among others.

Certain opponents of this measure may argue that small businesses can not absorb the cost of this provision. I strenuously disagree with that assessment. The Congressional Budget Office estimates that private insurance premiums will increase by only 0.4 percent under the terms of this provision, of which employers would pay only .16 percent. In addition, small businesses with 25 or fewer employees are exempt from the provision. Also, the provision ceases to have effect if it would result in a 1 percent or greater increase in the cost of a group health plan's premiums. I am convinced these modifications adequately address the concerns of small businesses.

The final part of my motion directs the House conferees to agree to the Senate amendment, No. 117, requiring health plan coverage for a minimum hospital stay of 48 hours for newborns and mothers following childbirth. This provision was agreed to by a unanimous vote in the other body. Similar legislation in the House has the bipartisan support of more than 150 cosponsors. The provision makes common sense, and it often makes economic sense. Too many times when newborn children and their mothers are discharged from hospitals just hours after birth, complications such as jaundice or more serious conditions require rehospitalization usually at greater cost. Mr. Speaker, the CBO estimates the only cost of this provision in 1997 is $1 million for the establishment of an advisory commission. Over the period 1997–2002, it is anticipated asset sales will more than offset any impact on the Federal deficit.

Mr. Speaker, as I said at the outset, I realize this approach is somewhat usual in that these provisions more properly lie within the jurisdiction of the legislative committees. Were it not for the looming adjournment date and the shortness of time remaining in which to do our business as well as the broad-based support for these provisions, I would not be urging this course. Also, since it appears likely the VA–HUD appropriations conference report may not offer an opportunity for separate votes on these important matters, this may be House Members' only chance to indicate their position on these issues.

For all these reasons, I strongly urge my colleagues to support my motion to instruct the VA–HUD conferees.

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

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I cannot help but respond or react to my colleague's comments regarding these very, very important matters that now, by way of a motion to instruct, will be directed toward the conference on that bill that has to do with the Departments of Veterans Affairs, Housing, NASA, EPA, not health care. The gentleman has indicated that this may very well be one of the few trains to leave town and, therefore, these items of great importance ought to be attached to this package just because there will be no other chance.

I wanted to be very clear, Mr. Speaker, that this is the first time, that the chairman of the subcommittee has had a chance to even take a look at these items. They address subject areas that are very, very important, but they are subject areas that are not germane to our bill. They are subject areas that, indeed, deserve the light of day that normally would involve our legislative hearing process. They are very important items to the consumers who might be impacted by these items if they should eventually become a permanent part of this bill and have it be signed into law.

Just to make a specific point regarding the three items, if one would just address oneself to the 48-hour notice regarding that which should be required of health insurance that is available to people in the consuming public. Essentially this instruction would tell the conferees by way of the House that we should include a requirement of a 48-hour notice within our bill as it goes to the President's desk.

Frankly, there are lots of pros and cons to that issue. But indeed I am not sure the American public is ready to receive this issue in this form. Average families out there, after the fact, are going to realize that suddenly there is a new premium added to their insurance contracts because of some action arbitrarily taken by the House, taken by the House without any notice to them, taken by the House without any indication as to how that will impact their future health care circumstances.

Indeed, just before we broke for the recess, we had a health care package move forward from the House to the President. That package did not include this 48-hour notice item. Indeed it was much too controversial for the authorizing committees to deal with at the time. So as of this moment, we are about to put them into this train that is leaving town without our knowing whether the arguments in favor weigh on that side or the arguments against weigh on the other side. It is exactly how we should not be handling appropriations bills.

I must say that I am tempted to talk with my colleague, the gentleman from Ohio [Mr. STOKES], my dear friend from Ohio, and ask him in great detail about spina bifida and about mental health parity, but frankly he and I, even in our own subcommittee discussions where we talk off the record, have not had a chance to discuss these matters.

□ 1245

Mr. Speaker, I presume he like myself, even though I spent a lot of years in the health insurance business, does not presume expertise in these technical policy areas.

This is absolutely the wrong way to legislate, at the wrong time, in an environment that will create problems

that we are going to have to live with ourselves in the months and years ahead, and the public at the other end will be scratching their heads and saying is this what we sent them up there to do?

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. Mr. Speaker, I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I want to compliment the gentleman on his statement. As I understand it, none of these three issues constitute subject matter that would be ordinarily entertained by this particular bill. Traditionally the VA–HUD appropriations bill deals with the funding of the Veterans' Administration, the Department of Housing and Urban Development and a lot of independent agencies, but this bill is not a general health bill; is it?

Mr. LEWIS of California. That is correct; is it not.

Mr. LIVINGSTON. If the gentleman would yield further, it just strikes me as a very, very unusual procedure for us to find that these totally extraneous issues, no matter how meritorious they may be, and in fact are worthy, because our hearts go out to anybody with a child with spina bifida or to a mother who has left the hospital early, but still there are extraneous issues to this bill. And to be dropped on the gentleman at the last minute and be told, ''Well, you've got to consider these without regard to the traditional authorization process,'' is, in fact, not the way that legislation ought to be conducted.

I know it is the position of the gentleman from Ohio [Mr. STOKES] that the membership should vote to instruct the conferees on this particular issue and to go and accept what the Senate has done, but it does seem to me to risk a great danger that we in the haste of trying to do good things in advance of an election all of a sudden adopt things, measures, in such a legislative domain which later on prove to be ill advised or unwarranted or beyond capability to afford or within, say, a trend of increasing government direction that, frankly, the American people tend to resent these days.

The whole procedure is highly subject to question, so I just want to commend the gentleman from California [Mr. LEWIS] for raising this issue; I agree with him. I do not know if this matter were brought to a vote how it would turn out. I suspect that most Members would be inclined to sympathize with the subject matter. But I have to stress it is my own feeling that this is just not the way to conduct the legislative business of the United States of America.

Mr. LEWIS of California. Mr. Speaker, I appreciate the gentleman's comments, and they are very helpful comments.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, let me commend my good friend, the gentleman from California [Mr. LEWIS] and his ranking member for the great job they do on this very difficult appropriations subcommittee dealing with so many agencies and departments, and I know it is a very difficult job.

Having said that, I would just have to say that there is no need for a motion to instruct on the provision regarding the Newborns and Mothers Health Protection Act because the Republican leadership has already agreed to accept that provision, and we will be fighting for it.

Mr. Speaker, this provision is critical because the well-being of newborn babies and new mothers is at stake all across this country.

Mr. Speaker, we will be ashamed to let political maneuvering getting in the way of passing this vital piece of legislation that is attached to the VA–HUD appropriation bill.

Mr. Speaker, I have recently heard from a gentleman in my district whose 19-year-old daughter is a victim of this terrible trend of drive-through deliveries. She delivered a baby this past April, and she was released from the hospital less than 24 hours later, kicked out of the hospital, even though the baby had a severe blood disorder, and, my colleagues, 4 days later this young 19-year-old mother had her lung explode, and she has since had three strokes. Tragically, she is still in the hospital and will never again lead a normal life. She is a 19-year-old who cannot even take care of her newborn baby. That is so, so pathetic.

It is these examples, and there are many more, that drove me to introduce this legislation which was subsequently taken up over in the Senate the other day, sponsored by Mrs. KASSEBAUM, Mr. FRIST, and Mr. BRADLEY on a bipartisan basis, and it is badly, badly needed. So I would just hope that my good friend, the gentleman from California [Mr. LEWIS] and the ranking member would support that legislation when it is taken up in the conference.

Regardless of the outcome of this vote, we must continue to fight for the well-being of the most cherished population, these young newborns.

Mr. LEWIS of California. Mr. Speaker, I yield myself whatever additional time I might consume.

Mr. Speaker, I think most Members who are focusing at all upon this discussion know full well that these riders that are being proposed by way of this motion to instruct are items that on the surface look very, very appealing. There is little doubt that it would be foolish of any of us to suggest that Members ought to walk in here and vote knee-jerk, or otherwise, against this proposal.

Having said that, I think the public would be misinformed if they thought this appropriations committee of our authorizing committees of jurisdiction had reviewed these issues, held hearings effectively on these issues and really provided the kind of input that the legislative process ought to included.

One more time we are asked to support riders at the last moment, and I want the Speaker and my colleagues to know that as I go to conference I will weigh very carefully the amount of input that we have received from those Members who have responsibilities of jurisdiction. By no way, shape or form does this reflect what I consider to be an obligation on my part to respond positively to these last-minute considerations, which fall well outside my jurisdiction.

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

Mr. STOKES. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I thank our colleague, the gentleman from Ohio [Mr. STOKES], for presenting this motion here today, and I rise in strong support of the motion. I want to stress again that these issues that we are dealing with today have bipartisan support both in this House as well as in the other body, and I want to also say that on the subject of the early, discharge or the so called drive-by delivery, I really appreciate what our colleague, the gentleman from New York [Mr. SOLOMON], has said here today, and I want to endorse it. But I want to stress to all our people here that there is urgent need for medical care for these mothers that are postpartum and these newborn babies.

Mr. Speaker, we do not keep mothers and babies in hospitals to give them hotel service. They are there for medical reasons, whether it is jaundice and mental retardation or hemorrhaging, and that has already been said very well today by the gentleman from Ohio [Mr. STOKES].

But I want to go on to the second issue, and that is the question of mental health and the parity question under mental health. Again, I want to stress that this is a bipartisan issue. One of the most prominent Republican leaders in the other body is the author of this proposal. Senator DOMENICI put this in the Senate bill, and it is that provision that we want protected in this motion to instruct. This discrimination against mental health medical treatment must end, and it must end now. It is the product of gross ignorance and apathy, and this Congress should go on record today against it.

Members realize, as the gentleman from Ohio [Mr. STOKES], has outlined, that it is different from the original parity issue. It releases the cap on lifetime payments, and the Senate adopted it with full support, full bipartisan support.

But again I want to say that this should not be viewed here today as a

partisan issue, and I believe, and here I believe strongly and congratulate the gentleman from Ohio [Mr. STOKES], that the campaign rhetoric must stop and we must do something here and now for the American people, hard-working families, on issues that count, and this definitely is it. The fictions and the ignorance about mental health treatment, the actual return of payment, return of payment to the employers, and to the work and productivity is very apparent, everyone knows it, and we must stop the fiction surrounding this and tell those people that have projected huge costs that they are unrealistic and they really do not know what they are talking about. With that, I thank my colleague from Ohio for having yielded this time to me.

In my State of New Jersey, our Governor, Christine Todd Whitman, has already signed a 48-hour minimum hospitalization proposal into law, and it has been very well received by the public.

I want my colleagues to realize that the latest version of mental health parity is a very modest requirement that health insurance companies provide equal coverage for physical and mental illness in their annual caps and lifetime caps—that's all. Nothing more, nothing less.

In other words, insurance carriers can no longer impose dramatically lower annual or lifetime limits for mental illness coverage than those which they offer for physical ailments.

Today, I will be introducing the House companion bill to the Domenici-Wellstone bill with a bipartisan coalition of Members who share my view that the flagrant discrimination health insurance companies engage in with respect to treating mental illness must come to an end. Retaining this modest proposal begins that process.

Both the Bradley-Frist and Domenici-Wellstone amendments were overwhelmingly approved by the Senate, and I believe that these amendments would enjoy similar levels of support in the House provided that they are retained in the final conference committee.

Mr. STOKES. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, at the outset I want to thank the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES], my good friends, for their really outstanding work on this bill.

Mr. Speaker, I rise in strong support of this motion which includes 3 provisions that are critically needed by American families. One of the provisions included in this motion will provide health care, vocational rehabilitation and compensation to Vietnam veterans and their families who are dealing with the effects of exposure to agent orange. A recent report by the National Academy of Sciences showed a link between Vietnam veterans' exposure to agent orange and the occurrence of spina bifida in their children. This provision will give the families of our proud veterans the support they need to care for their children suffering from spina bifida as a result of their military service.

This motion also includes a provision that will insure that mothers and newborns receive adequate hospital coverage during the critical time following a delivery. We have all read the tragic stories of women and babies forced from the hospital before they were ready to go because of the increasing number of health insurers limiting hospital coverage to 24 hours or less. I know as a mother of three grown children how very important this time is to a new mother. The Bradley amendment mandates minimum hospital coverage of 48 hours for a normal delivery and 96 hours for cesarean section. The standards are set by the American College of Obstetricians and Gynocologists and the American Academy of Pediatrics. This provision does not mandate how long any single patient should remain in the hospital but assures that the decision about what is best for each mother and baby's health is made by the patient and her doctor and not by an inflexible insurance policy.

Finally this motion takes us another step toward improving the health security of hard-working Americans and their families. Sadly the health insurance reform bill passed earlier this summer did not include a simple provision to insure that mental health benefits are treated like other health benefits. Not long before the Senate unanimously approved mental health parity, and nearly 100 of my colleagues in the House signed a letter to the Speaker in support of it. Yet when the final bill reached the floor it was gone; shame on this House.

With this motion to recommit we have a second chance to end discrimination against mental illness and help remove its stigma. Mr. Speaker, we must not let this opportunity to do what is right slip away yet again. I urge my colleagues to support this motion.

Mr. LEWIS of California. Mr. Speaker, I have no further requests for time, but I will yield myself 2 minutes by way of closing to make a minor point.

Mr. Speaker, I think the House should know that this motion to instruct does involve a number of very important policy areas, instructing the House to take action as conferees dealing with the other body. In the area of mental parity, for example, there are some very real costs that are involved. While in the 1997 year those costs are difficult to measure over a period of 5 years, there will be an absolute cost of somewhere near 550 millions of dollars.

□ 1300

That would be a cost obligation extended forward without any discussions at the authorizing committee level, and without any real debate or light of day in terms of the pros and cons related to that very important subject area.

As we deal with questions that relate to the newborn, a similar problem. These are issues that through the appropriate authorizing committees could very well have been discussed thoroughly. But suddenly in this motion to instruct we have a package here that, over time, is going to cost a minimum of $110 million. We have identified ways to pay for it without any kind of thorough review.

One of the suggestions, as indicated by the other body, is that we might sell Governor's Island, a little spot in New York that is of interest to some of my colleagues. I am not sure if the Members who have had the Governor's Island near their territory have been consulted at all. I think probably not. My colleague, the gentlewoman from New York [Ms. MOLINARI], indicated to me that there had been very little consultation as far as she personally is concerned. I understand Governor's Island may be in another Member's district. If I asked him, I am sure he was not consulted about that transfer.

Further, there is another little item that makes up a big part of that package. We are going to sell the airspace rights above Union Station as a mechanism for providing funding for this new solution that the House must face as we try to conclude this bill that is the only train leaving town. It is not the way to carry forward our business, Mr. Speaker. Indeed, I do not feel obligated to follow the letter of this procedural motion, as this chairman goes forward.

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

Mr. STOKES. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I really appreciate the time being allocated to me by the gentleman from Ohio [Mr. STOKES] and the fact that he has sponsored what I consider to be a very important motion to instruct the conferees on the bill.

I have always respected the work he has done, and I do want this body to know of my great respect for the gentleman from California [Mr. LEWIS], who chairs the subcommittee and who has done such an exemplary job and is so humane.

This particular motion would include three critical and humane provisions that have been incorporated by our colleagues in the other body. I think they do have bipartisan support. There is no doubt about it.

First, it would incorporate the mental health parity compromise that was accepted by the Senate. This compromise is a critical step towards finally treating mental illness like the disease it is. I heard from the President of the American Psychological Association, Dr. Eist, who testified before the Civil Service Subcommittee last week on mental health parity. He emphasized what we already know: Mental illness is treatable, and treating mental illness saves money and increases productivity.

Mr. Speaker, this compromise is really quite modest. It provides parity for annual and lifetime caps. It includes a

provision included by Senator GRAHAM to ensure that it will not cause premiums to rise by more than 1 percent. In light of the last CBO report that estimated that premiums will rise less than one-sixth that amount, I think it is highly unlikely we would ever reach that ceiling.

Second, the motion incorporates the 48-hour postpartum care provision that has been discussed. I am a cosponsor on the House side of the Solomon version of that very important bill. I would like very much to see it in the VA–HUD bill. As managed care becomes increasingly prevalent, we are seeing mothers and their newborns in and out of the hospital in as short a time as 12 hours.

Many illnesses in newborns are not detectable until the first 48 hours. Those first 2 days are absolutely critical. Guidelines of the American Pediatric Association and ACOG specify that mothers should stay in the hospital for 48 hours for normal delivery and 96 for cesarean delivery. This provision would ensure that this happens.

My State of Maryland has enacted similar legislation. Although many insurers are finding loopholes to get around it, it is having a very positive effect on those who are now able to stay the full 48 hours, and federally this would enhance what the State has done.

Third, this motion to instruct would include the agent orange spina bifida provision. Surely our Government should be responsible for the health care of children with spina bifida if one of their parents was exposed to agent orange during the Vietnam war. It is the only responsible and humane thing to do.

I urge my colleagues to pass the motion.

Mr. STOKES. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I thank the gentleman from Ohio [Mr. STOKES] for yielding time to me.

I rise in favor of this motion to instruct on all three provisions, which I think are vital; but, if I could speak to the one dealing with mental health parity, I think this is crucial legislation. Let me give the Members some examples why.

Currently many insurance policies have lifetime caps of $1 million for various diseases: cancer, heart, et cetera. However, the lifetime limits for mental illness are often set at $50,000 or less; $1 million here, $50,000 here. Additionally, insurance plans impose annual caps of sometimes $10,000 or less on treatments of mental illness, but these caps are usually not imposed on other medical conditions.

What happens then is that these limits on mental illness cause individuals not to seek the treatment or to pay out of pocket. They must rely on public mental health facilities, or if they can afford it, to pay themselves. This is important language because, while we were not able to get parity in the health reform legislation that passed this year, we do have a chance at limited parity this year. I would urge my colleagues to support that.

Mr. Speaker, are there good reasons why? Let me give the Members some statistics why this is so important. Mental illnesses and disorders cost our society over $270 billion annually each year in lost productivity and treatment costs. Roughly almost 20 percent of our adults in this country suffer from mental or addictive disorders in any 6-month period, but only 20 percent of the 20 percent, one out of five, will get any kind of treatment.

Seven and one-half million American children are plagued by mental disorders, such as depression, autism, and learning disabilities. In 1985 and only 30 cents was spent on research for every $100 of costs imposed by mental disorders. Let me repeat that; 30 cents was spent on research for every $1,300 of costs imposed by mental disorders. In comparison, 73 cents and $1.63 respectively were spent on research for every $100 of costs in heart disease and cancer.

Insurance programs, including Medicare, continue to discriminate against individuals with mental illness by requiring a higher copayment than other services. In my own State of West Virginia, we found that almost 42,000 West Virginians receive some type of mental health treatment. There are 1.8 million people in West Virginia. In other words, only 2.3 percent are getting any kind of treatment.

Mr. Speaker, this is crucial legislation. It is not enough. I am very grateful for the gentlewoman from New Jersey, Mrs. MARGE ROUKEMA, chair of the mental health working group, who with the gentleman from Oregon, Mr. PETER DEFAZIO and myself, have cochaired that organization, a bipartisan organization. I am thinking back to Syl Conte, who for so many years fought for the decade of the brain, and all the gains that has brought those suffering from mental disabilities and mental afflictions.

The fact of the matter is that this is money well spent, and this is important legislation. I urge Members to support the motion to instruct.

Mr. STOKES. Mr. Speaker, I am leased to yield 3 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I also rise in favor of this motion to instruct. I agree, of course, with all three provisions that are being specified here. But I particularly want to make reference in support of the newborn and mother's health, with a 48-hour minimum hospital stay, addressing the so-called drive-through delivery problem that increasingly we see around the country with various insurance companies.

My own State of New Jersey requires a minimum stay of 48 hours for normal delivery and 4 days for a C-section. But I have to say that, even though there are a number of States like New Jersey increasingly that are passing State laws for minimum hospital stays for newborns, there are also a lot of loopholes.

For example, in New Jersey, where a lot of people work in New York City or work in Philadelphia, many times the insurance coverage is excepted from the State law because the person, mother or father in this case, works out of State.

In addition, some of the insurance companies that are based out of New Jersey have claimed that they do not have to abide by New Jersey's law with regard to minimum hospital stay. We do need Federal legislation. Let no one suggest this can be handled strictly by the States. It cannot. We do need Federal legislation to guarantee minimum stays for mothers with newborn children.

Mr. Speaker, I just want to relate my own experience with this situation. Both of my children were born by C-section. When my daughter, who just turned 3 years old, was born, our insurance company, our policy, allowed for 4 days for a C-section. But when my son was born, he is now 18 months, the policy had changed. The insurance company only allowed 2 days for a C-section.

Some people say it is up to the doctor, the doctor can always make an exception. But what happens in these cases is that the doctors are basically told by the insurance companies that, if they make an exception and let the child or mother stay an extra day or two, then they are basically penalized. They are told, if this continues, they may lose their hospital privileges or they may not be covered anymore.

We were basically told we only had the 2 days for my son. What happened is just before he was to be released from the hospital they found that he had jaundice, so they let him stay. They let my wife and him stay another day, for the third day. But that is an excellent example of the type of disorders that can be found, or that are not found unless a child stays the extra day. Jaundice is something that is not discovered very quickly, and many times children and mothers who are released from the hospitals go home and they found that they have jaundice, and they have to come back into the hospital again.

I am very supportive of this legislation and this motion to instruct. There is no question in my mind that mothers should have at least 48 hours for a normal delivery and they should have the 4 days for a C-section. It is the only right thing to do. The choice should be with the mother and the doctor, not with the insurance company. I fully support this motion to instruct.

Mr. STOKES. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from California [Ms. PELOSI], a highly respected and hardworking member of the Committee on Appropriations.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I am grateful to Mr. STOKES for presenting this motion to instruct conferees on the VA–HUD appropriations bill. As Members know, and others have attested to, the motion instructs the conferees to agree to three meritorious Senate provisions. The first is the Daschle amendment, which would authorize the VA to provide benefits to children born with spina bifida if one of the parents was exposed to agent orange during the Vietnam war.

Spina bifida is a debilitating birth defect resulting when the fetus's spine fails to form properly. Fortunately, we can help improve the lives of the children involved, with the benefits.

Mr. Speaker, this is a very important provision.

The second provision is the Domenici-Wellstone amendment to begin the important process of increasing coverage for treatment of mental illnesses. This limited provision simply requires any group health insurance that covers mental illness to provide the same amounts on annual and lifetime coverage that the plan provides for physical illness.

Much more needs to be done to ensure equity for coverage for mental illness, but this is a good beginning. Anyone who has had mental illness in their families can attest to the importance of moving toward a more equitable insurance coverage. The pain caused by mental illness is immense. The loss to productivity is staggering. We need to do more, and we need to do it now.

Next, I come to the third area, where Congress by this motion to instruct has the opportunity to end the shameful practice of drive-through deliveries. I feel most comfortable talking about this issue, I say proudly to the gentleman from Ohio [Mr. STOKES] and the gentleman from California [Mr. LEWIS], as the mother of five children, and soon to be grandmother. I see the difference in how mothers were treated when they went to the hospital to have babies when I had my children, and what my daughter faces now, and many other young women face now.

Mr. Speaker, I thank the gentlemen that we are privileged to serve with in this body should all listen to the women on this issue. When it comes to delivering babies, we know of what we speak. We have been there. We have done that. Twenty-four hours simply may not be enough in many cases.

I have received a great deal of mail from my constituents on this subject, so I do not speak only from personal experience, but from the pleas of new mothers for more coverage. The Bradley amendment would require insurance companies to cover at least 48 hours of hospitalization for a conventional delivery and at least 96 hours for a cesarean section.

□ 1315

In California 1 out of every 6 births are covered by insurers limiting coverage to 24 hours. This attempt to limit coverage is associated with increased complications requiring women to have to return to the hospital, so they are not saving any money. I will submit for the record an example which I have received from my constituent, as I urge my colleagues to give our babies a healthy start and our mothers a good start, too, on that wonderful adventure of motherhood and support the Stokes motion to instruct.

Mr. STOKES. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. WAXMAN], the distinguished ranking member on the Subcommittee on Health and Environment of the Committee on Commerce.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman very much for yielding me some time so I could speak in favor of the motion to instruct the conferees.

Mr. Speaker, we have an opportunity to remedy a serious mistake this House made when we failed to act to assure parity of treatment for mental health care benefits in earlier legislation. There is simply no excuse for the continued discrimination against people with mental health problems.

The Republican majority refused to allow the inclusion of the Domenici-Wellstone compromise in the conference agreement on the Kennedy-Kassebaum health insurance portability bill. It was wrong then, and it would be compounding the error to refuse it again.

The losers because of our failure to act are the American people. It is every person and every family who has known the tragedy of struggling with mental illness and having no adequate insurance coverage for the services needed to treat it.

The proposal before us is a modified one that only assures parity for mental health benefits in terms of annual and lifetime limits on benefits. It is affordable, it is necessary, it is right. We cannot say no again to taking this vital, important step.

Let us send a clear and strong message to our conferees to adopt this provision and bring some fairness and sense to our treatment of mental health benefits. I hope that all Members will instruct the conferees to go along with this provision, and that the conferees come back with a recommendation to use this opportunity to put in these provisions, to move down the track to assuring what ought to be complete parity between mental and physical health insurance coverage.

Mr. STOKES. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The gentleman from Ohio is recognized for 3½ minutes.

Mr. STOKES. Mr. Speaker, this motion to instruct, although offered by our side of the House, is certainly offered in a bipartisan manner. I think it is evident that it has strong bipartisan support by virtue of the fact that I have yielded both to Members on this side and the other side of the aisle.

That is as it should be, because that is also in keeping with the manner in which I try to work on the subcommittee with the chairman of this particular subcommittee, a man for whom I have the highest regard and whom I deem to be a good friend and with whom I have enjoyed working. It is in that vein that I am working with him and look forward to working with him in conference to bring back to the House a bill that both he and I will continue to support, as I supported the bill which he brought to the floor a month or so ago. Working with JERRY LEWIS is one of the finest experiences I have had in the House, and I want to continue and will continue working with him on that bipartisan type of basis.

I said originally that the procedure here does deviate somewhat from the norm. I wish that we had had more time for he and I to sit down and discuss this, but in working with the leadership on this side, I gave him notices as quickly as I could do so. I apologize to him personally for any inconvenience that caused him in any respect.

I hope that the Members of the House will vote on these three very important issues. This is the only opportunity that our body has had to endorse these very important issues. I think it is important that we go to conference having been instructed by the House on the importance of these three issues on a bipartisan basis to all of the American people. I urge my colleagues to support this motion to instruct the conferees.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in making an effort to conclude this discussion, I just wanted to mention for the record that the motion to instruct is quite unusual. It involves three areas that are really new to this subcommittee, areas that really do not involve our field of jurisdiction. They were included because it is an election year and these items are of concern to many groups out there, and it does sound like good policy.

The public should know that if these provisions become law, there are very significant implications in terms of the premiums that consumers and businesses would have to pay across the country to meet this new mandate from the Federal Government. Uncle Sam is not giving us anything for free in this process.

Having said that, I do know a little bit about some of this subject area because of my own professional background in the life and health insurance business. I am very disconcerted that we would even be considering these measures in this form without giving them the kind of serious hearings by committees of jurisdictions that they truly deserve.

My colleague from California who spoke earlier, HENRY WAXMAN, and I have worked together for many, many a year. He is a very talented Member,

without a doubt. Yet over the years when he was the chairman of the subcommittee that did have responsibility in these areas, I did not see measures coming forth from that subcommittee reflecting those expressions that we heard today on the floor.

Indeed, it is very close to election, only 8 weeks away. At this point in time, I believe, as the House votes on this, all the Members will understand that we will go to conference on these issues that are not under the jurisdiction of this subcommittee.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3666, and that I may include tabular and extraneous material.

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

There was no objection.

Mr. SANDERS. Mr. Speaker, today Congress has the opportunity to put an end to the insidious practice of insurance companies sending moms and babes home before they are ready to go.

Hurried discharges after childbirth fly in the face of established medical practice, insult the precious institution of motherhood, and greatly increase the likelihood that newborn babies could suffer irreversible brain damage or require emergency medical care for illnesses within hours or days after discharge. These abbreviated stays also put mothers at risk.

Mothers and doctors are not seeking cadillac health care coverage, they are merely demanding similar coverage to that received by mothers and infants in every other industrialized nation on Earth.

Efforts by insurers to arbitrarily limit maternity stays for mothers and newborns should be of concern to all of us. Decisions on how long mothers and newborns should stay in the hospital should be made by doctors and patients together based upon medical and health care needs and not primarily by the short-term business predictions of shortsighted health insurance providers.

Mr. Speaker, the former CEO of U.S. Healthcare, Leonard Abramson, earned $20 million in a single year. Following the recent acquisition of U.S. Healthcare by Aetna, Mr. Abramson made a personal profit of approximately $1 billion. With an additional night in the hospital for a mother and her child costing between $700 to $1100, Mr. Abramson's take home pay and bonus could provide as many as 1,020,000 babies and their mothers an extra night in the hospital. To put it another way, one man's salary and bonus is enough to provide one-quarter of all the babies born in America and their moms an extra night in the hospital.

In August of 1995, the House of Representatives passed a resolution that I introduced which called upon the insurance industry as a whole to abide by the established discharge guidelines of the American College of Obstetricians and Gynecologists an the American Academy of Pediatrics until there is clear and convincing evidence to demonstrate a need for a change in these guidelines. Unfortunately, the insurance industry has done nothing in response to congressional resolve on this matter, except organize opposition to such coverage.

Today Congress has the chance to require insurance companies to pay for appropriate maternity stays for mothers and their newborns by supporting the motion to instruct on the VA–HUD bill. I encourage my colleagues to support the motion to instruct and stand with American families.

Mr. MILLER of California. Mr. Speaker, I rise in strong support of the motion offered by Mr. STOKES, particularly with regard to two important provisions that will have great benefits for American families—the provisions to protect new mothers and their infants by ensuring minimum maternity benefits; and provisions that begin to address the very serious problem of health insurance discrimination against persons with mental illness.

I was the first Member of Congress to introduce legislation to stop drive-through deliveries when it became apparent in my home State of California, where managed care is widely used, that short hospital stays for maternity was a good way to save insurers money. Such short stays were having serious consequences for the health and well-being of new mothers and their babies, and it was clear that legislation was needed to prescribe a minimum period for insurance coverage to stop insurers from dictating what should be a medical decision. At least 29 States have agreed and adopted such laws or regulations.

We must guarantee that this minimum standard be applied nationally, and include so-called ERISA plans, and the only way we can do this is through the amendment to the VA–HUD appropriations bill that was adopted unanimously by the Senate under the able leadership of Senator BRADLEY. The gentleman from New York [Mr. SOLOMON], and I join in a bipartisan effort to promote the Bradley/Kassebaum/Frist babies legislation that was moving in the Senate and in the House by jointly sponsoring H.R. 3226. At last count, 111 of you have signed on to this bill, and the President has repeatedly urged its adoption.

As far as the mental health parity provisions are concerned, they are an important first step to equalize health insurance plan coverage for the treatment of mental illnesses and other medical conditions. The evidence is clear: severe mental illness is every bit as debilitating and treatable as physical illnesses. When is this country going to stop the unfounded prejudice against the mentally ill? When are insurers going to stop perpetuating this myth that coverage for mental illness will somehow break the bank and that this somehow justifies insurance discrimination against millions of citizens? The Senate has seen the light on this issue and has voted three times this Congress for mental health parity. While the provisions most recently adopted in H.R. 3666 do not go as far as I would have preferred, I do believe they establish a critical new protection for individuals who suffer from mental illness who need catastrophic insurance coverage, and for their families.

I am happy that the gentleman from Ohio has brought the attention of the House to these important provisions that were added to H.R. 3666 by the other body, and urge my colleagues to support his effort.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Ohio [Mr. STOKES].

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

Mr. STOKES. 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 392, nays 17, not voting 24, as follows:

[Roll No. 407]

YEAS—392

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim

King
Kingston
Kleczka
Klink
Klug
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NAYS—17

Campbell
Cooley
DeLay
Doolittle
Ehlers
Geren
Hancock
Herger
Johnson (CT)
Knollenberg
Largent
Lewis (CA)
Rohrabacher
Scarborough
Shadegg
Stump
Thomas

NOT VOTING—24

Bilirakis
Brown (FL)
Collins (IL)
de la Garza
Ganske
Graham
Hayes
Heineman
Hilleary
Houghton
Istook
Johnston
McCarthy
McNulty
Mollohan
Norwood
Pastor
Portman
Riggs
Scott
Solomon
Torkildsen
Wilson
Zeliff

□ 1345

Messrs. KNOLLENBERG, THOMAS, and LEWIS of California changed their vote from ''yea'' to ''nay.''

Messrs. CRAPO, CHRYSLER, and SMITH of Michigan changed their vote from ''nay'' to ''yea.''

So the motion was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. MCCARTHY. Mr. Speaker, during rollcall vote No. 407, the motion to instruct conferees on H.R. 3666, I was unavoidably detained. Had I been present, I would have voted ''aye.'' I ask unanimous consent that my statement appear in the RECORD immediately following rollcall vote No. 407.

□ 1345

The SPEAKER pro tempore (Mr. DREIER). Without objection, the Chair appoints the following conferees: Mr. LEWIS of California, Mr. DELAY, Mrs. VUCANOVICH, and Messrs. WALSH, HOBSON, KNOLLENBERG, FRELINGHUYSEN, NEUMANN, LIVINGSTON, STOKES, MOLLOHAN, CHAPMAN, Ms. KAPTUR, and Mr. OBEY.

There was no objection.

IMMIGRATION IN THE NATIONAL INTEREST ACT OF 1996

Mr. SMITH of Texas. Mr. Speaker, pursuant to clause 1 of rule XX, and by direction of the Committee on the Judiciary, I move to take from the Speaker's table the bill (H.R. 2202) to amend the Immigration and Nationality Act to improve deterrence of illegal immigration to the United States by increasing border patrol and investigative personnel, by increasing penalties for alien smuggling and for document fraud, by reforming exclusion and deportation law and procedures, by improving the verification system for eligibility for employment, and through other measures, to reform the legal immigration system and facilitate legal entries into the United States, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Does the gentleman from Texas wish to debate the motion to go to conference?

Mr. SMITH of Texas. Mr. Speaker, this is the customary request which will enable us to go to conference on this important bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. SMITH].

The motion was agreed to.

MOTION TO INSTRUCT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. CONYERS moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2202 be instructed to recede to the provisions contained in section 105 (relating to increased personnel levels for the Labor Department).

The SPEAKER pro tempore. The gentleman from Michigan [Mr. CONYERS] will be recognzied for 30 minutes, and the gentleman from Texas [Mr. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

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

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

Mr. CONYERS. Mr. Speaker, the motion I am offering would instruct conferees to retain the provisions in the Senate-passed bill that provides for 350 additional Department of Labor wage and hour inspectors and staff to enforce violations of the Federal wage and hour laws. It is no more complicated and no less simple than that.

The reason is that the cornerstone of our efforts to control immigration must be to shut off the job magnet that draws so many undocumented aliens into the country. Increasing border patrols is of course important, but that can be done through the appropriations process, as we have been doing for the last 2 years. But it is imperative that we enhance the authority to prosecute those employers who knowingly hire illegal workers instead of American workers.

For example, we know that each year more than 100,000 foreign workers enter the work force by overstaying their visas. No amount of border enforcement will deter this, since they enter legally with passports and visas. No amount of border enforcement will deter the desire, the magnet that draws people into this country, and that is to seek jobs. The only way to deter this form of illegal immigration is in the workplace, by denying them jobs.

Case in point: In the 14-month-old Detroit newspaper dispute we have reports of illegal immigrants, not replacement workers from within the United States, but people without a valid passport, no right in this country, are coming in and they have been investigated, INS is conducting investigations on them. It is a serious incursion and a serious charge and it is being investigated by INS now, but this gives reason for the instruction motion that I would urge that we adopt in as large a number as possible.

We must enhance the authority to prosecute employers who knowingly hire illegal workers instead of American workers, and there can be no doubt that an increased number of Labor Department inspectors will reduce the possibility that employers will hire illegal workers. The Jordan Commission, remembering the late Barbara Jordan, recommended this increase, since studies show that most employers who hire illegal workers also violate labor standards.

This goes together. We want to deal with this problem and the only way is to move to the Senate-passed version that authorizes 350 additional inspectors to enforce these violations or alleged violations of Federal Wage and hour laws.

The report of the Jordan Commission concluded with this statement: The commission believes that an effective work site strategy for deterring illegal immigration requires enhancement of

labor standards enforcement. Now, I expect that the 350 additional inspectors would be used to enhance enforcement of labor standards in those areas where high concentrations of illegals are employed.

In fiscal years 1993 through 1995, the Department of Labor recovered nearly $60 million in unpaid minimum wages for more than a quarter of a million workers and another $300 million in unpaid overtime for more than a half million additional workers.

More can be accomplished with these additional personnel. And just as importantly, increased enforcement will help level the playing field for those honest employers who play by the rules and hire American workers and pay them a fair wage.

So all of the Members who like to talk about preventing illegal immigration, please, let us all repair to this motion to instruct. It is an important one, it is critical for maintaining good labor standards in this country, and I ask my colleagues to join with me in voting yes on a more tough and effective workplace enforcement.

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

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume, and I rise in opposition to the motion to instruct conferees.

The appointment of House conferees for H.R. 2202 marks another important juncture on the road to immigration reform. Hopefully it also means that the final destination is very close.

The Immigration in the National Interest Act is just what it says, an effort to fundamentally reorient national immigration policy so that it protects first and foremost the needs of American workers, taxpayers, and families.

We worked long and hard within the Committee on the Judiciary to bring this bill to the House floor where it passed by a margin of 333 to 87. Other Senate colleagues also labored intensely to bring forth a slightly different version of this legislation, passed by a vote of 97 to 3. These lopsided majorities clearly reflect the will of the American people, that Congress get serious about immigration reform. Not tomorrow. Not next session. But now.

Illegal immigration has reached a crisis. One million permanent illegal aliens enter the country every 2.5 years. Half of these illegal aliens use fraudulent documents to wrongly obtain jobs and government benefits, and one quarter of all Federal prisoners are illegal aliens.

Think of the human cost in pain and suffering to innocent victims. Think of the financial cost to taxpayers of incarceration in the criminal justice system.

H.R. 2202 will better secure our borders by doubling the number of border patrol agents and cracking down on repeat illegal border crossings. It will increase interior enforcement and make it more difficult for illegal aliens to take jobs away from American citizens.

□ 1400

And it will reduce the number of criminal aliens and the flow of illegal drugs into our country.

The bill adopts the most comprehensive overhaul of our deportation system in this century. Deportation procedures are streamlined, and opportunities for illegal aliens and criminal aliens to ''game the system'' in order to stay in the United States disappear. Aliens who show up with no documents to legitimately enter the United States will be quickly turned back, rather than be given lengthy immigration hearings to which a vast majority new show up.

H.R. 2202 also tackles the pressing problem of immigration and welfare. Our official national policy for almost a century has been that aliens should not be admitted to or remain in the United States if they become a ''public charge''—dependent on welfare.

Today, that presumption is turned upside down. Noncitizens receive a disproportionate share of welfare benefits in large States such as California. When all types of benefits are included, immigrants receive $25 billion more in benefits than they pay in taxes. The number of immigrants on Supplemental Security Income increases by 50 percent each year. We cannot continue down this road.

America's generosity towards those immigrants who want to work and produce and contribute will continue. But we should not admit immigrants who will live off the American taxpayers.

H.R. 2202 ensures that sponsors of immigrants will be legally responsible for those they bring into the country. The bill also ensures that sponsors first have the means to meet this financial commitment. It makes no sense, as current law allows, for sponsor who are themselves on welfare to promise that they will keep the new immigrants they sponsor off of welfare. Obviously, this is a promise that cannot be kept, and the taxpayer foots the bill.

This is truly landmark legislation. And it is long overdue. It's time to put the interests of American workers, taxpayers, and families first. It's time to push through to the finish, and complete passage of the Immigration in the National Interest Act.

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

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BRYANT], ranking member on the Subcommittee on Immigration, who more than any other member on the committee fought to protect American workers, who started out with the Smith-Bryant bill, got cut out by the leadership and we now meet here at this juncture before we go to conference.

Mr. BRYANT of Texas. Mr. Speaker, I thank the chairman for yielding me the time and for his kind words.

Mr. Speaker, a bill that began as a bipartisan effort to address a very difficult problem for our country, the problem being immigration and illegal immigration, has at this stage, I think it is fair to say, degenerated into a bill that is now going to be a partisan contrivance designed to somehow isolate certain Members and make them subject to political attacks and maybe try to do the same thing to the President.

I heard the comments of the gentleman from Texas [Mr. SMITH] a moment ago about the difficulties this country faces with immigration. I agree with every one of the things he said. But the problem is that the bill, apparently, the conference committee proposal that will be taken up tomorrow, the provisions within it do not address the problems. It is just that simple.

Consider this: Much has been made of the Jordan commission report because of the enormous credibility Barbara Jordan has in this country and in this institution. This bill was advertised over and over, both by me back when I was proud to cosponsor it because at that time I think it was a constructive action, Mr. SMITH and others, as a bill designed to implement the bipartisan recommendations of the Jordan commission. Yet on point after point after point, the bill has abandoned those important provisions and yet kept the name and the implied sponsorship of a great woman who led a commission that did a very good job.

The most recent apparent abandonment of those provisions is the fact that the Jordan commission observed that studies show that most employers hiring illegal workers also violate labor standards. Accordingly, the Jordan commission recommended that we increase the number of Labor Department wage and hour inspectors to help us stop that and directly help us stop illegal immigration. What happened?

We came out of the committee with 150 additional inspectors, just as the Jordan commission reported, but before it came to the floor, the Speaker, Mr. GINGRICH, the gentleman from new York, Mr. SOLOMON, the chairman of the Committee on Rules, the powers that be, while listening to the whisperings in their ears of lobbyists for employers, said we are not going to let that stay in the bill.

So by the time the bill got to the floor, the 150 new inspectors designed to help us deal with the problem Mr. SMITH was talking about were gone. The U.S. Senate passed the bill. When the U.S. Senate passed the bill, there were 350 additional Labor Department wage and hour inspectors. But we saw the draft of the Republican conference committee proposal that will be taken up tomorrow. What does it have? Zero.

The question is whether we are going to legislate here in the interest of the American people, write legislation that really deals with the problem that we are facing, and it is a big problem, with regard to illegal immigration and the displacement of American workers or whether we are going to do what the lobbyists tell us to do.

I urge the Members of the House to come to this floor and vote in favor of the Conyers motion to instruct and to tell whoever it is that is calling the shots behind the scenes, we want 350 wage and hour workers back in this bill. We want them to be able to augment the efforts of our other Government agencies in trying to fight illegal immigration. We want a bill that does what the advertisers and the sponsors of this bill say they are trying to do. And that is stop people who do not live in this country, who are not supposed to be in this country from taking the jobs of working Americans. Vote for the motion to instruct.

Mr. SMITH of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. GALLEGLY], chairman of the House task force on illegal immigration.

Mr. GALLEGLY. Mr. Speaker, one of the most critical challenges facing the 104th Congress is the passage of comprehensive and effective immigration reform legislation. For many years the American people have expressed frustration that its leaders in Congress have failed to enact policies to eliminate the unacceptable high levels of illegal entry into our country.

Under the able leadership of the gentleman from Texas, Mr. LAMAR SMITH, chairman of the House Subcommittee on Immigration and Claims, the House of Representatives will soon consider a conference report which finally addresses the public concern over this problem in a serious and comprehensive manner.

One of the most important elements of this conference report is the so-called Gallegly amendment. This provision is really quite straightforward. It simply eliminates the ability of the Federal Government to force States to provide a free public education to illegal immigrants.

This unfunded mandate is especially disturbing considering that 95 percent of the cost of providing a public education is born by State taxpayers. In addition, my amendment has been modified to make absolutely sure that illegal immigrant children who are already enrolled in public schools will not be removed from those schools. This compromise provides that illegal immigrants who are currently enrolled in a public school will continue to receive a free public education through the highest grade either in elementary or secondary school.

For example, an illegal immigrant student in 2d grade could get a free education until the 6th grade or an illegal student in the 7th grade could continue through the 12th grade, provided they remained within the same school district.

It is important to keep in mind that all these provisions dealing with illegal immigrants currently enrolled in public schools apply only to the States that choose to deny illegal immigrants a free public education. If a State, be it New York, Oregon, or any other State, wants to continue to provide a free public education to illegal immigrants as they currently do, they would be perfectly entitled to continue that policy.

Mr. Speaker, California alone spends over $2 billion per year to educate illegal immigrants, and our Nation spends over $4 billion in this unfunded mandate. It is time that we at least give the States this important tool for reducing incentives for illegal immigrants to stay in our country.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. FRANK], ranking member of the Committee on the Judiciary, a member of the Subcommittee on Immigration.

Mr. FRANK of Massachusetts. Mr. Speaker, I agree that this is a very important subject. I agree that we should be acting to try to diminish illegal immigration. It is for that reason that I deplore as seriously as I can both the method by which this bill has been considered and the substances.

I am a member of the Subcommittee on Immigration as I have been since coming to Congress. I am very proud of the bipartisan efforts in which I participated in 1986 and in 1990 and at other times to deal with immigration legislation. For the first time in the 16 years I have been a Member of Congress, gross partisanship has run this process. Those of us who participated in good faith have assurances from the chairman of the subcommittee that this would be done in a bipartisan way in the deliberations at the committee stage. Those of us who were Democrats were completely excluded from the process to the point where, despite our repeated requests, we could not even see a copy of this complex legislation until 9:30 last night.

My colleagues will remember that the Republican leadership was ready to push this bill through before the recess, and only our objection stopped it. They were going to put it through without our having a chance to see it. Then, despite the fact that it was ready to be passed in August, they withheld it from us, despite our requests to be able to look at it until last night.

This substitution of partisan exclusion for a bipartisan process is the reason why we may very well not have a bill. The fault will lie at the feet of those who changed a tradition of bipartisanship. I believe the chairman of the subcommittee when he said, do not worry, we are just talking among ourselves. We will have a participatory process.

That apparently consists of us seeing the bill last night and then trying to run it through conference tomorrow. That is their participatory process. Now, I understand why they did it that way. There are in this bill several provisions which do not deal with illegal immigration, they deal with discrimination. They make it easier for people to discriminate against American citizens of Hispanic or Asian origin in particular.

In 1986, back in the bipartisan days, now long over with us, we adopted legislation that said, if you hire people who are here illegally, you will be punished. We feared that that would lead to discrimination. People would say, I better not hire anybody who is Hispanic or Asian who might be foreign because they might be here illegally. We had a variety of safeguards in there including antidiscrimination provisions which were unanimously agreed to finally by the conference.

We put provisions in there that said, if you are denied work by someone who is motivated by fear of sanctions, despite your having done the right things, we are going to protect you. And we said to businesses, you cannot use the rules against hiring people illegally as a justification for saying, Mexicans are too much trouble, Asians are too much trouble.

This bill weakens that. This bill deliberately, clearly and intentionally, to use the word this bill likes, weakens those protections for Hispanics. By the way, we had a study by the General Accounting Office. They said the provisions were not strong enough. The General Accounting Office said, yes, the sanctions have led to discrimination. Understand, we are not here talking about keeping out people who are here illegally. We are talking about Mexican-American citizens, Asian-American citizens. And some employers say, I do not want to mess with you guys because you might be here illegally. We said, you cannot do that. You cannot simply refuse. You have to give them a chance to prove that they are here legally.

We had provisions there that protected people. They now changed that law. Those provisions are not before us. This sanction proposal, we are not dealing with that. What they did in this bill is gratuitously go back to the 1986 law and weaken the antidiscrimination provisions by saying that you will be found guilty to discriminating only if the Government proves intent. In other words, if you are by now dumb enough to use bigoted words, we can do it. but if it is overwhelmingly clear from the way you have behaved, from your work force, et cetera, that you are discriminating, we will not be able to protect you.

We also have problems from people who apply and are illegally turned down because the Government makes a mistake. We said, what if somebody said, I will hire you if you are here legally and the Government makes a mistake. My friends on the other side talk frequently of the fact that the Government makes mistakes. We know the Government makes mistakes. So we said, if you are in fact someone who is here legally and you are refused a job because the Government made an error, we will allow you to recover damages from the Government.

Do my colleagues know what they did? They knocked that out. What does

that have to do with illegal immigration? We put provisions in there to protect people who are lawfully here, American citizens, people who may have been born here. We put in provisions to protect them from harmful error. My colleagues knocked it out.

□ 1415

No wonder they did not want to let us see it until last night. They weakened anti-discrimination provisions that have been in the law for 10 years, that the GAO said should have been strengthened. They weakened out ability to have Americans get money back from the Government.

We passed the Taxpayers Bill of Rights for the IRS. But if the IRS and the Social Security Administration, somebody else, makes a mistake about one's eligibility to work, and they lose a job because of it, they do not get any help, and do my colleagues know what the Republican answer was? ''Oh, well, there's a reciprocal problem there because you, if you were illegally turned down for the job, you lost the job, but the employer has also been hurt because the employer didn't get to hire you.'' That is the kind of equivalence we get here.

We have legislation that addresses an important subject, and up until the committee process we dealt with it in a bipartisan way, and once it got out of committee somebody made a decision, and I do not know; we could not find out who. Everybody I talked to thought it was a terrible decision. Apparently the decision was made by the ether. But the decision was to withhold from the Democratic members of this subcommittee and full committee and others in the House, and I am told this happened on the other side as well, any chance to look at this complicated bill.

We got it at 9:30 last night, and they plan to pass it tomorrow, quite contrary to the assurances I received from the chairman of the subcommittee and others, and they also, having let us play games, having apparently made us feel good, pretending they were paying attention to us, it seems to me, during the committee process, they then systematically weakened or took out of that bill everything that would protect American citizens against discrimination, American citizens against government error.

Mr. Speaker, we do not stop illegal immigration by diminishing the rights of Americans citizens, but that is what this bill does. I do not like the amendment offered by the gentleman from California regarding education. The right of children to go to school the second to the sixth grade does not seem to me a great right, and if my colleagues believe that education stops at the sixth grade, I guess it does to my colleagues, too.

But I want to say that that is not the only provision of this bill that bothers me and there are provisions of the bill that systematically reduce rights that are now available to American citizens who, if they happen to be Hispanic or Asian, might get caught up in the web. I am very disappointed that the Republican leadership choose a partisan method and choose to give in to these kinds of fears because they will be responsible for the likely result: no legislation.

We pass immigration legislation when we do it in a bipartisan and cooperative way. We defeat it when we use these kinds of partisan methods, particularly when they are used to diminish rights that already exist among American citizens.

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

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BERMAN] who has been a member of the Committee on the Judiciary for a considerable period of time and is widely reputed to be an expert on immigration.

Mr. BERMAN. Mr. Speaker, I thank the ranking member of our Committee on the Judiciary for yielding me this time.

I rise in support of the motion to instruct the conferees. It is a funny situation when we deal with a provision in the bill that is the critical increase in the number of wage and hour inspectors in order to make immigration reform meaningful by giving us the resources to go to the work site where the big problem is, and the Senate bill provided, I believe, 200, 300. The House bill provided 150. It was taken out by a floor amendment that had nothing to do with the issue of wage and hour inspectors. It dealt with collapsing from a meaningful verification program to a weak verification program, and that was taken out, and now we come back with a proposed draft, the rumors are, and it is more than rumors. The proposed conference committee document that has very kindly been shown to out side of the aisle before the conference indicates there will be no increase in wage and hour inspectors.

If my colleagues want to get a handle on the issue of illegal immigration, putting all of the rhetoric aside, there are some key steps. At the border, meaningful verification; right now employer sanctions are a joke, and a systematic effort to take those industries and employers who systematically recruit and hire illegal immigrants because of their desire to violate wage and hour standards and take a very exploitable work force and utilize them in order to produce their product at below average scale and capture the market in that fashion.

This bill goes along with the Clinton administration's effort to increase the border patrol, does a whole bunch of other things which in some cases are very incendiary, dilutes its initial attempts to provide meaningful verification, thereby rendering fairly ineffective, to my way of thinking, all of the efforts to deal with denial of employment or public benefits to illegal immigrants and strips away any serious increase in wage and hour supporters, wage and hour division inspectors, which could provide the kind of policing of those employers who want to hire illegal immigrants in order to exploit them in callous disregard of Federal law knowing that those people will never utilize the remedies available to them.

So the motion to instruct is a very important one.

The other larger question which I think the majority has to consider is do they want the bill? They are insisting. The Governor from California came out yesterday and joined the Speaker of the House in a press conference, insisting on including a provision in this bill, an amended form of the Gallegly amendment that all law enforcement tells us is crazy, that all educators tell us is bad, which requires that the children of people who came here illegally at one point or another be refused admission or kicked out of the public schools.

The President has made it quite clear that that will result in a veto.

When I read that the Governor of California came back to Washington, came back to Washington to insist on a provision which he knows will require a veto, I tried to think why, since he ballyhoos himself as somebody who is trying to do something about illegal immigration. I think Ron Prince, who was the chairman; he was the chairman of the committee to pass proposition 187, probably put it most accurately when he indicated that there are some Republicans in this House and in the Senate and in the Republican campaign who want to veto a bill. They do not want to do anything about illegal immigration. They want an issue. So they take the one provision that has drawn a clear statement of a veto and insist that that provision be kept in the bill even though it is bad public policy, even though all of law enforcement says that it will make their job much more difficult. All educators, nearly all educators oppose the provision. I wonder what the agenda is of the people who would make that the condition for this conference report.

Mr. GALLEGLY. Mr. Speaker, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from California.

Mr. GALLEGLY. Mr. Speaker, I cannot let the statement pass, and I thank the gentleman for yielding, that all law enforcement opposes it when I know my good friend, the gentleman from California [Mr. BERMAN], knows that not to be true. In fact, just 3 days ago one of the largest law enforcement agencies in the country, the California Sheriffs Association, strongly endorsed it. The National Alliance endorsed it. A large portion of the rank and file of the Fraternal Order of Police endorsed it. So I would say to the gentleman the cops on the street support it.

Mr. BERMAN. Reclaiming my time, Mr. Speaker, I should amend my statement. The vast majority of leadership

and individual chiefs of police of jurisdictions most affected by this provision think it would be a terrible idea.

Now I am trying to understand what the motivation is for someone like Governor Wilson to come to Washington, hold a press conference, urge passage of a bill with a provision that he knows will draw a veto. There is two cynical, but perhaps accurate, interpretations of the motivations for this action.

One is again to have an issue rather than a law. All the time and effort spent by the chairman of the subcommittee and Senator SIMPSON to try and improve our ability to deal with illegal immigration will be a waste of time if this bill is vetoed. Those people want an issue.

The other even more cynical interpretation of the motivations of the Governor is what happened on both the House and Senate floors. Actually the Senate did not even take it up. The large growers in California hate anything which makes efforts to enforce our laws against illegal immigration tougher because they have historically relied on bringing in undocumented workers to pick the crops. They came in with a rather brazen effort on the House floor to try and create a new 500,000 farm worker-guest worker amendment to bring in these people. That amendment got trounced on a bipartisan basis. My view is that those same growers do not want to see this bill pass, but no one can be against this kind of a bill from that community. So instead they and the Governor, as their representative, comes here and insists on a provision he knows will result in a veto.

It is a pretty cynical story. It is a pretty sad story. It means a lot of important provisions in this bill, provisions providing for reimbursement for health care institutions, provisions that at least go down the road toward some meaningful verification, hopefully all of those will go down the drain because of an insistence on this one provision.

Mr. SMITH of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. GALLEGLY].

Mr. GALLEGLY. Mr. Speaker, I thank the chairman for yielding me the time.

With all due respect to my friend, the gentleman from California [Mr. BERMAN], I just could not let some of these statements stand without some form of rebuttal, as he referred to the element of farm worker issue being drowned.

I have to remind the gentleman that it was only 3 months ago that this very body passed the bill that we are discussing, only a much tougher bill, 333 to 87, including the education issue, and in fact on a stand-alone vote, whether we should give the States the rights to make the decision for themselves, it passed by almost a hundred votes, stand-alone.

The people of California have been crying for this support, and the issue, the issue of where we were 3 months ago with a 333 to 87 vote; how many votes do we have in this body that we get that many folks to agree on? Just let me finish this, and I will be happy to yield. Three hundred thirty-three to eighty-seven this body voted to support this immigration bill including a provision, unmodified provision, that would allow the States to deny a free public education to those that have no legal right to be in this country. Since that time we have modified it to the point of giving a grandfather clause to all of those in K through 6 and those in 7 through 12, watered it down considerably, and now even with a much more modified version the President of the United States is saying he would veto something that almost a 4 to 1 margin in the House supported, a strong bipartisan vote, and the people of California in an initiative 2 years ago voted by almost a 2 to 1 margin. It appears to me the President of the United States, if in fact he really is talking seriously about a veto, is not listening to the people of California.

And further I would just like to add that with all the due respect that I have for our President, he has talked about vetoes in the past. Sometimes he does what he says; sometimes he does not. I am just saying that I do not believe that he would veto this bill, I do not think that it is the right thing for him to do, he knows it is not what the people of California want.

Mr. BERMAN. Mr. Speaker, will the gentleman yield?

Mr. GALLEGLY. I am happy to yield to my friend, the gentleman from California.

□ 1430

Mr. BERMAN. The gentleman misunderstood me. First of all, the 333 votes the gentleman referred to included a number of us who made it very clear that we want a great part of what is in this bill, we do not want, with all due respect, the gentleman's amendment in the bill, and that we would move it on to conference in the hope that a conference committee would convene and decide to pull that amendment out, since it was not in the Senate.

The second point I wanted to make was my point about the growers had nothing to do with the 333 vote. It was why would the Governor of California do that, with a chance to get meaningful provisions.

Mr. GALLEGLY. Reclaiming my time, Mr. Speaker, I would say to the gentleman from California [Mr. BERMAN], this issue is very clearly I think an issue that the gentleman, my good friend, would agree is something that I have worked on for many years.

I have 20-some provisions in this bill that I strongly believe in. We have modified, we have cut back. We have made compromises that quite frankly I do not think we should have made, but for the sake of moving the bill ahead, I have supported it. I think we have come to the point where we cannot continue to chisel away and have a real bill.

The people of California can no longer afford to provide a free public education to everyone. It has a denigrating effect on the citizens of our States in providing an education to the children of legal residents and citizens. I think that issue has been sorely missed in this debate.

Mr. CONYERS. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I in no way question the sincerity of the gentleman's commitment to his amendment. I think he is wrong, but I think he is sincere. He has always had this position. He has pushed for it for a long time.

I just wish that, given that he had two strong efforts in this bill, major efforts, one for a meaningful verification system that could give some meaning to employer sanctions, and what I think is a somewhat crazy scheme on how to try and help deal with the problem of illegal immigration by kicking kids out of schools, he had been able to prevail on the first and yielded on the second, rather than yielding on meaningful verification and insisting on his provision.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 1 minute and 30 seconds to the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member for this leadership, and the leadership of the members of the Subcommittee on Immigration and Claims of the Committee on the Judiciary. I certainly want to acknowledge the bipartisan approach of my colleague, the gentleman from Texas, in the effort to distinguish and separate illegal immigration from legal immigration.

However, it is important to note that we still have an open question. Even now there is just a GAO study about taking rights away from citizen children. It is a study with the intent, of course, that we ultimately may deny the children born in the United States their rights.

Then I might say, as I rise to support the motion to instruct of my ranking member, the gentleman from Michigan, [Mr. CONYERS], how can we eliminate the Labor Department inspectors that would in fact be able to eliminate some of the very problems that the Honorable Barbara Jordan from Texas, as leader of the President's commission, indicated we had to do to protect workers, and to avoid the paying of wages below the minimum wage and unsafe working conditions?

We have already determined that the Labor Department and its inspector division has found some millions of dollars of situations where minimum wages were not paid, or unsafe conditions. It seems if we are truly sincere about reform in immigration that we will have those inspectors.

Last, let me say how unfortunate it is that if some of our citizens who have to be verified, particularly Hispanic citizens with Hispanic surnames, find out that they are legal and then they have no remedy, no way to address their grievances, I would say we need to look at making this a better reform and do a better job. I rise to support the motion to instruct.

Mr. SMITH of Texas. Mr. Speaker, I yield 5 minutes to my friend, the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Economic and Educational Opportunities.

(Mr. GOODLING asked and was give permission to revise and extent his remarks.)

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, when we get carried away in this body, we really get carried away. If ever I heard overkill, we are talking about overkill today.

In the conference agreement you have agreed to 900 new people in INS over a 3-year period, 900. I know what the Members are going to say, but they do no check on wage and hour. No, but if they do their job, there is no necessity for anybody to be checking on wage and hour. We are giving them 900 new people over a 3-year period.

Second, in the conference agreement you have agreed to the new workplace verification rule. Let us give them a chance. Let us give the 900 a chance, and let us give the new workplace verification system an opportunity to work. Then we can determine whether we need anything else.

I do not know how much experience you have with wage and hour people, but I have had a lot of experience in the school business. In fact, I had to threaten them, to tell them never, ever to step in again to my business manager's office, that they will come through the superintendent. Why? Because he was very, very valuable to me and to that school system. I could not have him have a stroke over the insensitivity of the gentleman who appeared there and said, do not tell me you are not doing anything wrong. I will stay here until I find it. He went all over my district doing the same, until I got him transferred to the district of the gentleman from Pennsylvania [Mr. MCDADE]. I figured he would have a tougher time up there.

Now, let us get back again to the point: 900 new people in INS. If they do their job, and we are giving them the opportunity by giving them more people, then we are getting to the root of the problem we are talking about, and we have eliminated that problem. That is what we have done. Also you have done it if our new verification system works the way we hope it will work.

So let us not get carried away and add 350 more here and another thousand some other place. Let us, as a matter of fact, see whether we have not gotten to the root of the problem, and solved the problem with the 900 and with the new verification system.

Mr. CONYERS. Mr. Speaker, I yield 15 seconds to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, the gentleman from Pennsylvania is understandably confused, because he thought we were using regular procedures. He kept saying, you have agreed in the conference report. No, there is not any conference report. There was an internal Republican discussion, and they produced something that they intend to ram through the conference in a day. But in fact the gentleman mistook the current situation for regular legislative procedure.

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

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California, Mr. XAVIER BECERRA, who I have asked to conclude this discussion by saving him for last to use the remaining time on our side.

The SPEAKER pro tempore. the gentleman from California [Mr. BECERRA] is recognized for 2 minutes and 45 seconds.

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, there are a number of problems with this so-called conference report, not least of which is the backroom deals that occurred on the majority side of the aisle in both Houses which did not allow anyone from the Democratic side of the aisle to participate in any of the negotiations that took place over the last 3 to 4 months.

Now we are going to try to pass out a bill in about 48 hours, never having seen or had a chance to discuss any of these so-called changes. It is upsetting to see that the Republicans have decided to weaken protections against discrimination for U.S. citizens. They are gutting even a compromise that was reached in the light of day in committee, and the backrooms deals were cut, and that language that protected people from discrimination was removed.

It is sad to see that this Congress has now reached the stage where it is going to blame children and punish children for the acts of adults. I have never seen that happen in a court of law, but here we go, not punishing adults for the acts of children, but punishing children for the acts of adults. That is what this Congress wishes to do by denying kids the access to education.

By the way, talking about unfunded mandates, doing what they want to do in this bill will cost hundreds of millions of dollars to the schools throughout this Nation. That is not my statement, that is the statement of the California School Board Association, which is opposing the Gallegly amendment.

What is worst about all of this is jobs. The reason people come into this country, whether with or without documents, is to get a better paying job for their family. This bill, unfortunately, does little, if anything, to try to preserve and protect American jobs. We had a provision in the Senate bill that said, let us provide 350 investigators to make sure we inspect the workplaces in this country to make sure jobs are held for American citizens.

We have right now a total of 750 investigators nationwide to cover 6 million places of employment. That is about 8,000 places of employment per investigator, to investigate to find out if someone is hired with the authorization to work in this country.

The Senate, including the Republicans in the Senate, said let us give the Department of Labor the opportunity to do a better job of investigating. Why? Because we have found we have been able to recoup money for a lot of American citizens that would have otherwise not been employed, and those people who are not employed and are in jobs that are not authorized, to get them out and leave the jobs for the American citizens.

What we find is that that was all gutted. This so-called conference report that Democrats have never even seen until today does not include any funding for that. Why? If we are really out to protect jobs for Americans, if we are really out to reform our immigration laws, then let us do the thing that most Americans wish to see most, jobs, jobs for Americans, or those entitled to work in this country. This bill does not provide that type of protection.

I am amazed, we found somehow the capacity in this Congress to give moneys, funds for 300 additional border patrol agents more than even what the administration, the Clinton administration, requested. The President requested about 700 new border patrol officers. This Congress said, we are going to give you 1,000. When the administration said we need more investigators to make sure people are employed because they are authorized to work, this Congress said no, you cannot do it. So there we have.

We are going to find a situation, unlike what the chairman of the Committee on Economic and Educational Opportunities said, that you can stop them all at the border. I wish it was true but it is not, because almost half of the people undocumented in this country come legally through a visa, a student visa or a work visa. Then they overstay and become illegal after that. They are the ones you will never catch. Half of the people, they will continue to be employed and you will not have the investigators to spot them. Bad bill. Vote against this.

The SPEAKER pro tempore. All time has expired.

Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Michigan [Mr. CONYERS].

The question was taken; and the Speaker pro tempore (Mr. DREIER) announced that the ayes appeared to have it.

Mr. CONYERS. 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 181, nays 236, not voting 16, as follows:

[Roll No. 408]

YEAS—181

Abercrombie
Ackerman
Allard
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Blumenauer
Bonior
Borski
Boucher
Brown (CA)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (MI)
Conyers
Costello
Coyne
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Horn
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
Longley
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDade
McDermott
McHale
McInnis
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Serrano
Skaggs
Slaughter
Smith (NJ)
Spratt
Stark
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Weller
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NAYS—236

Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
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
Lincoln
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McHugh
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Nussle
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Roberts
Roemer
Rogers
Rohrabacher
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zimmer

NOT VOTING—16

Brown (FL)
Buyer
Collins (IL)
de la Garza
Ganske
Hayes
Heineman
McNulty
Mollohan
Norwood
Pastor
Portman
Riggs
Scott
Torkildsen
Zeliff

☐ 1503

Mr. TANNER, Mr. BAESLER, and Mrs. MORELLA changed their vote from ''yea'' to ''nay.''

Messrs. ALLARD, MCINNIS, and LUTHER changed their vote from ''nay'' to ''yea.''

So the motion was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. DREIER). Without objection, the Chair appoints the following conferees:

Messrs. HYDE, SMITH of Texas, GALLEGLY, MCCOLLUM, GOODLATTE, BRYANT of Tennessee, BONO, CONYERS, FRANK of Massachusetts, BERMAN, BRYANT of Texas, BECERRA, GOODLING, CUNNINGHAM, MCKEON, MARTINEZ, GENE GREEN of Texas, SHAW, and JACOBS.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Tuesday, September 10, 1996, in the order in which that motion was entertained.

Votes will be taken in the following order: House Resolution 470 by the yeas and nays; H.R. 3863 by the yeas and nays; H.R. 3539, de novo; and H.R. 3759 by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

MONITORING OF STUDENT RIGHT TO KNOW AND CAMPUS SECURITY ACT OF 1990

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, House Resolution 470.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GOODLING] that the House suspend the rules and agree to the resolution, House Resolution 470, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 20, as follows:

[Roll No. 409]

YEAS—413

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing

Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NOT VOTING—20

Bono
Brown (FL)
Bryant (TX)
Collins (IL)
Conyers
de la Garza
Ganske
Hayes
Heineman
McNulty
Mollohan
Norwood
Pastor
Payne (NJ)
Portman
Riggs
Roybal-Allard
Scott
Torkildsen
Zeliff

☐ 1521

So (two-thirds having voted in favor thereof) the rules were suspended, and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. DREIER). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

STUDENT DEBT REDUCTION ACT OF 1996

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3863, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GOODLING] that the House suspend the rules and pass the bill, H.R. 3863, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 414, nays 1, not voting 18, as follows:

[Roll No. 410]

YEAS—414

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant

Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NAYS—1

Williams

NOT VOTING—18

Bono
Brown (FL)
Bryant (TX)
Chenoweth
Collins (IL)
de la Garza
Ganske
Hayes
Heineman
McNulty
Mollohan
Norwood
Pastor
Portman
Riggs
Scott
Torkildsen
Zeliff

☐ 1533

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FEDERAL AVIATION AUTHORIZATION ACT OF 1996

The SPEAKER pro tempore (Mr. DREIER). The unfinished business is the question of suspending the rules and passing the bill, H.R. 3539, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. SHUSTER] that the House suspend the rules and pass the bill, H.R. 3539, as amended.

The question was taken.

The SPEAKER pro tempore. Two-thirds of those present not having voted in the affirmative, the motion is rejected.

RECORDED VOTE

Mr. GILCHREST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 398, noes 17, not voting 18, as follows:

[Roll No. 411]

AYES—398

Abercrombie
Ackerman
Andrews
Archer
Armey
Bachus
Baesler
Baker (LA)
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Costello
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefner
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zimmer

NOES—17

Allard
Barr
Canady
Cooley
Cox
Hefley
Hyde
Largent
Meyers
Myrick
Sanford
Sensenbrenner
Shadegg
Souder
Stockman
Stump
Wolf

NOT VOTING—18

Baker (CA)
Brown (FL)
Bryant (TX)
Collins (IL)
de la Garza
Ganske
Hayes
Heineman
McNulty
Mollohan
Norwood
Pastor
Portman
Riggs
Scott
Torkildsen
Weldon (PA)
Zeliff

☐ 1543

Messrs. MCINTOSH, ROHRABACHER, ROYCE, and SCARBOROUGH changed their vote from ''no'' to ''aye.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXPORTS, JOBS, AND GROWTH ACT OF 1996

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3759, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. ROTH] that the House suspend the rules and pass the bill, H.R. 3759, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 157, nays 260, not voting 16, as follows:

[Roll No. 412]

YEAS—157

Abercrombie
Ackerman
Baldacci
Barcia
Barrett (NE)
Barton
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bishop
Bliley
Blumenauer
Boehner
Brewster
Brown (CA)
Brown (OH)
Bryant (TN)
Callahan
Calvert
Cardin
Castle
Christensen
Clayton
Clinger
Clyburn
Coleman
Danner
Davis
DeLauro
DeLay
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dreier
Edwards
Engel
Ewing
Fattah
Fazio
Fields (TX)
Filner
Flake
Foglietta
Forbes
Franks (CT)
Frisa
Frost
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Green (TX)
Hall (OH)
Hall (TX)
Hamilton
Hastert
Hastings (FL)
Hefner
Hilliard
Houghton
Hoyer
Hyde
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Johnston
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
King
Kolbe
LaHood
Lantos
Latham
Laughlin
Lazio
Leach
Levin
Lewis (CA)

Lofgren
Lowey
Lucas
Maloney
Manton
Manzullo
Martinez
Matsui
McCarthy
McDade
Menendez
Meyers
Mink
Moakley
Moran
Morella
Myers
Nadler
Oberstar
Olver
Ortiz
Orton
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Quinn
Rangel
Richardson
Rose
Roth
Roukema
Roybal-Allard
Rush
Sabo
Sawyer
Schiff
Serrano
Sisisky
Skaggs
Skeen
Smith (NJ)
Stenholm
Studds
Tanner
Tejeda
Thomas
Thompson
Thurman
Torres
Torricelli
Traficant
Vento
Ward
Watt (NC)
Weller
Wicker
Williams
Wilson
Wise
Wynn
Young (AK)

NAYS—260

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (WI)
Bartlett
Bass
Bevill
Bilbray
Bilirakis
Blute
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Browder
Brownback
Bunn
Bunning
Burr
Burton
Buyer
Camp
Campbell
Canady
Chabot
Chambliss
Chapman
Chenoweth
Chrysler
Clay
Clement
Coble
Coburn
Collins (GA)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Deal
DeFazio
Dellums
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Duncan
Dunn
Durbin
Ehlers
Ehrlich
English
Ensign
Eshoo
Evans
Everett
Farr
Fawell
Fields (LA)
Flanagan
Foley
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Funderburk
Furse
Gallegly
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hancock
Hansen
Harman
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jacobs
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
Kingston
Kleczka
Klink
Klug
Knollenberg
LaFalce
Largent
LaTourette
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Luther
Markey
Martini
Mascara
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Meek
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Nussle
Obey
Owens
Oxley
Packard
Pallone
Parker
Paxon
Peterson (MN)
Petri
Pombo
Poshard
Pryce
Quillen
Radanovich
Rahall
Ramstad
Reed
Regula
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schroeder
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skelton
Slaughter
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stockman
Stokes
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thornton
Tiahrt
Towns
Upton
Velazquez
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
White
Whitfield
Wolf
Woolsey
Yates
Young (FL)
Zimmer

NOT VOTING—16

Brown (FL)
Bryant (TX)
Collins (IL)
de la Garza
Ganske
Hayes
Heineman
McNulty
Mollohan
Norwood
Pastor
Portman
Riggs
Scott
Torkildsen
Zeliff

☐ 1551

Mr. BAESLER and Mr. BILBRAY changed their vote from ''yea'' to ''nay.''

Mrs. KELLY changed her vote from ''nay'' to ''yea.''

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, because of a death in my family, I was not in attendance for rollcall votes Nos. 407, 408, 409, 410, 411, and 412.

Had I been in attendance, I would have voted ''yea'' on rollcall votes Nos. 407, 409, 410, and 411, and ''nay'' on rollcall votes Nos. 408 and 412.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3816, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight, Wednesday, September 11, 1996, to file a conference report on the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The SPEAKER pro tempore (Mr. DREIER). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

G.V. (SONNY) MONTGOMERY DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER

Mr. STUMP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1669) to name the Department of Veterans Affairs Medical Center in Jackson, MS as the ''G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center,'' and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. ROTH). Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1669

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

SECTION 1. NAME OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, JACKSON, MISSISSIPPI.

(a) NAME.—The Department of Veterans Affairs medical center in Jackson, Mississippi, shall be known and designated as the ''G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center''. Any reference to such medical center in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1669.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without prejudice to the possible resumption of legislative business, the Chair will entertain requests for special order speeches.

SPECIAL ORDERS

The SPEAKER pro tempore. 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 gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

[Mr. WISE 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 Florida [Mr. GOSS] is recognized for 5 minutes.

[Mr. GOSS 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.]

CLINTONOMICS VERSUS REAGANOMICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. HINCHEY] is recognized for 5 minutes.

Mr. HINCHEY. Mr. Speaker, just before the August recess, the Wall Street Journal published an op-ed written by economist Alan Reynolds of the Hudson Institute.

That op-ed, entitled ''Clintonomics doesn't measure up,'' urged presidential candidate Bob Dole to embrace a return to supply-side economics based on what was portrayed as anemic economic growth during the past 4 years.

Reynolds argued that key statistics showed economic performance was superior during the supply-side years of President Reagan than it has been since President Clinton was elected to office.

As I read the article, it became clear to me that Mr. Reynolds, a long-time advocate for supply-side policies, was not providing objective analysis of this situation.

Calling on the resources of the Joint Economic Committee, of which I am a member, I conducted extensive research into Reynolds' economic analysis and the statistics he used to make his case.

I was not surprised to find that the analysis was orchestrated in a manner that proved to be generous to the supply-side years and not so generous to the Clinton years.

First, Reynolds conveniently began his analysis in 1983, the third year of Reagan's presidency, rather than in 1981, the year in which the Reagan tax cut was actually enacted.

The huge budget deficits resulting from those tax reductions forced up interest rates in 1981 and plunged the economy into the deepest recession since the Great Depression.

Unemployment reached almost 11 percent nationally, and the strong recovery in the years that followed must be seen from that perspective: from that economic nadir, we had nowhere else to go but up.

In addition, Reynolds also excluded the Bush years from his analysis despite the fact that supply-side policies were continued throughout that era.

The Journal recently printed a letter I authored in response to that op-ed that included a more complete comparison of economic performance since 1992 and that during the full Reagan-Bush 12 years.

The analysis showed the economy has in fact performed better since 1993 than it had during the previous 12 years of supply-side economics.

Under Clinton, the economy has grown more rapidly, employment has risen at a faster rate, per capita income has increased more quickly, and the deficit is smaller relative to the economy.

Gross domestic product growth has been 2.5 percent under annually since 1992, as opposed to 2.4 percent Reagan-Bush.

Employment grew at a rate of 2.6 percent each year since 1992, a full percentage point higher than in the years from 1981–1992.

And finally, the deficit has averaged 2.9 percent of the size of the economy under Clinton, while it averaged 4.3 percent under Reagan and Bush.

Last month's unemployment rate of 5.1 percent provides further evidence of just how healthy the national economy has become in recent times.

Mr. Speaker, I am not arguing that all areas of the Nation have experienced equal economic progress during the last 4 years.

There are areas such as the Hudson Valley and the Southern Tier in my State that continue to experience significant economic anxiety and widespread underemployment.

While there is much left to do to help get people to work, even these areas have experienced improvements in their local economies since 1992.

Mr. Speaker, we owe much of our economic progress to the success of the 1993 budget reduction law that was enacted by the Democratic Congress.

It has reduced the deficit by 60 percent, from $290 billion in 1992 to an estimated $117 billion this year.

The law has resulted in four straight years of deficit reduction for the first time in about 100 years.

And the deficit this year is expected to be at its smallest size relative to the economy since 1974.

In addition to the historic deficit reduction which has occurred, the law also significantly expanded the EITC program providing tax cuts to families earning less than $28,000 annually.

According to the U.S. Department of Treasury, in my congressional district, an estimated 31,974 working families have received tax breaks averaging $480 this year due to the expansion of the EITC.

By any measure then, whether it is economic performance, deficit reduction, or tax relief to working families, the 1993 budget law has been a great success.

Despite all of these positive statistics on economic performance that were included in my Wall Street Journal piece, I am disappointed to say that I was not successful in convincing GOP candidate Bob Dole that a return to supply-side economics would be unwise.

Last month, Dole released his $550 billion tax plan with breaks targeted to only the wealthiest families in our Nation, and paid for by a magical economic growth dividend.

This morning, Senator Dole held meetings in the House of Representatives to peddle his supply-side economic plan to reluctant Republican Members of this body.

The American people must know that history speaks for itself on supply-side economics: the Dole plan will bankrupt our Nation, undermine economic growth, and increase worker unemployment.

It is time that we pay tribute to the 1993 budget law which has been a tremendous success in reviving the economy and creating good, decent-paying jobs for millions of Americans.

□ 1600

The SPEAKER pro tempore (Mr. ROTH). 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 Extension of Remarks.]

TRIBUTE TO H.C. ''LADD'' HITCH JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. LUCAS] is recognized for 5 minutes.

Mr. LUCAS of Oklahoma. Mr. Speaker, it is with a solemn heart that I rise today to share with my colleagues the passing of H.C. ''Ladd'' Hitch of Guymon, OK.

A pioneer cattleman and prominent Oklahoma Panhandle businessman, Ladd was truly a remarkable man who left an indelible mark on his community, his State, and his industry. He was the third-generation patriarch of a family that settled and prospered in what once was called our Nation's ''No Man's Land.'' The fact that a thriving agricultural economy has developed on this once barren land is a testament to his family's frontier spirit.

The Hitch's settled in the Oklahoma Panhandle in 1884. Ladd was born in 1918 and by the time he reached adulthood, he and his family had revolutionized production agriculture in the region. As the Hitch legacy in the region grew, the family's visionary business practices never waned. They introduced one of the first irrigation systems in the Panhandle region. This innovation supplied the ability to produce an abundant feed supply and led to the establishment in 1953 of one of the Southwest's first large-scale cattle feedlot operations. Last year, the National Cattleman's Association listed Hitch Enterprises as the ninth largest cattle feeding operation in the country.

Mr. Hitch was one of the founding members of the Oklahoma Cattleman's Association, was the first recipient of the National Cattleman of the Year Award, was named ''Feedlot Magazine's Commercial Feeder of the Year,'' and was selected as a ''Stockman of the Century.'' His activities were not just limited to agriculture. During his life, he served as the chairman of the Board

of Regents of Oklahoma State University, was the former director of the University of Oklahoma Research Center, was a member of the Oklahoma Medical Research Foundation, and had been a trustee of the National Cowboy Hall of Fame.

As a cow calf operator from western Oklahoma, a former member of the Oklahoma State Legislature, and now a member of the U.S. House of Representatives, I had the opportunity to deal with Ladd Hitch on many different issues both business and legislative. He was a man of integrity, drive, and vision. Ladd died on July 29, 1996, while attending the Oklahoma State Cattleman's Association in Oklahoma City at the National Cowboy Hall of Fame. The site of his death memorializes many of the greatest aspects of life. Ladd will be missed.

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 addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

TEEN DRUG USE SKYROCKETING UNDER CLINTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I come before the House once again, and I have been before the House before, to talk about the problem of drug and substance abuse and the problem with our young people in this country, and the problem of the drug epidemic across this Nation.

Tonight I want to again call to the attention of my colleagues these absolutely startling statistics that have come out within the last month about teen drug use skyrocketing, particularly in the years since 1992 to 1995, under this administration.

If we look at the overall drug use and abuse, particularly, again, among our teenagers, 12 to 17 years old, it is up 78 percent. Marijuana use, 1992 to 1995, is up 105 percent. LSD use, up 105 percent also. Cocaine use is up 166 percent.

Even in my area, a wonderful, calm, traditionally family-oriented area of central Florida, heroin use and abuse is skyrocketing, particularly among our young people. I am alarmed as a parent, I am alarmed as a father, and I am alarmed as an American about this trend.

It is easy to trace this trend. In the Clinton years, from 1992 to 1995, we saw the steps that led to this. First we saw the firing by the new President of two-thirds of the drug czar's staff. Then we saw the appointment of Joycelyn Elders, the chief health officer for the Nation, who said: Just say maybe; just say maybe try it.

We saw the dismantling of our drug interdiction efforts to stop drugs, cocaine and heroin, at the borders and at their sources, almost a total dismantling proposed by this administration.

And then finally, a great insult, we saw the lowering of the standards in the highest office in this land, the While House. The White House, which is supposed to set the standards, in fact, lowered the standards, and we saw the records of people being employed that were so bad that they had to institute a drug-testing program at the insistence of the Secret Service.

Mr. Speaker, that is the problem. This is the situation. What do we do about it? This Congress, this new majority, and I, as a parent and an American, think we must act. This Congress is taking steps. Under the leadership of this new majority, we are restoring money to the drug czar's office. We are working with a new drug czar to see that that is an effective office.

We know that we must fight drugs on four fronts: by education, interdiction, enforcement, and treatment; that we cannot, as this administration has said and proposed and done, just treat the wounded in battle. That is what we are doing by putting all of our sources and resources in treatment only.

Mr. Speaker, we are going to restore those funds, and we are going to make a four-pronged approach. We are going to lick this problem, but it is going to take everyone from the White House to the courthouse, every parent, every concerned citizen, and every Member of Congress to join this effort, because we are losing a generation. We cannot afford to lose our young people in this war on drugs. We must band together. This Congress must act in a positive fashion. We must approach this in a bipartisan manner. Then we can take back our children, we can take back our streets, we can take back our neighborhoods.

We have 1.6 million Americans incarcerated in this land. Seventy percent of them are in jails and prisons because of drug use and abuse. This is the problem we have created. This is the problem we need to address. We must join together to start with our young people and bring this drug epidemic facing our Nation and our youth under control.

Mr. Speaker, I urge your cooperation in this effort, and that of my colleagues.

DOLE-GINGRICH ECONOMIC PLAN CONTAINS TAX BREAKS MOSTLY FOR THE WEALTHY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Ohio [Mr. BROWN] is recognized for 60 minutes as the designee of the minority leader.

Mr. BROWN of Ohio. Mr. Speaker, here we go again. The same folks who brought us the Government shutdown, the two Government shutdowns earlier this year and late last year, are back. Former Senator Dole and Speaker GINGRICH are bringing us a $500 billion economic package, have proposed a $500 billion economic plan tax break package, mostly for the wealthy, that will result in more cuts to Medicare, more cuts to student loans, more cuts to Medicaid, and more cuts to environmental programs.

Mr. Speaker, let us look at a bit of history as we discuss this Dole economic plan, and as we discuss the cuts in Medicare and what all of that means, and what that meant last year.

Last year the plan of the Speaker, the Gentleman from Georgia [Mr. GINGRICH], and Senator Dole was to give some $245 billion in tax breaks mostly for the wealthy, and they planned to pay for this plan by making $270 billion of cuts in Medicare and several billion, about $180 billion cuts in Medicaid, several billion worth of cuts in student loans, and several billion of cuts in environmental protection.

This $245 billion tax break mostly for the wealthy, which would result in the $270 billion in Medicare cuts, was the beginning of the unraveling of the Medicare Program. Let me quote what Speaker GINGRICH said about Medicare, and let me quote what then-Senator Dole said about Medicare.

Last October Speaker GINGRICH, speaking to a group of insurance executives, all of whom would benefit greatly from this dismantling of the Medicare Program, said, ''Now we didn't get rid of Medicare in round one, because we don't think that is politically smart. We don't think that is the right way to go through a transition. But we believe that Medicare is going to wither on the vine.''

The same day, speaking to another group, a group called the American Conservation Union, then-Senator Dole, who was leading the fight for the Medicare cuts in the Senate, said, ''I was there, fighting the fight, voting against Medicare, one of 12, because we knew it wouldn't work in 1965.''

Since that time, the same people that tried to, on the one hand, say they are here to try to defend Medicare and save Medicare, are attacking Medicare under their breath, attacking Medicare behind closed doors in Republican caucuses, and occasionally letting it slip and attacking Medicare in public.

One prominent member of the Committee on Ways and Means called Medicare socialized medicine. The majority leader, the gentleman from Texas [Mr. ARMEY], said that in a free society Medicare would not exist, whatever that means. Other prominent Republicans have labeled Medicare a program of socialism, a program that does not make sense for people, a program that we simply do not need.

Mr. Speaker, the point is that this crowd, GINGRICH, Dole, the gentleman from Texas, Mr. ARMEY, the leadership of the Republican Party, not mainstream Republicanism, which most people in this country that are Republicans I think are more likely to believe in, and not the mainstream Republicanism that supported Medicare

in past decades, but this new extremist crowd of GINGRICH and ARMEY and the gentleman from Texas, TOM DELAY, and some of the other leaders in the other House are simply opposed to Medicare. They wanted it to wither on the vine. They bragged about voting against it.

It is pretty clear that this $245 billion tax cut they proposed last year and paid for by the $200-some billion tax cuts in Medicare are the way they can end the program of Medicare, end the programs of student loans, end some of the environmental protection measures.

□ 1615

That brings us to the point today, to the Dole program today he has proposed in the Presidential race. I might add that Senator Dole and his running mate, Mr. Kemp, came to the Republican Caucus today to talk about how they were going to pay for the major tax break, mostly for the wealthy, and talk about how they were going to do the Medicare cuts.

A few Republicans have stood up and been honest about what the Dole economic plan means. If you are going to provide $500 billion in tax breaks, mostly for the rich, then you are going to have to cut Medicare even more than then-Senator Dole and Speaker GINGRICH proposed last year. That simply means that if it was $270 billion in cuts in Medicare last year, they are going to propose even more cuts this year, once they are honest with the public.

What that really means is those senior citizens that are now paying $46 a month for Medicare premiums will have their premium at least doubled, to $90 or $100 or maybe $110 a month to pay for their premium. It also means that deductibles will be higher. It also means that copays will be higher. So that this party, this GINGRICH-Dole party that says they are against tax increases, clearly want to put this senior citizen tax on Medicare beneficiaries. It is not $46 a month, which is what it used to be, or $5 or $10 copayments, what it used to be, or $50 deductible, what it used to be. All of a sudden it is probably going to be double that in order to pay for this huge $500 billion in tax breaks, mostly for the wealthy.

At the same time they are going to go right at the heart of student loans and end the student loan program that students in this country have been accustomed to, raise the prices on other kinds of student loans and student grants, cut student grants and raise the prices on other student loans, and in order again to pay for this $500 billion boondoggle, mostly for wealthy taxpayers, to go after programs that protect the environment, something the American people clearly will not stand for.

I yield to the gentleman from Texas.

Mr. GENE GREEN of Texas. I thank the gentleman for yielding. I appreciate the opportunity to visit with the gentleman tonight and talk about this $548 billion tax cut that has become a political issue around the country. In fact I know the gentleman mentioned that Senator Dole was here today talking to the Republican leadership, and during that time I heard that he had mentioned that this whole campaign is about trust. I thought it was appropriate in that trust is important, whether you are running for the White House or Members of Congress or whatever elected office you have. But I noticed he wants us to believe that the $548 billion tax cut will not lead to higher budget deficits and increased interest rates.

The gentleman mentioned earlier that the tax cuts will not work without getting into social programs like Medicare and maybe Social Security. But let us look at history. The gentleman mentioned the $245 billion tax cut last year where Medicare was on the table to be cut. This year, at least this fall, nobody is talking about it on the Republican side because they want to wait until after the election before they come back and put that on the chopping block.

But since Senator Dole talked about it, this campaign is about trust. It is really kind of hard, with what you have said, to talk about trust when you see what happened last year with the $245 billion tax cuts and the $270 billion, even using their terminology, the $270 billion cut in growth in Medicare spending.

But again let us talk about that growth in Medicare spending. If you have 10 million, for example, people receiving Medicare today, and 5 years from now you have 25 million that may be expected, these are numbers we pick out of the air, and we are not planning for that growth, then it is a cut.

I know it is sometimes hard to explain that to folks. But let me mention today I saw in the New York Times the architect of the Reagan tax cut plan in the early 1980's, Murray Weidenbaum, said of Senator Dole's proposed tax cuts: Cutting income taxes alone is not going to energize the economy sufficiently to prevent a rise in the budget deficit.

This last Sunday on ''Meet the Press,'' another architect or budget adviser, Richard Darman, who worked under both Presidents Reagan and Bush, reminded us that Reagan had to raise taxes five times after enacting the very popular 1981 tax cuts to make up for that lost revenue, and we still had our debt and deficit mushroom in the 1980's, even after five tax increases, after 1981.

If my colleagues are building a campaign on trust, then let us look back at the past decade or two decades and see where that trust would be. I think the gentleman mentioned it, Senator D'AMATO mentioned that under the Dole plan, funding for such programs like Medicare would definitely be affected. In fact his quote is, he went so far as to say: ''I'm not running this year so I can say it and tell the truth.''

I do not think that is what people in America want when they talk about trust, when they talk about all of us want a tax cut but we also want to balance the budget.

Let me even quote another former U.S. Senator. Senator Warren Rudman from New Hampshire agrees when he says, ''Unless you are willing to do some major reforms in entitlements, there is no way you can do this.''

What is an entitlement? That is a word in Washington we use but in our districts, entitlements are Social Security, they are Medicare, they are programs that people depend on to make sure they can have the quality of life that they should have.

My concern is why is Senator Dole not telling the American people that that is what he wants to do for $540 billion in tax cuts, when they got burned last year by trying to do $245 billion, so they doubled it almost? And they are still going to attack Medicare, education, student loans. If you are building a campaign on trust, let us talk about that. Let us talk about it before November 5, instead of waiting until after a new Congress comes in, and then making those cuts.

Mr. BROWN of Ohio. Retaking my time for 1 moment, to my friend from Texas, that is exactly the point. Last year they proposed $245 billion in tax breaks, mostly for the wealthy, and the way they wanted to pay for those tax breaks, cuts in Medicare, going right to the heart of cutting student loans, and cutting environmental programs, they could not do because the public rose up in opposition to it. This year Senator Dole, former Senator Dole, wants to give a tax break, again mostly to the wealthy, of twice that amount, but they are not telling us how they are going to pay for it. It is clear the only way they are going to pay for it is go twice as hard at Medicare, twice as hard at student loans and twice as hard at the environment. But they look at us and say, ''Trust me until after the election is over, we'll tell you after the election.'' It is clear what they are going to do, go after the same programs the public would not stand for in 1995 and 1996 which they shut down the Government over, saying if we cannot have our Medicare cuts we are going to shut down the Government. What is this crowd going to do? If Senator Dole wins the election and GINGRICH and the Republicans in the Senate take control, how are they going to run the Government then? Go right after Medicare, student loans, and the environment one more time.

Mr. GENE GREEN of Texas. Going back, let me say something else about budget cuts, obviously Medicare and student loans, but they have to go to discretionary spending if they do not do entitlements. Some of that discretionary money is Border Patrol, the FBI, crime control, airline safety. There are a lot of programs that would be on the chopping block. But again they doubled the tax cuts they wanted

in 1995 and 1996, they could not get them, and in Texas we call that a pig in a poke. Our folks are not going to buy it, and that is what this is. This proposed $500 billion tax cut is a pig in a poke.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Florida [Mr. GIBBONS] was here in 1965 when Medicare was created. At that time, half the senior citizens of America had no health insurance. Today only 1 percent of senior citizens have no health insurance because of Medicare. Medicare clearly has worked. You look at what Speaker GINGRICH has said about Medicare, that he wants to see it wither on the vine, and those are his words, not mine. You look at what the next top-ranked Republican in Congress has said, Mr. ARMEY, that in a free society you would not have Medicare. You look at what one of the top Republicans in Ways and Means has said, he calls it socialized medicine. You look at what Senator Dole said. He said, ''In 1965 I was there fighting the fight, voting against Medicare, 1 out of 12, because it wouldn't work.'' It is clear when 99 percent of the elderly in this country have health insurance and can live the last years of their life with dignity knowing that most of their health care will be taken care of that it is a program that works. I resent, as I think everybody on this floor resents, the kind of talk that Mr. GINGRICH and Mr. ARMEY and some of the others have said when they belittle Medicare and belittle what it has done for people in this country.

I yield to the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. First of all, this is a very important discussion. Let me say as one who was here, as the gentleman said, when Medicare was created, one of the unintended results that has come out of Medicare is that old age is now much kinder than it used to be. It is much more humane than it used to be, and Medicare itself has lifted millions of older folks out of poverty. But one of the unintended results that we never dreamed would happen is it has created in the American economy an infrastructure that can take care of the particular needs of old people. That is what has done so much.

Medicare is going to have to make some changes to make sure that it is fiscally sound and in place for the people in the future. Those changes do not need to be radical. Essentially we need to get tough, effectively tough on cutting out the waste, fraud, and abuse. Then after we have done that, if there is any need to change the financing system, it should be changed. But we have a good program, it is very important that we maintain it, and it has really helped many millions of people in the United States.

Mr. BROWN of Ohio. I thank the gentleman from Florida. There have been efforts by the gentleman from Michigan [Mr. STUPAK] and me in the Committee on Commerce, and by the gentleman from New Jersey [Mr. PALLONE] to deal with the fraud questions, because we can save $80 or $90 billion in the next 7 years simply by attacking fraud, waste and abuse in a systematic way. That is the first step, not making these major cuts in Medicare in order to give tax breaks to the wealthiest people in our country.

I yield to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I thank my colleague for his comments and for taking this special order out and for my friend from Florida, Mr. GIBBONS, who has been a champion for Medicare and for elderly people in this country today.

I would like to embellish a little, if I could, on what SAM GIBBONS has talked about and how important this is, and comments you made about how important this is to our seniors and what a difference it has made over a period of time since 1965 when it became law.

One of the things that has aggravated me in this debate the most was the fact that most people in politics and in the country do not seem to understand what the income level is of the people who are receiving Medicare today.

The Department of Labor study that Secretary Reich released about a year ago, within the last year, indicated that 60 percent of our seniors have income of $10,000 a year or less. That includes their Social Security and their annuity if they have one. Ten thousand dollars a year or less. That is why this is such an important and, as it turned out, volatile issue in American society today.

I have got a woman in my district, and she is a good friend of mine. I do not want to mention her name in this special order, but let me just put it this way. Margie is her first name. She was a riveter and made the B–29's that helped us win the Second World War. She is close to 80 years of age now. She worked all her life, helped us win the war and now she lives on her Social Security. After she gets done paying her rent, her Medicare, her medicine and her MediGap insurance, she has got $130 left for that month and that has got to go for food, for heating, for all her utility bills.

That is why we have fought so hard to make sure that people like her do not have to pay an extra $700 a year in the next 4 or 5 years for Medicare, because they cannot afford it. It is a huge part of their annual income.

Now we have got this proposal that Senator Dole and Mr. Kemp and Mr. GINGRICH have put together that would cut taxes 15 percent. But the problem with that is, besides most of it going to the folks, very folks at the top, is that it would either blow a big hole in our deficit, and we have brought this deficit down from $290 billion 4 years ago to $116 billion now. We have brought it down by 60 percent.

□ 1630

It is going to blow a big hole like we did during the eighties when we spent on defense and then cut the revenue out of the Government. Or the other option is you are going to have to cut from education and programs like Medicare.

So the approach that the President has suggested and we are suggesting, where you target your tax relief to education, $10,000 tax deduction or $1,500 credit for years 13 and 14 in school; you target it on kids; or on the sale of your home, so the middle class gets a capital gains relief. Those things are more modest, although each in themselves is a rather large component, but they are much more modest than an across-the-board cut, and they target people who need it.

So I thank my colleague for raising the issue of Medicare and how it fits into this debate. We are going to be there, protecting it, making sure it is solvent, as the gentleman from Florida [Mr. GIBBONS] has talked to us about, and making sure that it is there for people. There is no reason why we cannot make sure that this program is there in the future.

We, as you have correctly pointed out, have taken two generations out of poverty when they became seniors because of Medicare in 1965, and your numbers are absolutely on the mark: 30–40 percent of the people in this country who became seniors went into poverty, before Medicare. Now that number is down considerably from that figure, and it has been a wonderful program for many, many people. We are going to do all we can to maintain its viability, its solvency, and make sure it is there for future generations.

I thank my colleague for his comments.

Mr. BROWN of Ohio. I would add, before yielding to the gentleman from New Jersey [Mr. PALLONE], that it is important to keep in mind what he said when he talked about Marjorie in Macomb County, or I talked about people that I know in Lorraine or Medina or all over my district, that the proposal last year would have raised premiums, the monthly premium, from $46 to $85 or $90. It would have raised the deductible, now $250 a year, somewhat higher, and would have raised the copays, which are typically $5 or $10, to some higher amount.

What is important about that is that they were cutting Medicare $270 billion to pay for a tax cut of about that amount. Senator Dole proposes twice the tax break, again, mostly for the wealthy. Does that mean the premiums are going to go up from $46 to $110 or $120 or $130 a month? Does that mean that the deductible will go from $250 to $400 or $500, or the copays will go to $15 or $25? We do not know that. They are not telling us.

In order to pay for a tax break of $550 billion, it is pretty clear the Medicare premium is going to go well over $100 a month, and you are talking, what Mr. BONIOR said, that 60 percent of Medicare beneficiaries are living on less than $10,000 a year. While going from

$46 to $100 a month might not be very much for Mr. ARMEY, who talks about Medicare being socialism, or Mr. GINGRICH or Mr. Dole or a Member of Congress, it is a lot for somebody living on $10,000 a year.

I yield to my friend from New Jersey, Mr. PALLONE, who has done more to protect Medicare and fight these cuts and NEWT GINGRICH's ''wither on the vine.''

Mr. PALLONE. I thank the gentleman for what he said. I just wanted to follow up on what he and the gentleman from Michigan [Mr. BONIOR] said.

It is amazing to me how the other party, the Republican leadership, keeps trying to talk about these changes in Medicare and these cuts in Medicare as if they do not really have an impact on real people. But they do.

When both of you were talking about some lower-income seniors, I had the best experience with that when I had a senior forum in 1995, at the time when the Republican leadership was talking about eliminating the Medicaid payment for Medicare part B. In other words, if you are below a certain income so that you are eligible for Medicaid, right now Medicaid pays your part B Medicare premiums, which is for your doctor bills, to pay for your insurance so your doctor bills are covered.

Mr. BROWN of Ohio. In other words, that $46 payment, if you are especially poor, that $46 payment the government will help you with so you can qualify for Medicare.

Mr. PALLONE. Exactly. These were people that could not even afford to pay the $46 that the average person pays now for Medicare part B to pay for their doctor bills. Under the Republican proposal that was considered by this House, and actually passed by this House in 1995, that money would have been taken away. So essentially those really low income senior citizens would not have had Medicaid paying for that Medicare part B premium.

I was talking to people who could not afford to pay another $7 or $8 a month.

Mr. BROWN of Ohio. I think it is important to remember that the people that need help on paying their Medicare premium, the $46 a month, are not usually people that have been on welfare all their lives. They are usually people that have been working all their lives, that never made a lot of money, that want to live their last year in dignity.

I remember in the Committee on Commerce the gentleman and I and others worked on an amendment to at least, as bad as the Medicare bill overall was, to at least put that part of the Medicare law back into place, that Government would help those people that worked all their lives in perhaps minimum wage or slightly above, to help them with their Medicare premium, so they in fact would qualify for Medicare. If I recall, that was voted down on a party line vote because Speaker GINGRICH did not want it in the law.

Mr. PALLONE. Not only strictly party line, every Republican voted against it, but if you remember when it came to the floor, Speaker GINGRICH had said he was going to correct it and he never did. He actually came here one day in the well and said he was going to correct that, and it was not going to be in the bill when it came to the floor, and he never did.

Mr. BROWN of Ohio. If I recall, he said he had corrected it initially. Then a staff person said, ''NEWT, come over here,'' and he explained he had not. And he ignored it and said, ''We will take care of it later.'' It has not been. Fortunately, a Presidential veto stopped it from happening.

Mr. PALLONE. We are primarily talking about widows, elderly women whose husbands had passed on and who did not have any pension or anything to pay their way, and were therefore eligible for this, what they called qualified Medicare beneficiaries.

I only mention that again by reference to the comments that the two of you have made, which is whenever you have these Medicare cuts, there is no free lunch. Essentially what it does is drive up costs in every other way.

You mentioned about the higher premiums for Medicare part B that were proposed by the Republicans in 1995. You mentioned the higher deductibles. You mentioned the higher copayments. But we also had this year, in 1996, actually as part of the budget that the Republicans passed in the spring, the idea of eliminating balanced billing.

In other words, essentially, if you decided you wanted to stay in traditional Medicare, you did not want to go into an HMO or managed care, under the present Republican budget for 1996, the one that passed in 1996, you could actually be charged an unlimited amount by the physician over and above what Medicare could pay.

So if it is not a question of a higher premium or a higher deductible then there are going to be overcharges. They basically have that right on the table now as we speak in 1996, that doctors can charge unlimited amounts over and above what Medicare could pay, now pays, if you stay in your traditional Medicare plan.

Mr. BROWN of Ohio. Mr. Speaker, taking back my time for a moment, the changes that Speaker GINGRICH and Mr. Dole put into the Medicare and Medicaid bill, will go the exact opposite direction of where we wanted to go in detecting fraud, waste, and abuse, rooting it out and eliminating it.

There is the balanced billing issue, there is the issue that allows a doctor, which is prohibited now under the law, but which they want to allow a doctor to be able to refer a patient to an MRI facility or some other diagnostic or clinical facility that the doctor owns, and then go ahead and charge the Government for the referral and the original visit, and then the diagnostic equipment and treatment at that center. It was one issue after another issue that they opened up to more fraud, waste, and abuse, in a system that already has 10 or 15 percent fraud, waste, and abuse.

The first thing we need to do with Medicare and Medicaid is not make cuts to pay for a tax break for a relatively small number of very wealthy people. The first thing we need to do is root out the waste, fraud and abuse. Then we can deal with the fiscal issues with Medicare. But do not charge senior citizens, raise their premium from $46 to $110 a year, and raise the deductibles and copays.

Mr. PALLONE. I wanted to raise three other instances. It is not just seniors that are going to end up paying more because of these cuts; the general public will as well. First of all, the fact, I do not think you mentioned it, you may have, the fact when you cut Medicare, and it is already happening, those that have supplemental insurance, most seniors carry supplemental, Medigap type insurance, the cost of that keeps going up.

I see the gentlewoman from Connecticut is here, who has been so much involved and taken a leadership role on this issue. In our States, New Jersey, New York, and Connecticut, Medigap insurance costs have gone up from 11 to 14 percent every year in the last few years, all time highs. A lot of that is attributed to the cuts in Medicare. If you cut Medicare, then you are going to see higher costs for your Medigap insurance.

Also in New Jersey, let me give you an example, most of the hospitals that I represent in my district rely on Medicare and Medicaid for a majority of their reimbursement, a majority of the money they are taking in. When there is a shortfall, either they close or they find some other way to pay for things. We have seen arise in uncompensated care. We actually have a tax, if you will, on uncompensated care, that we end up paying.

So the general public ends up paying for the difference too. Taxes and costs go up for the general public, because the hospitals are not getting the reimbursement rate they were previously getting. So it is not just seniors that are going to pay more. Everyone is going to pay more, and they are going to pay it in various ways that maybe are not as obvious, but they still end up paying.

Mr. BROWN of Ohio. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Speaker, I really am delighted to join with my colleagues tonight, and I thank the gentleman from Ohio for his leadership on this effort. Just in listening to the conversation, there is not anyone who has suggested that we should not be looking at making the Medicare program a stronger program, a better program, in a variety of ways. No one has their head in the sand to say that hey, it is good. It was started in 1965, we have now insured 99 percent of seniors. In the past that was 46 percent of seniors

who had health insurance. But how do we go ahead and make it better?

My colleagues were talking about the issue of fraud and abuse. There is in the system, I have introduced legislation, others have introduced legislation, to try to correct that problem. We did not remove the monitoring mechanism and the way to make sure that these restrictions on fraud and abuse would be lifted, rather than to look at them and refine it, the whole issue of holding down the costs, because our colleagues on the other side of the aisle will say they are trying to hold costs down.

What is amazing to me is they only want to hold the costs down for America's seniors and for working families. You can hold the costs down, but in order to hold the costs down all over in the health care system, you have to hold the costs down in insurance companies, on hospitals, on doctors, on pharmaceutical companies, and everyone else. Why are we just singling out seniors to do that with, and thereby increasing their premiums and deductibles? They are not talking about doing anything about holding costs down in any other place in the system.

Also, another point, where they held up their trustees' report and talked about how the trustees said we had to fix the program, that was $90 billion. We voted here for a democratic bill that talked about $90 billion, the difference now between $90 and $270 and that tax break of $245 billion for the wealthiest Americans. Now Mr. Dole comes up here and he says to us that he wants a tax cut, and he is going to look at $600 billion in a tax cut, and we know through CBO and others about that potentially $300 billion in a cut for Medicare?

My point is that we know there ought to be changes, but the question is, and I know my colleagues have talked about this already, but the litany from the leadership on the other side of the aisle about fixing this program ought to put the fear of God into the public and give a sense of who can they trust on this issue? Mr. Dole, who talked about being proud of being 1 of 12 that he voted against Medicare because it was a program that did not work? Our colleague, BILL THOMAS, who not just a month ago on this floor talked about Medicare as a socialist system? The majority leader on the other side, saying that this is a program that he would not be part of in the free world? Mr. GINGRICH, talking about it withering on the vine? Mr. D'AMATO, from the other body, talking about how with this new Dole tax plan, that he believes and knows that there are going to have to be drastic cuts in the Medicare program?

It is a question of who do you trust to fix the program, a good program that could be made better. That is what this is about. And that is why I think it is an education process for the American people to understand this debate and truly know who wants to fix it, and who ultimately would like to see it done in to their peril.

So I thank my colleague for giving me the opportunity of having this conversation with all of you tonight on this issue.

Mr. BROWN of Ohio. I thank my friend from Connecticut, who has done such a marvelous job in showing leadership, in not just protecting Medicare against major budget cuts from Speaker GINGRICH and Mr. Dole, but also offering alternatives to strengthen Medicare and make it work for the next generation.

I would add on one thing to what the gentlewoman from Connecticut said, when she talked about holding down costs. Mr. GINGRICH, in talking about Medicare withering on the vine and Mr. Dole saying it would not work when he voted against it 30 years ago, and Mr. THOMAS calling it socialized medicine, and on and on and on, they want to increase costs to senior citizens. They want to double the premiums and copays and deductibles. But they really see Medicare as sort of a piggy bank, that you have this big pot of money, a slush fund or piggy bank, whatever term you want to use.

□ 1645

Medicare is a big program. A lot of money goes through Medicare every year in taking care of tens of millions of seniors' health care. What has happened is they first want to raid this piggybank or slush fund to the tune of $270 billion in tax breaks, mostly for the rich. Now that Mr. Dole has proposed a bigger tax break, they want to cut it even more.

Mr. Speaker, they also want to raid it in another way, and that is some of the programs they have, so that Medicare does in fact wither on the vine. Mr. GINGRICH has proposed something called medical savings accounts, which allows insurance companies to raid this piggybank or raid this slush fund.

It is no secret or it is no coincidence, I should say, that, when Mr. GINGRICH made his little speech about Medicare withering on the vine when he said we did not get rid of Medicare in round one because we did not think it was politically smart to do that, and we do not think it is the right way to go through a transition, but we believe it is going to wither on the vine. When Mr. GINGRICH said that back in October of 1995, he was speaking to a group of insurance company executives, all of whom will benefit from his Medicare plan.

So, first of all, he takes money out of Medicare to go to a tax break for the richest Americans. Then the money that is left in Medicare will not be spent on senior citizen health care to the same degree that it is now. The money that is left, much of it will go to those insurance companies for bigger profits and more money for them.

So we see already a declining amount of money in Medicare as a result of the Gingrich tax breaks for the rich. We see a further diminishing of this Medicare pot that should go to people like Margie in Macomb County, or people like the gentleman from New Jersey [Mr. PALLONE] was talking about. Instead of going to them, it is going to insurance executives. It is going to the people at Golden Rule, in Indiana, to the Blue Cross/Blue Shield. Those are the people that Mr. GINGRICH was speaking to that day. It is one thing after another that way.

Mr. Speaker, the reason Medicare will wither on the vine under the Gingrich plan is he will cut the amount of money in it with the tax breaks. We will see more of the health care dollars going to insurance companies so that senior citizens will have even less, and then the system literally does wither on the vine.

He was speaking correctly when he said it would wither on the vine under his proposal. He was not lying to the American people if he gets his way. But he is not going to get his way because the four of us and dozens of others in this body will continue to fight that. The President will continue to fight that. Clearly, the American people have been on our side because the Republicans shut the Government down in order to give this big tax break and make Medicare cuts.

So it is clear that the more people know about the Gingrich-Dole plan on Medicare, that they want to double premiums and increase copays and increase deductibles, the more the people will be unhappy about it.

I yield to my friend from New Jersey.

Mr. PALLONE. I also wanted to say, I know the gentleman mentioned Medicaid as well, and we talked about that a little, and the same phenomena, particularly by reference to what it means for people other than seniors, their children and grandchildren. A part of the Republican leadership strategy from the beginning has been to also cut back on Medicaid, and the majority of the money in Medicaid right now pays for nursing home care. So, again, it primarily deals with taking care of the health care needs of the senior citizens.

We fought a very hard battle, you and each of the four people and the others that spoke here this afternoon, in trying to make sure that Medicaid was not cut back and also that it was not block granted. If it was block granted and it was cut significantly, I think what you would have seen essentially is that the States, in taking on more responsibility and relaxation of Federal standards and Federal requirements, basically would have shifted more and more of the Medicaid burden, the nursing home burden, if you will, to children, to spouses, to grandchildren.

Right now, as we all know and we have talked about this before, a State cannot go after a spouse for certain purposes. They cannot take their home. They cannot take their car. They have to leave them a certain

amount of living expenses if one's spouse is in a nursing home. They cannot go after children or grandchildren to pay for Medicaid nursing home expenses. But the Republican legislation that was before the House last year and again this year basically would have eliminated those requirements and allowed the States to go after those people in order to recover costs.

So what we would have seen is the cuts in Medicaid to finance these tax breaks primarily for wealthy individuals. More of the costs would have been shifted to the spouse, who is still living at home, to the children, to the grandchildren. Again, there is no free lunch. The end result of that would have been hardship for those people, hardship for children who instead of paying college costs, which are a big burden for them, for their children, would end up having to pay for nursing home care for their parents.

Mr. Speaker, that is the kind of shifting of costs that really bothers me. The other side of the aisle, GINGRICH and the Republican leadership, they want to give the impression that we can make these cuts in Medicare and Medicaid and it is not going to matter. It is not a big deal.

They keep saying we are really only cutting the growth, we are not doing anything that will harm anybody. But it has a direct impact in the shifting of costs not only to the senior citizens but also to their families. That is what I think we fought very hard against and we have to keep fighting for.

Mr. BONIOR. Would the gentleman yield on that?

Mr. BROWN of Ohio. I yield to the gentleman.

Mr. BONIOR. The gentleman makes a very good point. We are not talking here about something that will affect just seniors in this country, as he has so eloquently just stated. We are talking about the family who has kids coming up and maybe want to go to college, and they have aging parents who may need nursing home care or who may be on Medicare. When these things occur at that level of reduction, for our parents and our grandparents who are 65 and older, and who may need nursing home care and need that Medicaid payment, then those responsibilities and those pressures and those demands fall on people that are basically our age here who have kids and then who have parents who are getting up there in age.

That financial pressure is just quite incredible not only financially but mentally as well, the stress of having to make that decision whether you are going to send your son or daughter to college or you are going to take care of your parent.

Mr. Speaker, this was something that occurred on a very regular basis prior to 1965, before we had Medicare, before we had a Medicaid program in this country. What was occurring is when elderly people got ill, either their kids basically took care of them or they had to live in poverty. So what we are trying to do here is keep all the units of the family solvent. We are talking about kids who want to go to school. We want to support the student loan program. They wanted to cut it back.

We are talking about elderly parents who may need nursing home care. We want to make sure that it is there for them in terms of Medicaid. They wanted to repeal the whole program, not only repeal the program but do away with the regulations that allowed our parents and grandparents who may have to have nursing home care to live with some sense of dignity, where they are not tied up, where they are not gagged or fed improperly or abused, as they were prior to the government making regulations to stop this sort of abuse of our parents and grandparents.

So the gentleman from new Jersey [Mr. PALLONE] is right on in terms of dealing with this question of the burden of leadership shift, and it will shift dramatically, as it has in instances already, to those folks at home who have children and who have aging parents as well.

Ms. DELAURO. If the gentleman would yield just on that point.

Mr. BROWN of Ohio. I yield to the gentlewoman.

Ms. DELAURO. Mr. Speaker, it is so clear. Nursing home care and what the proposal was with regard to Medicaid really gets into the heart and soul of what families are struggling with today.

It is a very difficult decision to send a loved one to a nursing home. You make it with a sense of, am I doing the right thing for my elderly grandparents or parents; am I making the right decision for them, for me; what happens with my children?

And this whole Medicaid proposal that says the money goes to the State, States will make a determination and make a choice between whether or not they spend their Medicaid dollars on children or on seniors in nursing homes. They were going to remove the national standards on nursing home care, as has been pointed out, put the burdens on spouses and adult children.

Once again it was turned around. Suppose we find ourselves in a situation where our parent, if this went through, if we were not able to hold it back this time around, that the family would then, having made the decision of putting someone in a nursing home, have to take the person back into their home. What kind of cost is that? What kind of help do I provide——

Mr. BONIOR. If the gentlewoman would yield. The cost is about $39,000 a year for nursing home care. It is a phenomenal cost.

Ms. DELAURO. It really is. I went to speak to the Milford Senior Center yesterday. They have their club today. There were about 200 people. And we were talking about this, and we were talking about the nursing home care. After it, a woman came up to me. She says, you know, she says, I rely on the nursing home. My husband is there.

It was a very tough decision for her to put her husband in the nursing home. She said: He is getting wonderful care and they are taking good care of him. And she says: I would not be able to do that, I cannot do that if something should jeopardize all of that.

That is what we were looking at. And, quite frankly, my concern is that we beat that battle back one time. It was the American public, the outrage of the American public on what was going to happen. Now we listen to people over and over again coming back and talking about the same things again; that they are not——

Mr. BROWN of Ohio. The same thing, only worse, I would add, because now the tax break mostly for the wealthy is twice the size Mr. GINGRICH and Mr. DOLE originally planned, which means, I guess, they will not tell us, but we have to figure it will mean twice as large a cut in student loans, twice as large a cut in the environment and twice as large a cut in Medicare or Medicaid or twice as large an increase in premiums, deductibles and co-pays. They simply will not tell us.

I yield to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. This goal of the Gingrich-Dole-Kemp plan here is indeed a bridge to the past, to pick up on a metaphor that has been thrown around the last few weeks. They are reaching deep into the past to a day where we did not have Medicare for our grandparents, where we did not have Medicaid that would take care of nursing homes, or we do not have help for our students.

It is quite bizarre, especially given the fact that my colleagues on the other side of the aisle consider themselves the epitome of futurism, the futurist ideas that they were espousing at the beginning of the Congress. And yet where do they want to take us? They want to take us way back when the security for the family was nonexistent basically in this country, in many ways.

So it is very, very perplexing. What we need to do is build on the programs that we have, streamling them, making them more efficient but making sure that they are there so that people will have the opportunity to lead productive and good lives.

Mr. BROWN of Ohio. Think about the programs, and there are certainly Government programs that have wasted dollars and Government programs that have not worked, but think of the two programs we are talking about most today, a couple or three programs, Medicare and student loans.

Medicare has lifted millions of the elderly out of poverty in the last decade or two or three of their lives. Student loans have provided opportunities for millions of middle class families to send their children to college.

Both programs obviously can use some adjustment, but it is clear from what Mr. Dole's campaign manager said, Senator D'AMATO said, what Mr. Kemp, what Mr. Dole, Mr. GINGRICH

said, that they really want to eliminate these programs in the next decade. They are two programs that work so very well for middle class America, for poor America, for everybody.

Mr. BONIOR. On top of that, let me tell my colleagues what is especially disturbing to me. I remember picking up maybe 18 months ago the first volume of the Progress in Freedom Foundation's newsletter, that is the foundation founded by the Speaker, Mr. GINGRICH. And in their newsletter, actually it was more of a newspaper as opposed to a newsletter, I remember vividly reading the headlines. And it was, for heaven's sake eliminate Social Security.

That is where they are going next. That is where they are headed next. And they have already got their think tanks working, they are already talking about it. And we told, folks, that they were coming after Medicare. And the proof is in their own words as we have mentioned here on several occasions this evening in this 1 hour special order: wither on the vine, proud to have voted against it, no place in the free world. And now they got folks working on getting rid of the Social Security System.

□ 1700

It has been a lifesaver for people in this country.

Mr. BROWN of Ohio. There are the intellectuals, quote unquote, in the Gingrich revolution that sit over at the Heritage Foundation or sit over in their ivory towers and somewhere around the Capitol in one of these really fancy buildings and think up all these great ideas and are totally out of touch with Margie in Macomb County and totally out of touch with the woman that Ms. DELAURO talked about, that have real problems, living on $8,000 a year, that struggle, that were able to send their kids to college on student loans, that need their Social Security, that use Medicare in the last couple of decades of their lives. They are coming up with these ideas and then these are the ideas they are trying to foist on the American people out of some think tank. The Social Security, Medicare, student loans, we are going to keep fighting for it because those are important and those have made millions of Americans who have brought them into the middle class and kept them in the middle class. That is what all of us should be here for.

Mr. PALLONE. I just wanted to follow up. It is funny you are talking about these Washington think tanks. I was just harking back to during the August district work period when we were not in Washington, I had a lot of senior forums. Over and over again, I just got these commonsense approaches from the seniors in my district about what to do to improve Medicare. And they all talked about long-term care, preventative measures.

In New Jersey, we have with the casino revenue fund. We refinance a program where if you are below a certain income, I think it may be probably close to $20,000 now for a two-family household, where if you are below that income, the casino revenue money pays for your prescription drugs. You have to pay like $5, but then you get the rest of the prescription drug for free, paid for with the casino money.

Also the State has experimented, I know other States have as well, with home health care. In other words, where over and above Medicare right now, they will pay for a certain type of home health care cost on an experimental basis. All the seniors kept telling me the whole time is, why are you guys talking about these negative changes, if you will, that the Republicans are proposing on Medicare. Why not think of some positive ways to save money through prevention or through dealing with long-term care problems. And it is true. There is no question that in New Jersey, once that prescription drug benefit came into play with the casino revenue money, which we were fortunate to have, that it saved a lot of money for people that did not have to be hospitalized or did not have to be placed in nursing homes or boarding homes. And the same with the home health care.

They have personal care, attendant service for certain people that come in so that they can stay in their apartment or stay in their house. Over and over again, studies have been done for the House of Representatives, for various committees, that show if you move in that direction, that ultimately you will save money because you prevent institutionalized care, which is so much more expensive. We do not hear about that from our colleagues on the other side of the aisle. They just want to talk about scrapping Medicare, having it wither on the vine.

Ms. DELAURO. That is such a relevant point, because what all of the data indicates is that the point was, in terms of health insurance, that you spread the risk so that the more people who are insured and who are covered, that is the way that you bring costs down. When you are operating in 2 systems, if you will, with people who have it and people who do not have it, people who do not have it get their health care from somewhere and that cost does not go into a vapor. Everybody else who does have it picks up that cost.

So the whole point has been, how do we get more people insured to lower the cost of health care. What we ought to be doing is thinking about that future, of insuring more people. We have only one system today where 99 percent of the population are covered, and that is Medicare for seniors.

And one of the items on the agenda, the Families First agenda that the Democrats have proposed for implementing after January 1 is to see if we can try to insure children from zero to 13 so that we have got another pool of people covered for insurance, again, to give parents the peace of mind that they have the opportunity to get insurance for their kids and make that more affordable.

Mr. BROWN of Ohio. And to ultimately save money so the 12-year-old child with the cold will go to the family doctor rather than waiting until she is sicker and going to an emergency room.

Ms. DELAURO. So the point is, where do we need to go, as my colleague from New Jersey said, with regard to improving Medicare. We need to look at home health care, which can save us money. We need to look at the cost of prescription drugs to bring that cost down. What is it, what is it in the mindset that says, let us unravel the one system that we have that is approaching coverage of most of the population, thereby holding the cost down and not build on it but rather unravel it and go back to where it is helter-skelter, when we ought to be moving in the direction of trying to cover more and more people today who are without insurance and to look at preventative measures. It is, as our colleague from Michigan said, it is a bridge to the past and not the bridge to the future that we need to be making in order to assure affordable good quality health care for everyone in this country.

Mr. BONIOR. I will try to answer your question in terms of the mindset. It is the same mindset that denies proper labor guarantees in this country so people can bargain and organize in this country. It is the same mindset that, because of that, allows the society to become one that hires people who are temporary employees. The largest employer in the country is temporary manpower services now.

It is the same mindset that has these folks working in our society without health insurance, without any pensions, certainly without any pension portability, and without many of the other benefits that were fought for, gained, and took us successfully, at the conclusion of the Second World War, into a very productive, most productive period in our history during the 1950's and 1960's.

There is a huge retrenchment, there is a huge bridge to the past, pre-World War II, pre-1930's, and it is very, very scary. It is very, very scary. Where the protections of working men and women in this country are gone and the educational opportunities for our young people are becoming harder and harder to realize. And of course this assault on our seniors, their attacks on Medicare and Medicaid, and eventually, I predict, Social Security, if they are continued in power. So it is something that is worth fighting for, that we have fought for and will continue to do so.

Mr. BROWN of Ohio. I think, in summary, we have a couple more minutes, thinking about the bridge to the future and making the student loan program, particularly the direct loan program, work, make it available to people, make Medicare continue to improve

Medicare and Medicaid so that we can deal with the increasing costs but continue to cover people and continue to give people, lift people out of poverty, as we have done, contrasted with this bridge to the past that we have talked about where we do not want to go back to the days when, before the GI bill, when there were not opportunities for middle-class families to send their children or themselves to college.

We do not want to go back prior to the 1930's, when there was not a Social Security Program. We do not want to go back to the period before 1965, when there was not Medicare or Medicaid, when 50 percent, 54 percent, I guess, of senior citizens in this country had no health insurance prior to the mid-1960's, and now only 1 percent has no health insurance. There is no reason to go back. That is why we need to look forward.

I think the commitment, certainly from all four of us and many others here, is to continue to improve Medicare, continue to improve Medicaid, continue to improve the direct loan program, student loans overall, student grants, to take care of the elderly and to protect our natural resources by good environmental protection measures and to continue to give students opportunities, middle-class families, poor kids, give them opportunities that they can produce and they can give back to society.

I think that is what we are asking, and it is a rejection of these tax breaks for the rich to make all of these cuts in programs that matter, Medicare, student loans, environment, but instead to make these programs more efficient, make them work, bridge to the future so that students will have that opportunity so all of us can grow together.

I thank my friends from New Jersey, Michigan, and Connecticut.

WHITE HOUSE TASK LIST

The SPEAKER pro tempore (Mr. ROTH). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. COX] is recognized for 60 minutes as the designee of the majority leader.

Mr. COX of California. Mr. Speaker, I rise this afternoon to talk about a document that was recently provided, very belatedly, by the White House to the Congress, a document now referred to as the task list. It is dated December 13, 1994, but it was just provided to the Congress in recent days. The task list shows 39 scandals that the White House staff in the West Wing, taxpayer supported staff, decided that they needed to work on because there was now going to be a Republican Congress. This memo was prepared just after the November 1994 elections.

I would like to read just briefly the scandals that the White House decided that it needed to task its own staff to work on. Some of these scandals are, of course, well known to the American people, but other scandals have only recently become known, even though this memo was written on December 13, 1994.

No. 1, Foster document handling. We will return shortly to the specifics contained in this memo on each of these. There are several admissions of illegality in this very memo.

Travel Office. We know all about Travelgate, of course. That has become a major scandal just as they predicted in here.

White House-Treasury contacts. Of course, we know about the illegal contacts between senior political appointees at the Department of the Treasury and the White House, tipping off the President, giving a heads up to the President and Mrs. Clinton about the criminal referral of the Whitewater matter.

Obstruction of justice, I am reading this from the White House internal memo, obstruction of justice re DOJ handling of criminal referrals. Use of White House resources for response efforts. Of course, that is what this memo is all about, but that is one of the scandals that is listed here. This entire memo is devoted to how to spin the press about the various scandals.

Foster suicide. Espy. Of course we know that Mr. Smaltz was assigned as an independent counsel to investigate the Mike Espy ethics question. We know about the criminal problems with Tysons there. Henry Cisneros, Ron Brown, Hubbell. Of course, we all know about the next top ranking man at the White House right underneath the Attorney General, Webster Hubbell, who is now in jail.

Ickes, union representation. And of course with Coia and all that ABC News has done on this scandal just in recent days, we now know why in 1994 they were worried about that.

Stephanopoulos, Nation's Bank. Again, this is a White House memo that they prepared secretly inside the White House using taxpayer resources and in the White House counsel's office, which they should not have been doing. That is not appropriate use of taxpayer funds. They have listed all of these scandals that they wanted to innoculate against and spin the press about.

The Stephanopoulos-Nation's Bank story was of course what the press widely described as a sweetheart, below market mortgage for George Stephanopoulos, the kind of deal that ordinary Americans could not get.

□ 1715

State Department passport files; another Clinton administration scandal that we are so familiar with.

Archives abuse of personal system. This is one scandal that they have not fully disclosed to us and that we will find out more about.

The Legal Defense Fund, and of course we know all about the ethical problems that the President encountered there, soliciting funds for the Legal Defense Fund when such solicitation is, in fact, in violation of the law.

The Health Care Task Force, and of course we know that that resulted in litigation against Hillary Rodham Clinton's task force. We know that a Federal judge ruled against the task force, and found that it was put together in violation of the Federal Advisory Committee Act and that documents were withheld from the public and from Congress when they should not have been.

Now there are 39 of these scandals that White House staff—there is a name of a White House staffer right after each one of these, after each one of these scandals, and they were all assigned and presumably are all still working at taxpayer expense on preventing the Congress from getting to know all of the facts in these things.

White House operations, drugs, passes, helicopters, and does that not ring a bell for so many of us? Each of those scandals, drugs in the White House, the passes being given to people without personnel clearances, the misuse of helicopters which resulted in the termination of White House staff; this is next on the White House, the Clinton, list of scandals that they were working on secretly in the White House.

Residence renovations. This is one that they believed was a potential scandal, but the American people do not yet know about it. We have just received this document.

Presidential immunity. Well, of course, we know that that is all having to do with the Paula Jones litigation, Paula Jones having sued the Governor of Arkansas for acts in his capacity, not as Governor but as a private individual apparently abusing the office, at least according to the allegations in the complaint, and the President has used not outside lawyers but taxpayer supported lawyers to make sure that his private civil litigation could be put off until afterward. This is, by the way, something that the courts have now reversed on and they have decided that President Clinton cannot put this off, but he has successfully put it off beyond the election.

White House Arkansans, Thomasson, Nash, Rasco; need we say more?

PIC surplus.

Improper electioneering at the SBA.

Now these are all admissions by the Clinton White House to themselves within the White House internally of what they were doing wrong.

GSA.

Value Partners. Now Value Partners was, of course, the partnership that Hillary Rodham Clinton invested in. Rather than putting their funds in a blind trust, they did not do so like President Bush did, like President Reagan did, like President Carter did; rather, ran their own investments, and Hillary Rodham Clinton was a partner in Value Partners, a hedge fund which sold short pharmaceutical stocks at a time that the pharmaceutical stock market was falling through the floor because of the Hillary Rodham Clinton

Task Force, and that was, of course, scandal number 7 or so up here on the list.

Presidential campaign, FEC audit.

Commodities.

Now of course we know what the commodities is all about. That is the miraculous fortune that Hillary Rodham Clinton made on the investment of a mere thousand dollars in the cattle futures market.

Gubernatorial campaigns; Lindsey, Wright, recordkeeping. There is more in this memo about that later on, but of course we know that in connection with the Whitewater criminal prosecution that Mr. Lindsey was named as an unindicted coconspirator.

Gubernatorial campaigns dash MGSL, and that means Morgan Guaranty Savings and Loan. The S&L at the heart of the Whitewater scandal was apparently involved in gubernatorial campaigns, gubernatorial campaigns back in Arkansas that the White House counsel were working on in this administration in the White House, 1994, December, with taxpayer funds.

And then the next scandal is Whitewater slash Morgan Guaranty Savings and Loan.

Other: MGSL slash McDougal, right below that.

Rose law firm, the next scandal. HRC, and that is Hillary Rodham Clinton, worked for Morgan Guarantee S&L.

David Hale slash Susan McDougal slash SBA, and there are different White House staffers assigned to it.

Tucker, and of course Tucker is now in jail, the Governor, or headed for jail.

Next: Lasater, bond deals, cocaine, Roger Clinton.

Now this is not a Member of Congress reading things to impugn the White House. This is a White House memo that says ''privileged'' on it because it is being handled by lawyers in the White House counsel's office at taxpayer expense for Bill Clinton, that was requested by the Congress and was not turned over to us until just now.

Lasater, bond deals, cocaine, Roger Clinton was the next scandal that they have tasked White House staff to work on.

Use of loans to achieve legislative initiatives. This is a new one that we were not aware of, but apparently they were working to cover that up.

Mena Airport. Well, we all know about the drugs and deaths surrounding Mena airport while Bill Clinton was Governor.

Troopers, another scandal, the so-called Troopergate scandal, and then there is a whole category here of scandal, women. That was during the Clinton campaign when President Clinton was running in 1992, his own campaign, not Republicans but his own campaign, referred to as bimbo eruptions.

Now this memo goes on in the case of each scandal to describe tasks to be performed and strategy for dealing with that particular scandal.

Let me give you one example.

Mr. WALKER. If the gentleman would yield before the gentleman moves on, could I just clarify in my own mind what the gentleman is telling us about the memo itself? Do I understand the gentleman to say that this is not a memo prepared by any congressional committee or any organization here on Capitol Hill, or for that matter, any outside organization? Do I understand the gentleman correctly? This is a memo that was prepared inside the White House?

Mr. COX of California. That is correct. This document called the White House task list is dated December 13, 1994. It was compiled by an associate counsel to the President, Jane Sherburne. Her initials are on it, and it lists all of the scandals that she anticipated would plague the Clinton administration and that Congress was now likely to look into because in 1994 we had just been elected, a Republican Congress, not yet sworn into office, and this memo explains how they were going to make sure that Congress did not——

Mr. WALKER. That is what I wanted to clarify.

Now the date the gentleman has given us is December 13, 1994, which is a matter of a few weeks after Republicans have taken over the Congress. Now they had had no problem up until then because literally all of the calls for investigation of White House potential problems had been buried on Capitol Hill.

But now, if I understand the gentleman correctly, this memo is prepared because they now anticipated that they would have some problems with the new Congress that would obviously not be friendly on some of these issues and would actually likely investigate some of the scandals.

Is that the gentleman's impression?

Mr. COX of California. That is exactly right, and it is rather clear that Jane Sherburne, the associate White House counsel who personally drew up this list of all of these scandals, was prescient. While they were claiming no wrongdoing, behind the scenes they were putting together memorandums like this, and the result in the ensuring years has been that 5 of Bill Clinton's closest associates, including his Attorney General and including the Governor of Arkansas, have since been convicted of crimes.

Mr. WALKER. So what they were doing here was they decided that, ''OK, we've got a problem. We've got a Congress that is likely to begin looking into things that have gone wrong in this administration.''

And so is the gentleman telling us that what they did was they prepared a list of everything that they thought Congress might look into where they had themselves a big problem?

Mr. COX of California. That is exactly right, and furthermore, what I have just covered is the list of the names of these scandals, but the memo, which is quite lengthy, goes on then to describe the strategy for dealing with each of these scandals so that anyone trying to investigate would not be able to get to the bottom of it, and I will give you one example.

One page 4 of this memo there is a heading, ''Security,'' by which they mean White House security slash Livingstone issues.

Now keep in mind that this was dated December 13, 1994. You may recall approximately when Craig Livingstone came upon the national scene, became a household name because of that Clinton scandal. It was not in 1994, but in 1996, 2 years later. But listen to what this memo says back in 1994.

''Review Livingstone file.''

Now, presumably they did.

''Interview Livingstone.''

They wanted, apparently, to deal with Livingstone problems back in 1994, all of which were covered up so that the Congress and the American people did not find out about them and did not find out at all about Filegate, literally hundreds of files on Republicans who had worked in the White House in previous administrations, FBI files which had been collected by this White House under Craig Livingston.

Mr. WALKER. Okay, but if I can just follow up on the gentleman for another moment.

So what we have here is a memo that was prepared internally within the White House suggesting that they knew that they had a series of scandals that Congress was likely to investigate and that they had reason to be worring about.

Is that what we believe we have in front of us?

Mr. COX of California. That is precisely this memo. I will give you another example if you wish.

Mr. WALKER. Now, if this was an internal document within the White House, how do we now have it?

Mr. COX of California. Well, of course we had to subpoena it, we had to threaten to subpoena it, because we asked for all of the Travelgate memos to be turned over. Travelgate, which was another Clinton White House scandal, involved the firing and smearing, through the use of the EBI, of what we now know were honest and innocent White House civilian career employees.

Mr. WALKER. So the only way that this memo came to light was the fact that Congress was subpoenaing documents. Now, was this particular memo withheld from Congress for a while?

Mr. COX of California. For a very long while, The request for 3,000 pages was originally described not all that long ago by the White House as a request for toilet paper, that this was a trivial request, that they should not be asked for such documents. When finally we got the first 1,000 pages of the 3,000 that we requested, we got the famous list of all of the FBI files, the background files, the very, very confidential law enforcement background files, on people who had worked in the White House. These had been collected

illegally by the White House for patently political purposes.

Mr. WALKER. And so for a while the White House was claiming that this information was in fact information that no one had the right to know, not even the Congress, when originally the memo was prepared because they believed that Congress would want to know about these matters.

□ 1730

Mr. COX of California. Precisely. In fact, while we learn about this same process in what turns out to be pulling teeth from the White House, trying to get them to cooperate, because they are claiming executive privilege about all of these things so they do not have to do anything cooperative with the Congress, they first gave us 1,000 of the 3,000 pages. And in that first batch of documents which we got under a threat of subpoena, we found out about Filegate and all of the FBI files that had been collected on senior officials, including James Baker and others well known.

But we did not get this memo. It was only 2 weeks ago, on August 15, that we got this memo. This is brand new, and almost no one, even many of our colleagues here in Congress, has yet had the opportunity to read this, but it is clearly shocking.

Mr. WALKER. So while White House spokesmen like the press secretary, Mr. McCurry, and even officials within the White House, have gone to the American public and suggested to them that there is absolutely no substance to any of the scandals that have been discussed on Capitol Hill and that Congress should be embarrassed to look into these matters, they internally had prepared a document which suggested that all of those scandals were real, and in fact, that they were very worried about them?

Mr. COX of California. Correct. Not only were they very worried about them, but what is outlined in this memo is a specific step-by-step plan to keep the Congress and the American people from finding out the truth.

Mr. WALKER. So this is not just a listing of the scandals they are worried about, this is a listing on how they are going to cover it up?

Mr. COX of California. Let me read it. Here the issue is ''chain of custody re transfer of Clinton personal files.'' Of course, we are talking about the Whitewater files here, because these have not been turned over. They have not been made public. The President has not come clean and cooperated on this.

Here is an item on the to do list: ''Determine strategy re release of Whitewater file.'' They wanted to determine their strategy for releasing this. This was not a decision to share with the public, they want to find out how they can selectively make this available. I do not know what else a strategy re release of files is. If you were going to share the information and cooperate and show there was nothing to be concerned about, you would simply make the information public. But here they say they want to determine a strategy re release of Whitewater file.

''Under search of Foster office'', another heading, they have this item to do: legal research on the basis for resisting identification and production of all documents in Vince Foster's office and Bernie's safe. So they wanted to go and do legal research so they could come up with a legal pretext for resisting identifying and producing all documents in Vince Foster's office and Bernie's safe. That is the kind of memo.

Mr. WALKER. So what we have here is a memo designed to look into all of the ways in which they could resist any kind of investigation on Capitol Hill; and is it possible that some of this was also designed to resist any investigation by a special counsel?

Mr. COX of California. I do not think there is much question about that. Under the heading ''Obstruction of justice,'' and I have to repeat, because otherwise this sounds——

Mr. WALKER. They believed they had a problem with obstruction of justice?

Mr. COX of California. It is the very heading in their own memo, ''Obstruction of justice.'' This is prepared by the White House counsel's office, analyzing the legal problems of the Clinton administration.

Mr. WALKER. So in 1994 the legal counsel's office believes that the White House could have a problem with obstruction of justice?

Mr. COX of California. It does not say ''could,'' it says ''Obstruction of justice,'' and underneath that it says ''Delay in addressing criminal referrals, Department of Justice role.'' Under that it says, ''Determine usual process.'' Think of what it is that we are talking about here. The delay in addressing the criminal referrals, that was, of course, the delay in referring for criminal prosecution the whole Madison Guaranty Savings and Loan default and collapse at taxpayer expense.

The job for the White House counsel, and remember, this is now Whitewater, this is the real Whitewater business, with Madison Guarantee and the Whitewater loan transactions and so on. We have the White House counsel, the lawyers for the President of the United Stats in his official capacity, working at taxpayer expense to do this task: Determine usual process, so we can find out how they should have done it, because obviously they know they did not do it the usual way, so they had to look up, after the fact, what would have been the usual way to handle the Whitewater transaction.

Mr. WALKER. Is the White House counsel's office even supposed to be engaged in this kind of thing?

Mr. COX of California. This is one of the reasons why I am here on the floor this evening, because as senior associate counsel to the President myself in the White House counsel's office, I could not be more familiar with the distinguished history of the White House counsel's office and its authentic purpose.

The reason that the White House counsel has a five-decade history of serving Presidents from both parties is that its mission is to protect the President and the Presidency from illegal acts or from any kind of trouble arising during his course or her course, should we have a woman President one of these days, of administration during the course of office.

It is for the President's official activities, not for his tax returns, his personal tax returns, and certainly not for his private investments, and certainly not for the criminal investigation or prosecution of his friends and cronies from Arkansas or even elsewhere in the administration. But that is exactly what this White House counsel's office has been doing.

I will tell you, when I worked in the White House counsel's office in a previous administration, we did not look at the President's tax returns. That was done at the President's personal expense by the President's own private law firm. But in this White House counsel's office, Vince Foster at the time of his death was actually working on the Whitewater partnership tax return. That is what he was doing in the West Wing of the White House at Government expense.

It is a perversion and abuse of that function, and it is obviously all the more poignant when one reads this very long memo called the task list of some 39 separate scandals identified by the Clinton administration, all being handled in that White House counsel's office.

Mr. WALKER. If I understand what the gentleman has told us, you have the White House counsel's office preparing a memo on how to evade examination by the Congress of matters that they believed were of serious concern, and also how to evade potential legal prosecution for some of the things that may in fact be illegal?

Mr. COX of California. That is correct; and also how to conjure, after the fact, legal justifications and pretext for sins of omission and commission already occurred.

Mr. WALKER. Is there any precedent for the White House legal counsel's office, for the White House counsel's office, to be the perpetrator of a memo designed to bring about a cover-up?

Mr. COX of California. To the contrary. In past administrations, the role of the White House counsel's office has been to facilitate the flow of information, to make sure that when a question arises in connection with a potential scandal or an accusation of lawbreaking, that all of the relevant information is shared not only with law enforcement authorities or an independent counsel, but also with the Congress.

I can tell the Members that in the Bush administration, in the Reagan administration where I served, and I am sure that this is true also of the Carter administration, the Ford administration, that if there was a question of the President breaking the law, if there was a suspicion that the White House staff might themselves to be complicit in law-breaking, then no claim of executive privilege would be used to shield that person from proper inquiry by the law enforcement authorities or by Congress in fulfillment of its oversight responsibilities.

To the contrary, this administration has asserted executive privilege, up until August 15; over this very document. Executive privilege is not meant to be a shield for White House staff who are accused of criminal misdeeds. Neither is it supposed to be a shield for the President's own personal investment problems. Rather, it is meant to protect the Nation and the national security.

Mr. WALKER. Am I not correct that a number of people who are tasked on this memo, it is called a task list, as I understand it, a number of the people who are listed as having the task of doing these jobs that are designed, as the gentleman points out, for cover-up, are in fact employees of the White House counsel's office?

Mr. COX of California. In fact, they are all of them employees of the White House, all of them staff of the President.

Mr. WALKER. Let me check with the gentleman. For instance, I see down here the name Kendall. Now, Kendall——

Mr. COX of California. David Kendall is an outside lawyer.

Mr. WALKER. But a number of the people who are given these tasks involved with trying to withhold information from Congress and also to cover up these scandals are in fact people who are employed at the taxpayers' expense in the White House counsel's office, is that correct?

Mr. COX of California. That is correct, in the White House counsel's office and in the White House staff, a total of 15 staff members, we have toted this up, earning an annual salary of $1.3 million. These people who are supposed to be doing the people's business, executing on legislation, policy, and the national responsibilities of the President of the United States, are instead on scandal detail, and what a long scandal list it is, 39 separate scandals identified in this memo, and strategy outlined not just for dealing with the Congress, not just for withholding documents, not just for coming up with legal pretexts for doing so, but also for dealing with the press. Because in almost each case, there is another item to do on the list: Prepare press strategy.

We have, for example, a heading ''White House/Treasury Contacts.'' You remember Mr. Altman had had to resign because of illegal contacts between the highest levels of the Treasury Department and the White House, tipping them off as to pending investigations, when that was a complete violation of normal procedure. ''Prepare press strategy'' is what they have on their list here.

So when you see a representative of the White House in the press room or a representative of the Treasury in the press room coming clean with the press, what they are really doing is executing on a strategy that was concocted all the way back in December 1994 to prevent the American people and the Congress from learning the truth.

Mr. WALKER. I think this is one of the more incredible documents that we have had released. Of course, it was released under duress. The committee literally was told for months that these kinds of documents did not exist in the White House, and that the committee had no right to be asking for them, and then only under extreme circumstances did this particular memo come to light.

Now we find out within this memo that, in fact, there was a plan being executed to try to see to it that such memos did get to Capitol Hill, and that responsible investigators were not able to understand anything about what was really happening inside the White House.

I find all of this extremely disturbing. It is one thing to claim executive privilege as a way of protecting vial national secrets that affect the operation of the Government. It is another thing to claim executive privilege and try to use it to cover up the misdeeds of people within the White House and within the administration, misdeeds that are so obvious that the White House counsel's office was able to prepare a list of all the ones that they thought that they were potentially guilty of.

It is a horrible manifestation of the use of executive privilege and is something which I would think in most cases should disturb anyone who looks at the willingness of public officials to come clean about potential problems within their jurisdiction.

Mr. COX of California. There is no question that this memo gives the lie to two claims made by the White House. The first is that they would be relying on outside counsel, which, of course, they should, because these are all scandals, private criminal problems of the people involved. Clearly they were still using the White House counsel's office, even after they hired their outside counsel. They were using some 15 members of the White House staff at an expense, an annual salary, of $1.3 million.

Second, when they said they were coming clean, when they said they were cooperating and trying to put all the information out for the public to see, what they were really doing was just the opposite, using legal devices to cover it up and stonewall. Unfortunately, now executive privilege in this administration is coming to be a synonym for coverup.

Consider just a few items on page 10 of the task force memo. We have under the heading ''Whitewater investment'', ''Press strategy.'' It is all sort of the Dick Morris spin of how are we going to pretend to be talking truthfully to the American people on these issues when, in fact, it is all a strategem?

Take a look here under the heading ''MGSL,'' Madison Guaranty Savings & Loan, where they say ''Rose Law Firm work, HRC,'' Hillary Rodham Clinton; A, conflicts; B, enabled Madison Guaranty to stay open longer than it should have. What an admission in a document we did not get until 2 weeks ago.

Mr. WALKER. I would agree with the gentleman, that is a fairly big item. In other words, they knew that some of the work done by the Rose Law Firm enabled the Madison Guaranty Savings & Loan to stay open longer than it should have, and those were the kinds of institutions, as I recall, that cost the taxpayers millions of dollars when these savings and loans stayed open longer than they should have and continued to eat up the resources.

□ 1745

Mr. COX of California. This is, of course, what this memo says, but we know what the public face has been, the public face of the White House, that Mrs. Clinton did no such work and in fact had nothing to do with Whitewater or Madison Guaranty Savings and Loan or the Rose Law Firm involvement in this, and in fact the collapse of Madison Guaranty had nothing to do with her.

But in this memo, which is not prepared for you or for me or for law enforcement but for each of the people in the White House, the heading is, ''Rose Law Firm work, HRC, conflicts enabled MGSL to stay open longer than it should have.''

This is the scandal that they are dealing with internally and this is their approach to each one of the 39 scandals listed in this memo: Develop a press or spin strategy.

The White House counsel's office rather obviously is being misused on the taxpayer's tab. The American people should not be asked to shell out for what amounts to coverup and back-and-fill strategy in the White House, the protection of Presidential cronies and the protection of people who ultimately, since 1994, have found themselves in jail and behind bars, being convicted of felonies.

Mr. WALKER. I found it kind of interesting, something on page 11, where it talks about Negative Associations, it calls it. Among the people listed are Jim Guy Tucker, David Hale, Jim McDougal, and Dan Lasater. Three of those names, we have become quite familiar with, as the trials have gone forward in the whole Whitewater mess, but obviously the White House had some very big concerns about the fact

that the President has, or the White House has some of those negative associations. But then behind Dan Lasater's name, there is a parentheses saying ''bond deals, cocaine, and Roger Clinton.'' I mean, we obviously have a range of people here that the White House counsel's office was very worried about, thus these negative associations.

Mr. COX of California. This, remember, is a task list. So presumably after receiving these instructions from Jane Sherburne on December 13, 1994, the people who were listed here followed through on those tasks. That means that the White House internally, at taxpayer expense, went out to put together information on Dan Lasater's bond deals, information on Dan Lasater's involvement with cocaine, and that is according to this memo, and Roger Clinton and his involvement with the foregoing, with Dan Lasater, bond deals and cocaine, all or some of the above. But those documents that were most assuredly prepared, if people followed through on this task list, have not been provided to this Congress nor apparently to law enforcement authorities. Each one of these 39 scandals with its subsidiary task listed on this memo is something that the White House, at public expense, using the White House lawyers and the counsel's office, has decided to build a wall around, to stonewall, so that the American people, law enforcement, and the Congress cannot find out about it. That of course is exactly why this memo was prepared just after the election of the Republican Congress, and that is why the press has so reported.

Mr. ROHRABACHER. If the gentleman would yield for a question, I have not read these documents. But of course both of us worked in the Reagan White House, so we are somewhat familiar with the internal workings of the White House and also the relationship between the White House and the Congress.

Would the gentleman answer for me, does this memo in any way indicate that the higher levels of management in the White House, the White House staff, had prior knowledge of the FBI Filegate scandal?

Mr. COX of California. Mr. Speaker, as a matter of fact, there is a heading in this memo concerning security/Livingstone issues. It appears at page 4 of the memo. Two of the tasks under that heading are: Review Livingstone file, and interview Livingstone. Obviously the White House counsel's office had a problem with Livingstone and security in the White House at that time.

Apparently his FBI and personnel files, and the result of any search of his background and the result of any search of the issues that have all exploded onto the national scene since then obviously must have been that they knew in 1994 what was going on. Yet, as we know, those FBI files on your colleagues and mine who worked in the Reagan and Bush White Houses, all of those files were kept there and not returned to the FBI. They had been improperly obtained by some political thugs to begin with, and they were kept apparently with the knowledge of at least the White House counsel's office.

Mr. ROHRABACHER. Mr. Speaker, so this document seems to indicate that the senior staff of the White House knew there was something wrong and was looking into this situation that would have led them to investigate what was happening with what a year later became, actually more than a year later, became the FBI file scandal. Is that correct?

Mr. COX of California. Mr. Speaker, that is correct.

Mr. ROHRABACHER. Let us remember what happened when the information about the Filegate scandal came out originally. Correct me if my memory is faulty here. Did the President not act like he did not know anything about this? In fact, did the President not say: Well, we are only talking about 39 files, and it has something to do with a military fellow that was over here on some sort of a transfer over here to the White House? So, in other words, this was all an act on the part of the senior staff of the White House, perhaps the President.

Mr. WALKER. If I recall correctly, they called it a kind of a bureaucratic snafu.

Mr. COX of California. I believe my colleague would be correct if he had said that that was a precise quotation from the President. He described this as a bureaucratic snafu. This was a couple of years after the White House counsel's office began investigating the whole thing according to this very memo and identified it as a scandal in the making. Only, they identified it just to themselves, not to anyone else. Yet when it first burst upon the national scene, it was for the President to say, this is merely a bureaucratic snafu. Now we know that the administration was at least criminally incompetent if not malevolent in abusing the privacy of scores of honest public servants.

Mr. ROHRABACHER. The first figure we were given by the White House was, I think, 39 or something like that, FBI files were involved, they in fact knew that the number that they were giving out at that time was incorrect. This indicates that they had done a study, at least they had red-flagged this a long time before, and that was probably an intentional, I would say, error, or intentional misinformation, when eventually the figure came out of 900 FBI files. So this is indicating that they were looking into that matter. When the number 39 went up to 900 FBI files, this is all part and parcel of something the White House had thought out a long time before.

Mr. COX of California. What we know specifically from this memo is that the White House had reason to be concerned about Craig Livingstone himself in December 1994 because not only were they worried about security issues for which he was responsible but the task, the specific task on this list is to interview Livingstone and look at Livingstone's file. You would not look at Livingston's file unless you thought he was a problem.

Any kind of competent search about Livingstone, since we have all read about him in the newspaper and his unsavory background, would obviously have yielded the result that such a person ought not to have been placed and maintained in a position requiring professionalism and trust. We know nonetheless the result. This political hack was maintained in this position, this very sensitive position in the White House with access to FBI files on so many Americans for 2 years.

Mr. WALKER. In fact was given raises as I recall.

Mr. COX. of California. And described by George Stephanopoulos as a very able, competent person, who they loved having in the job.

Mr. ROHRABACHER. And this man had been involved with opposition research during political campaigns prior to this time?

Mr. COX of California. Well, of course. And he was a bouncer.

Mr. ROHRABACHER. Mr. Speaker, having our background in the White House, let us examine this angle of the story. What has happened in other White Houses that we could actually compare it to? Did Chuck Colson not have something to do with an FBI file?

Mr. COX of California. He possessed one FBI file, it was learned, and therefore he was convicted and sent to prison, for one file.

Mr. ROHRABACHER. So Chuck Colson, in the Nixon era, when we had a Republican in the White House, was found guilty of mishandling one FBI file and went to prison. And today we know that there were probably up to 900 FBI files in the possession of a person who had been involved with opposition research for the Democratic Party, yet this question does not seem to be asked of the President by the press anymore.

Mr. COX of California. The comparison is not apt if we just leave it at that. The truth is that the White House counsel's office in its current incarnation is literally a response to Watergate. They decided that no longer would the lawyers for the President be kept in a small office in the Old Executive Office Building across the street. There were only two of them in the Nixon administration.

We all remember John Dean's testimony about his inability to come across with the President and convince him of the gravity of these things. The White House counsel's office was then moved right into the West Wing of the White House. It became a significant law firm, with very, very professional people who have acquitted themselves with great distinction through the Carter administration, through the

Ford administration, through the Reagan administration and the Bush administration, to keep the administration out of trouble, to prevent things like this from happening. But what goes on in this White House counsel's office? They are the engines of these misdeeds. It is the White House counsel's office that was coming up with these FBI files, multiplying one hundredfold the crime for which Mr. Colson was convicted during Watergate.

Mr. WALKER. Mr. Speaker, I seem to recall some years ago a press secretary in a Republican administration who got fired for having made up a quote along the way. Now you look down through this memo, and this memo has a press strategy for purposely misleading the public. The level of question that arises from this kind of task list is pretty substantial.

Mr. COX of California. It does trouble me that with respect to each one of these 39 scandals, one of the items to do, on the to-do list for the White House counsel's office, the legal counsel of the President of the United States, is to develop a press strategy. If we are coming clean, if we are trying to share with the American people all the relevant facts so that their minds can be put at ease that no illegality is occurring at the highest levels of our Government, one would wish that, rather than a press strategy, we simply had a procedure by which the documents were shared and made public.

Mr. Speaker, they ought to be shared with law enforcement, shared with the American people and with the Congress. Instead, each time we have a scandal listed here, whether it is Ickes' union representation, Stephanopoulos, Nations Bank, improper electioneering at the SBA, Presidential campaign and FEC audit, commodities. There are 39 of these.

Mr. WALKER. The use of time and White House resources for response efforts. In other words, what they are admitting to there is they have got this problem. They are using the taxpayer dollar. They are using the White House itself and taxpayer dollars for essentially political responses.

Mr. COX of California. That is precisely it. The press strategy seems to be the preoccupation of the White House counsel's office, whereas they are supposed to be paid by the taxpayers and they are for the benefit of the President to keep everything on the level, to keep the President and the highest levels of our executive branch out of trouble.

Mr. ROHRABACHER. So we can assume through this memo, can we not, that basically the White House and the upper echelons of the White House were red-flagging every possible problem so that they could build contingency plans in case these things came to the public's attention. So when things like the FBI scandal or perhaps even the billing records scandal, the billing records that miraculously appeared in the living quarters of the first family in the White House, that were lost for so long, that perhaps that was not just an accident. Perhaps actually a strategy was developed on how to handle this crisis. Maybe there is another file someplace else that basically details how to handle all of these problems that are red-flagged.

Mr. COX of California. The gentleman is being very circumspect and charitable, having now received this memo, to say ''perhaps.'' It is obvious that the purpose of this task list is to marshal all of the efforts of the White House staff, led by White House lawyers, to prevent Congress from investigating each and every one of these 39 scandals.

One of the headings in this memo is Research Re Limitation on Legislative Power to Investigate. What the White House counsel's office is doing here is coming up with legal arguments that will prevent the Congress from getting to the bottom of what they have already identified as scandals.

□ 1800

''Research re: limitations on legislative power to investigate.'' Under that heading, we have DNC, DCCC, DSCC.

For those of us who are uninitiated, the DNC is the Democratic National Committee, the DCCC is the Democratic Congressional Campaign Committee, and the DSCC is the Democratic Senatorial Campaign Committee.

Under that they have ''surrogates.'' So they are going to be using all of their political machinery. This is a taxpayer paid memo, and taxpayer paid lawyers inside the White House wrote this memo about DCCC, DNC and DSCC, to use them as surrogates to announce to the American people that there are legal reasons, that the White House counsel then went out and researched and came up with, that Congress cannot and should not be investigating these 39 scandals, which are neatly itemized in this secret memo.

Mr. ROHRABACHER. Could this be characterized again, and you looked at these things legally, Mr. COX, and you are a trained lawyer and I am not, I have a journalistic background, but would it be inaccurate to suggest that this was a game plan for a coverup?

Mr. COX of California. As I said earlier, it appears chiefly from this brand new memo, which we have had only for a few weeks, and also from all of the context of the administration's nonresponse to our request for those 3,000 documents, which they referred to as a request for toilet paper and which eventually yielded the information about Filegate and all the FBI files on earlier administrative personnel that they obtained for political purposes, that executive privilege, which has been their basis for refusing to turn over these documents, is increasingly becoming a synonym for coverup.

Mr. ROHRABACHER. I think it is important that those people who are reading this in the CONGRESSIONAL RECORD or hearing this over C–SPAN should understand that none of the information we are talking about in this memo, or, I might add, many of the other revelations we have discovered, whether it is the FBI files or the billing records we were trying to find for the Rose Law Firm in dealing with this S&L scandal which the First Lady was in some way attached to, these things would not have been ever disclosed to the public, nothing about this would ever be known by the public, except for the fact that the U.S. Congress changed hands.

This memo, it appears that this memo is a recognition that the administration recognized very early on that the game was up in terms of hiding everything from the public. That they could have kept all of this information, if the Democrats would have maintained control of the House and the Senate, and there was no way the public would ever have known about this.

Which also suggests one other thing, and this is a point I would like to make and the public should understand: The liberal Democrats, who controlled both Houses of Congress and control the executive branch today, have a total disdain for the press. They do not believe that the press can uncover anything. They in fact trusted that the press would not even try to uncover any of these things.

It was only when the House of Representatives changed hands and we had the power then to subpoena and ask people under oath questions about these types of misdeeds, that the administration became cautious enough and became frightened enough to try to look at what their potential vulnerabilities were. If we would not have had control of the House, they would not fear a thing from us.

Mr. WALKER. If the gentleman would yield, I think the gentleman from California makes an excellent point, because actually Chairman CLINGER, at that time a ranking minority member of the committee, attempted to pursue the Travelgate scandal while a minority member of the committee, attempted to get the committee to look into the problem at that time. He was told by the Democrats that it would not be done. In fact, I think, I do not remember exactly, but I think they actually voted him down and suggested to him that he was not going to be able to pursue the matter. It was not until he became chairman of the committee that he was able to pursue the matter, because specifically that committee decided to permit the White House to cover this matter up and not take it up before the proper congressional committees.

Mr. COX of California. It is at least true that prior to the revelations, so many of which have occurred since the election of an opposition party to get to the bottom of this in the White House, that there was an attitude by the Democrats in power in Congress at

the time that they simply did not want to know the answer to these questions, because, after all, we had not seen this document until just a few weeks ago. But now that we have it, I think any fair-minded person, any Democrat or any Republican, would have to say, this is a virtual roadmap to scandal.

If the majority party in Congress were to put together a list of scandals of the administration that ran to more than a dozen, it would be called a partisan exercise. Yet here we have, prepared by the White House staff itself, by President Clinton's own staff, a secret memo for their own privileged consumption, stamped ''privileged'' on the cover, a list of 39 scandals, with detail of each, and some rather damaging admissions about each.

Let me point our just one such that we have not referred to in this brief colloquy, and that is the scandal labeled Hubbell, and that is, of course, Webster Hubbell, the acting Attorney General. ''Webster Hubbell's cooperation is to be monitored.''

Now, why would we be concerned with this? This is right before ''determine press strategy.'' Why would we be concerned with monitoring Webster Hubbell's cooperation, if we were willing to let the special prosecutor do his job?

The answer is, of course, the administration was very concerned about just how far Webster Hubbell might go in cooperating with that special prosecutor. As we all know, Webster Hubbell was subsequently convicted and sent to jail.

Mr. WALKER. And right below that is ''Ickes's union representation.'' We know that one of the unions and one of the individuals that Mr. Ickes had a relationship with now now somebody who has been under congressional investigation, and where we have FBI data calling him a criminal associate of the mob, this person who Mr. Ickes was associated with. I see they were assembling a binder with summary and key documents with regard to that union representation.

Well, since the White House has had this direct relationship with this person, Mr. Coia, who has been called by the FBI a criminal associate of the mob, that could be a very damaging kind of question that is raised as a part of the scandal memo prepared at the White House.

In fact, ''ABC News'' has done quite an exposé on this. It turns out the scandal itself was under active investigation by the White House Counsel's Office on December 13, 1994, and it is highlighted in this White House task list.

Mr. WALKER. But since that time, the President has continued to have direct association with the person involved, the gentleman described as a criminal associate of the mob.

Mr. COX of California. I think at this point it would be appropriate, because each of our colleagues should have the benefit of this memo in full, that I ask unanimous consent to include the memorandum in its entirety in the RECORD at this point.

The SPEAKER pro tempore. Without objection, subject to the rules of the House.

There was no objection.

TASK LIST—DECEMBER 13, 1994

1. ISSUES

a. Foster document handling (Nemetz)
b. Travel Office (Cerf)
c. White House/Treasury contacts (revisited; report) (JCS)
d. Obstruction of justice (DOJ handling of criminal referrals; Jay Stephens; RTC whistleblower reprisals)
e. Use of White House resources for response efforts (Nolan)
f. Foster suicide (Nemetz)
g. Espy (ethics; expanded Smaltz inquiry re Tyson's, Hatch Act) (Mills/Nolan)
h. Cisneros
i. Brown
j. Hubbell
k. Ickes/union representation
l. Stephanopoulos/NationsBank
m. State Department—passport files
n. Archives—abuse of personnel system
o. Legal Defense Fund (Mills)
p. Health Care Task Force (Neuwirth)
q. White House operations (drugs, passes, helicopters) (Mills/Nolan)
r. Residence renovations (Neuwirth)
s. Presidential immunity (Sloan)
t. White House Arkansans (Thomasson, Nash, Rasco)
u. PIC surplus
v. Improper electioneering (SBA)
w. GSA (Roger Johnson)
x. Value Partners (Neuwirth)
y. Presidential campaign (FEC audit)
z. Commodities (Kendall)
aa. Gubernatorial campaigns (Lindsey, Wright)—record keeping (Kendall)
ab. Gubernatorial campaigns)—MGSL (Kendall)
ac. Whitewater/MGSL (Kendall)
ad. Other MGSL/McDougal (Kendall)
ae. Rose Law Firm (HRC work for MGSL; Frost Case, FSLIC representation) (Kendall)
af. David Hale/Susan McDougal/SBA (Kendall)
ag. Tucker
ah. Lasater (bond deals; cocaine; Roger Clinton)
ai. Use of loans to achieve legislative initiatives
aj. ADFA (political favors; Larry Nichols)
ak. Mena Airport
al. troopers
am. women (Kendall/Bennett)

2. PRELIMINARIES

a. Identify key republican objectives and routes for achieving them—e.g.
  i. sustain shadow on WJC character
  ii. hype HRC threat to white men, traditional women
b. Identify guiding principles for responses—e.g.
  i. nothing to hide
  ii. stick to the facts
  iii. get it right the first time
  iv. keep it simple
  v. resist harassment
  vi. govern America
c. Executive privilege research
  i. OLC state of the play
  ii. comments by republicans re assertion
  iii. protocol
  iv. strategy/principles for asserting
d. Research re entitlement of Congress to HRC/WJC transcripts of depositions given to Fiske
e. Research re congressional subpoena power
  i. reach (HRC/WJC)
  ii. precedents
  iii. committee rules
  iv. procedures
f. Research re limitations on legislative power to investigate
  i. legislative purpose
  ii. overreaching precedents
g. Learn new Hill committee jurisdiction, membership
h. Courtesy visits to Hill—member and staff level (e.g., Frank, Sarbanes, leadership; Harris, Meek, etc.)
i. Consultations
j. Offensive structure
  i. FEC legal research
  ii. W&C
  iii. DNC/DCCC/DSCC
  iv. surrogates
k. Representation of Administration officials by private counsel
  i. compensation
l. Research re proper role of OWHC with respect to pre-inaugural issues with an aim toward articulating principles for determining who should be principal spokesperson on a particular issue and the extent to which each (private counsel/OHWC) should participate.

3. FOSTER DOCUMENTS HANDLING

a. Independent counsel inquiry
  (1) identify options with respect to issuance of report—(a) precedents
  (2) inquire about status and timing
  (3) HRC/WJC depositions
  ii. status check with counsel for individuals
b. Congressional hearings
  i. identify likely committees (Senate Banking; House Banking, Gov Ops, Judiciary)
  (1) identify friends—key Members and staff
  (2) identify leadership
  (3) identify key republicans
  ii. congressional visits
  (1) Daschle
  (2) Sarbanes & other Banking
  (3) house
  iii. prepare background materials
  (1) assemble public record
  (2) talking points and fact memoranda
  iv. determine how to handle representation of individual White House staff
  (1) outside counsel
  (2) attorney fees
  (3) assertion of privileges
c. Press strategy
d. Surrogate role
  i. Hamilton
  ii. identify others
e. Offensive research
f. Issue specific tasks
  i. security/Livingstone issues
  (1) debrief Joel
  (2) review Livingstone file
  (3) consult with Randy Turk
  (4) interview Livingstone
  (5) fact memo
  ii. inconclusiveness re Williams removal of documents
  (1) confer with Ed Dennis
  (2) debrief Joel re security officer
  (3) assemble public reports of document removal on 7/20 and statements attributed to White House officials
  iii. chain of custody re transfer of Clinton personal files
  (1) complete interviews
  (a) Carolyn Huber
  (b) Linda Tripp
  (c) Deborah Gorhan
  (d) Bob Barnett
  (e) Syvia Mathews
  (2) fact memo
  (3) assemble public record
  (4) determine strategy re release of White H_2O Devel Corp. file
  iv. search of Foster office

(1) assemble public record
(a) including any relevant testimony at Senate hearing on Foster suicide in July 1994
(2) fact memo
(a) obligation to seal the office immediately
(b) obligation to cooperate with law enforcement authorities vs. protection of privileged material
(c) basis for protecting disclosure to Congress of privileged material in VF office
(3) legal research
(i) basis for resisting identification/production of all documents in VF office and Bernie's safe
v. Delay in surfacing suicide note
(1) complete interviews
(a) Gergen
(b) Burton
(2) assemble material in public record
(3) fact memo
(4) legal research
(a) obligations to disclose a note to law enforcement authorities
(i) if not obviously a suicide note
(ii) timeliness requirements

4. FOSTER SUICIDE

a. Chris Ruddy/Center for Western Journalism
b. Causes for suicide
c. Monitor Senate report; coordinate with Hamilton
d. Develop press response

5. OBSTRUCTION OF JUSTICE

a. *Delay in addressing criminal referrals*; DOJ role (D.C. and Paula Casey)
i. determine usual process
ii. develop chronology/fact memo with key
(1) Charles Banks
(2) Paula Casey
(3) (track Lewis correspondence released by Leach)
iii. identify Committee interest (D'Amato; House)
iv. assemble public record
b. RTC/Kansas City investigation (suspension of Jean Lewis, Richard Iorio etc.; April Breslaw; pre-1993 activity)
i. develop chronology of known facts and key documents
ii. interview Breslaw
iii. identify Committee interest (Leach; Senate)
iv. examine last day of House hearings for offensive help
c. Jay Stephens retention
i. track public record
ii. identify efforts to give IC civil jurisdiction
iii. identify Committee interest (D'Amato; House)

6. WHITE HOUSE/TREASURY CONTACTS

a. Senate Report
i. review/comment on Report
ii. keep in touch with Minority Report developments
iii. prepare press strategy
iv. identify surrogates
b. White House investigation of White House/Treasury contacts (receipt of information about RTC investigation; work product; redactions)
i. prepare file memorandum describing use of unredacted transcripts
ii. determine continuing Bond interest
c. Truthfulness of White House and other Administration witnesses (referral of testimony to Starr—Ickes, Stephanopoulos)
i. consult with lawyers
ii. identify areas of vulnerability
iii. research on perjury
iv. press response
d. Heads-up policy
i. surrogates
ii. uniform application
iii. Treasury status
iv. press strategy for release of Committee report
v. work up background paper on precedents
e. Recusal policies/OGE/Executive Orders
i. press strategy for release of Committee report
ii. background paper
iii. consult with OGE
iv. consider Executive Order or other response to Committee
f. Contacts policy (Executive Order)
i. press strategy for release of Committee report
ii. background paper
iii. consult with OGE
iv. consider Executive order or other response to Committee
g. Rikki Tigert
i. determine her first likely congressional appearance in the new congress
ii. assemble public record
iii. interview Gergen, Tigert and Klein re communications on the subject of recusal
(1) determine response to allegations of ''pressure''
(2) determine response to allegation that Klein misled the committee
iv. determine press strategy/talking points

7. SMALTZ INVESTIGATION

a. Espy—ethics (Mills)
b. Beyond Espy ethics (Hatch Act, Tyson's)
i. determine charter, scope of inquiry
ii. determine press strategy
iii. identify congressional interest
iv. assemble public record
v. fact gathering

8. WHITE HOUSE WHITEWATER RESPONSE EFFORT

a. Legal research
i. the appropriate role of White House staff with respect to issues arising pre-inauguration (see above)
b. Fact development (scope of effort, etc.)
c. Determine press strategy/develop talking points
d. Assemble public record
i. Lindsey involvement pre-1994
ii. Ickes' Ward Room undertaking (1/94)
iii. Polesta damage control effort

9. CISNEROS

a. Gather facts
b. Establish contact with counsel
c. Determine press strategy/develop talking points
d. Identify source of congressional interest
e. Assemble binder with summary and key documents

10. BROWN

a. Establish contact with counsel
b. Determine press strategy/develop talking points
c. Identify source of congressional interest
d. Assemble binder with summary and key documents

11. HUBBELL

a. Monitor cooperation
b. Determine press strategy/develop talking points

12. ICKES (UNION REPRESENTATION)

a. Monitor
b. Assemble binder with summary and key documents

13. STEPHANOPOULOS (NATIONSBANK)

a. Monitor
b. Assemble binder with summary and key documents

14. STATE DEPARTMENT (PASSPORT FILES)

a. Identify issue
b. Determine congressional interest
c. Assemble binder with summary and key documents

15. ARCHIVES (ABUSE OF PERSONNEL SYSTEM)

a. Identify issue
b. Determine congressional interest
c. Assemble binder with summary and key documents

16. SBA (IMPROPER ELECTIONEERING)

a. Identify issue
b. Determine congressional interest
c. Assemble binder with summary and key documents

17. GSA (ROGER JOHNSON)

a. Identify issue
b. Determine congressional interest
c. Assemble binder with summary and key documents

18. FEC AUDIT

a. Determine congressional interest
b. Assemble binder with summary and key documents

19. FIC SURPLUS

a. Identify issue
b. Determine congressional interest
c. Assemble binder with summary and key documents

20. MGSL-RELATED

a. Whitewater Investment
i. assemble public record
ii. review documents, including work of accountants and tax returns; Lyons reports
iii. develop fact memo and chronology
iv. press strategy
b. MGSL
i. assemble public record
ii. review W&C documents
iii. develop fact memo and chronology
iv. fact memo
(1) why MGSL failed; relationship of campaign contributions to failure
(2) Rose Law Firm work (HRC 1985)
(a) conflicts
(b) enabled MGSL to stay open longer than it should have
v. surrogate strategy
c. Rose Law Firm
i. fact memo
(1) status of conflicts inquiry
(2) Frost case
(3) Rose services to FSLIC related to Lasater brokerage firm (HRC 2 hours in 1987, signed pleadings for VF)
(4) billing practices
ii. assemble public record
iii. determine press strategy
d. David Hale

21. OTHER PRE-INAUGURAL

a. Gubernatorial Campaigns
i. identify issues
(1) whether expenditures and loans were properly reported under state law
(a) Lindsey role
(b) Betsey Wright
(2) role of the Bank of Cherry Valley
(3) Starr looking at 1984, 1986, 1990
ii. interview Kendall; review Kendall documents
iii. interview Snyder/Lindsey
iv. fact memo
v. press strategy
b. Negative Associations
i. Jim Guy Tucker
ii. David Hale (SBA)
iii. Jim McDougal
iv. Dan Lasater (bond deals, cocaine, Roger Clinton)
c. Mena Airport
i. identify issue
ii. determine congressional interest
iii. assemble binder with summary and key documents
d. ADFA
i. identify issue (political favors)
ii. determine congressional interest
iii. assemble binder with summary and key documents
e. Use by Governor Clinton of loans to further legislative initiatives
i. identify issue

ii. determine congressional interests
iii. assemble binder with summary and key documents
f. Commodities
i. determine congressional interest
ii. assemble binder with summary and key documents
g. Paula Jones
i. assemble binder with summary and key documents
h. Troopers
i. identify issue (job for silence, other)
ii. determine congressional interest
iii. assemble binder with summary and key documents

Mr. COX of California. I thank the Speaker.

The memo is quite extraordinary. It is single-spaced, goes on for 12 pages, and, as I said, lists 39 scandals, most of which, now, 2 years later, are known to the American people, but a few of which are actually brand new. It actually details how each of these scandals was assigned to White House staff, 15 such staffers, and according to the press, these staffers earned a total salary of $1.3 million. This is taxpayer money, all of which is being misspent because that is not the appropriate function of the White House Counsel's office. That is not the appropriate function of the White House staff. Working on these matters inside the West Wing of the White House is itself a scandal of the first order.

Mr. ROHRABACHER. I have not read this memo, obviously. I appreciate the gentleman making this available to me and available to the other Members. But just a quick glance shows you that one of the issues red-flagged in this memo is how to deal with questions about the Vincent Foster suicide. One wonders why, if this was just a straight up and down suicide, which we have always, the news media and everyone else wants to just steamroller anyone who has any questions, serious questions about basically some of the facts behind the suicide and the time immediately thereafter. It just notes here that they are taking, red-flagging Vincent Foster, and red-flagging ''obligation to seal the office immediately.'' And, B, ''to cooperate with law enforcement authorities versus protection of privileged material.''

What we have here is basically an outline for something concerning the death of Vincent Foster and the prevention of certain information from getting to the public. It appears to me, and again I would have to study this further to relate this to other facts of the case and see how it really plays together, but it appears to me what they are doing here is trying to set down a legal strategy for justifying things they did to prevent information about Vincent Foster, coming from Vincent Foster's office or about the suicide, from coming to public attention.

Mr. COX of California. In fact, on page 3, under the heading ''Foster Document Handling,'' there is a subheading, identifying friends for the congressional hearings, key members and staff, and the list of names of our colleagues, Mr. DASCHLE, Mr. SARBANES, develop a press strategy, and then there is a heading ''Offensive Research.''

This is not a memo prepared by a White House willing to cooperate. This is a memorandum prepared by a White House that has carefully outlined 39 separate scandals and the strategy for covering them up.

ECONOMIC GROWTH UNDER PRESIDENT CLINTON

The SPEAKER pro tempore (Mr. ROTH). Under a previous order of the House, the gentlewoman from New York [Mrs. MALONEY] is recognized for 5 minutes.

Mrs. MALONEY. Mr. Speaker, this past Saturday, former Senator Dole, now the Republican candidate for President, said in his radio address, ''The Congressional Joint Economic Committee reports that last year 66 countries had economic growth rates that surpassed ours. The President may think that when it comes to economic growth 67th place is good enough, but I do not. I want America to lead the world again in terms of economic growth, rising incomes, and greater job opportunities.''

In building his bridge to the past, Mr. Dole must have overlooked the present. Just look at the good news about the economy that came out in the 2 weeks before he spoke. One week before his speech, the Commerce Department's Bureau of Economic Analysis revised the second quarter growth rate of the gross domestic product upward to 4.8 percent. Exports and business investments showed strong upward movement.

Tuesday before he spoke, the conference board reported the index of leading economic indicators, which projects the economy's health for the next 6 to 9 months, reached a record high.

Last Friday, before the Joint Economic Committee, the Commissioner of the Bureau of Labor Statistics reported that 250,000 jobs were created last month. This builds on the nearly 200,000 jobs we created in July, and on the 10.5 million in the President's first 3½ years in office.

A report in the June issue of the monthly Labor Review, which the Bureau of Labor Statistics publishes, shows that between 1993 and 1995 jobs in relatively higher earning occupations and industries grew at almost twice the rate as jobs in comparatively lower earning occupations and industries.

In August, the share of women with jobs reached a record high of 57.2 percent, the highest employment record for women in our Nation's history.

Mr. Dole promises fiscal responsibility. However, look at the record. Before leaving office in 1993, President Bush's Council of Economic Advisers left an economic report for the President. In it they forecasted how well the economy would perform and what the size of the Federal budget deficit would be following President Bush's economic program.

The most optimistic forecast was for the deficit to be $201 billion by 1996. Under President Clinton's leadership, the Congressional Budget Office projects the deficit to be $116 billion in 1996. That is $85 billion less than the rosiest projection President Bush promised.

After 3½ years under President Clinton, we have the lowest combined rates of unemployment, inflation, and mortgage rates since the 1960's, which is the biggest tax cut of all for working Americans and retirees on fixed incomes.

□ 1815

Now, let us listen to the words of the chairman of the Federal Reserve Board, Alan Greenspan. Testifying before the Joint Economic Committee in January 1994, Dr. Greenspan clearly stated what he felt was the cause of the speedup in economic growth. He said, and I quote, ''The actions taken last year to reduce the Federal budget have been instrumental in creating the basis for declining inflation expectations and easing pressures on the long-term interest rates.''

''What I,'' and again I am quoting Dr. Greenspan, ''argued at the time is that the purpose of getting a lower budget deficit was essentially to improve the long-term outlook, and that if the deficit reduction is credible, then the long-term outlook gets discounted up front. Indeed, that is precisely what is happening.''

''I,'' and again I am quoting Dr. Greenspan, ''think a substantial part of the improvement in economic activity and the low rates of inflation can be directly related to a changing financial expectation that we might finally be coming to grips with this very severe problem.''

That was in January 1994. He is not crediting shutting down the Government and holding needed Government services hostage to unfair budget deals for making financial markets believe that new and better fiscal management was finally in place. Dr. Greenspan was crediting the Budget Reconciliation Act of 1993, with the, and again I quote him, ''substantial part of the improvement in economic activity and the low rates of interest.''

I agree with Dr. Greenspan. I am proud of the economic record President Clinton and the Democrats have accomplished in the last 4 years. We still have a great deal more to do, but we are on the right track.

As President Clinton says, we must build a bridge to the future. It is not a toll bridge, because it will be a bridge paid for by careful planning. We do not need a bridge to the past built with IOU's and growing deficits that will mortgage our future, and we do not need to go back to slow job growth and fewer opportunities. We need to look forward.

HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

The SPEAKER pro tempore (Mr. ROTH). Under a previous order of the House, the gentleman from Louisiana [Mr. FIELDS] is recognized for 60 minutes.

Mr. FIELDS of Louisiana. Mr. Speaker, tonight I am joined by one of our colleagues, the gentleman from Illinois [Mr. JACKSON], who will talk along with me on the subject of HBCU's, historically black colleges and universities.

Mr. Speaker, on September 23 of this year, historically black colleges and universities all across the country will celebrate Black College Day, and on that day many colleges across the country will recognize some of the great contributions of historically black colleges and universities. But to put this whole discussion of HBCU's in the proper perspective and the proper context, I would like to talk about the history behind historically black colleges and universities.

HBCU's are defined as any historically black college or university established prior to 1964 whose principal mission was and is the education of black Americans and is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education.

There are 103, Mr. Speaker, historically black colleges and universities; only 3 percent of all colleges and universities in this country. They are located in the Southeast, in the District of Columbia, and the Virgin Islands. They include 41 public 4-year colleges and universities, 8 public 2-year universities, 46 private 4-year schools, and 8 private schools with 2-year curriculum.

Most of our colleges are more than 100 years old. Cheyney University of Pennsylvania being the oldest, founded in 1837. Historically black colleges and universities enroll only 16 percent of African-American undergraduate students, however they graduate about 30 percent of all African-American students nationwide.

To show the contributions that these schools, colleges, and universities have had and the impact they have had to the African-American community and to societies as a whole, with marginal resources HBCU's have been able to accomplish a lot. Federal moneys for research and development to HBCU's in 1990 was $101 million; only 1.1 percent of the total Federal money dedicated to research and development across the Nation. But yet in spite of the lack of resources, these colleges and universities still were able to produce doctors and lawyers and scientists and engineers.

However, with limited resources, 37 percent of all the students attending HCBU's come from families with incomes of less than $25,000. Retention and graduation rates at HCBU's are higher than non-HCBU's in this Nation. Enrollment has grown, Mr. Speaker, at historically black colleges and universities from 70,000 overall in 1954 to 200,000 in 1980, and from 239,000 in 1988 to 257,000 in 1990. So you see the trend of HCBU's, the enrollment rather, on these colleges and universities.

HCBU's also noted an increase in transfer students from other institutions. Seventy-three percent of all transfer students in the fall of 1993 went to historically black colleges and universities. This shows the quality of these schools across the country. Many students are transferring to these colleges and universities across the country.

On the graduate level, from 1977 to 1990, the amount of doctoral degrees awarded by HCBU's increased by 214 percent. In sciences, 44 percent of the bachelor degrees awarded to blacks were from historically black colleges and universities; 41 percent of the math degrees awarded were awarded from HCBU's; 38 percent of the computer science and life sciences degrees; and 25 percent of the engineering degrees were awarded to blacks by HCBU's.

In my State, Xavier University in New Orleans ranked second in placing black students in medical school. In fact, over the last 10 years, 93 percent of all of Xavier graduates who entered medical school received their medical degrees.

Remembering that HCBU's enroll only 17 percent of all black college students nationwide, this statistic is very encouraging. Moreover, HCBU's maintain low tuition. The average tuition with fees in 1992 and 1993 was $5,008, less than half of the average cost of private colleges and universities nationally.

Historically black colleges and universities educate almost 40 percent of the country's black college graduates, 75 percent of all black Ph.D's, 46 percent of all black business executives, 50 percent of all black engineers, 80 percent of all black Federal judges, 50 percent of all black attorneys, 75 percent of all black military officers, and 85 percent of all black doctors.

So you see the impact of HCBU's as relates to the medical community and the black community as well as engineers, doctors, lawyers, and military officers alike.

For example, many individuals who serve in government today, in public office, graduated from HCBU's. In the Congressional Black Caucus, for example, 16 of the Congressional Black Caucus members in this Congress serving today graduated from historically black colleges and universities.

The gentlewoman from Florida CORRINE BROWN, graduated from Florida A&M, the gentlewoman from North Carolina, EVA CLAYTON, North Carolina A&T; the gentleman from South Carolina, JAMES CLYBURN, graduated from South Carolina State; the gentleman from Maryland, ELIJAH CUMMINGS, Howard University; the gentleman from Tennessee, HAROLD FORD, Howard University; the gentleman from Florida, Congressman ALCEE HASTINGS, graduated from Florida A&M and Howard University; the gentleman from Alabama, Congressman EARL HILLIARD, graduated from Morehouse College as well as Howard University; the honorable distinguished colleague who is with me tonight, the gentleman from Illinois, JESSE JACKSON, Jr., graduated from North Carolina A&T; the gentleman from Louisiana, Congressman WILLIAM JEFFERSON, graduated from Southern University; the gentleman from Georgia, Congressman JOHN LEWIS, Fisk University; the gentlewoman from Florida, Congresswoman CARRIE MEEK, graduated from Florida A&M University; the gentleman from Mississippi, Congressman BENNIE THOMPSON, Tougaloo College and Jackson State University; the gentleman from New York, Congressman ED TOWNS, graduated from North Carolina A&T; the gentleman from Maryland, Congressman ALBERT WYNN, Howard University; and, of course, I graduated from an HCBU as well. I graduated from Southern University in Baton Rouge, which so happens to be the largest historically black college in the entire country, with a system of over 14,000 students with colleges located in Baton Rouge, Shreveport and New Orleans.

It is the largest historically black college in the country. And in a real sense, for all of the public HCBU's, Southern University to some degree set the tone in terms of what will happen to other colleges and universities as relates to Federal funding and as relates to State funding as well.

I am pleased tonight to be joined by a very distinguished colleague of this House, Congressman JESSE JACKSON, Jr., who graduated from North Carolina A&T, who will enter into a colloquy with me to further talk about the need to preserve historically black colleges and universities and I yield to the gentleman.

Mr. JACKSON of Illinois. I thank the gentleman for yielding. Let me first begin by congratulating the distinguished gentleman from the Fourth Congressional District of Louisiana, who I had the privilege of meeting in 1983 while he was a student at Southern University in Baton Rouge, LA, and I was a student at North Carolina A&T State University.

We prided ourselves, as aggies, in our ability to beat Southern University in football and every other possible athletic endeavor that we engaged in.

There is a serious camaraderie that exists amongst those of us who are graduates of historically black institutions, and I want to take this opportunity as a product of those institutions to certainly engage in this colloquy and in this special order with the gentleman from Louisiana, Congressman CLEO FIELDS.

Many Members of this institution probably do not know that while Congressman CLEO FIELDS is the youngest African-American to have ever had the privilege of serving in this institution,

he served the people of the Fourth Congressional District of Louisiana with great distinction and will not be in the 105th Congress due to attacks on the Voting Rights Act and gerrymandering in the State of Louisiana that has undermined the Fourth Congressional District of Louisiana.

The people of the Fourth Congressional District of Louisiana have been served with great distinction. Young African-American men, including myself, have been inspired by the example that Congressman CLEO FIELDS has laid for all of us.

I saw Congressman CLEO FIELDS during special orders, while I was the field director of the Rainbow Coalition, knowing that he was the president of the Student Government Association of Southern University who subsequently ran for State senate while he was a student his senior year, and was elected by the people of that particular district to serve in the State senate, having just finished his senior courses at Southern University.

He served in the State legislature with great distinction and then subsequently earned his way on to the reapportionment committee in the State of Louisiana, and consistent with the 1965 Voting Rights Act, was able to enfranchise literally hundreds of thousands of people in the State of Louisiana who had been heretofore without representation.

□ 1830

So Congressman CLEO FIELDS, as the youngest African-American, has earned his place in history, but it is really a larger statement about the quality and the caliber of leadership that historically black colleges have created.

The first African-Americans arrived in this Nation on slave ships in 1619. There was a century's old struggle to end racism in our Nation and certainly racism that was legally enforced by law, the institution known as slavery. The very foundation of our Nation was a Civil War, a very bloody war between north and south over whether or not we should be individual States or united as a Nation.

After the Civil War, in 1863, when President Lincoln signed the Emancipation Proclamation, ushered in a period known as First Reconstruction. During that period, 131 historically black colleges were founded to educate the newly freed slaves.

I might add, Representative FIELDS, during First Reconstruction, 22 African Americans were elected to serve in this institution, between 1863 and 1896. There was a direct relationship between their participation in this Congress and in State legislatures all across our country that made it possible for African-Americans to come to institutions like this Congress and fight for the kind of resources that would educate those who had historically been denied education in these institutions.

As Representative FIELDS has already indicated, more than 40 percent of all college graduates who are African-American still come from the remaining 102 or 103 institutions that presently exist. That was really the commitment that our Nation had made to newly freed slaves in our Nation. I might add that you indicated that in 1964, since 1964, that officially ended the period of officially designating colleges as historically black colleges and universities, not one historically black college or university has been founded since that reconstruction period.

One of the reasons I commend you and commend other members of the Congressional Black Caucus and Progressive Caucus and Members of this institution who continue to fight to sustain these institutions is because they know that the products of these institutions, once people become educated and become integrated, if you will, through that education in the society, they can then continue the desegregation of the society which really was a testament to this movement.

Sixteen Members of Congress are presently graduates of historically black colleges and universities. EVA CLAYTON and ADOLPHUS TOWNS are graduates of North Carolina A&T, where I had the privilege of attending that institution. I might add, Congressman FIELDS, that it is really the mission of historically black colleges to train, to educate, and provide the kind of environment during the formative years of students through which they can learn.

I remember I went to a predominantly white high school here in Washington, DC. While I had tremendous professors who worked very hard toward my academic development, when I went to predominantly white high schools, and I have nothing against predominantly white universities or colleges or high schools, I attended several of them myself, but for me as a young African-American male in this society, to have Dr. Liston as a psychology teacher and to have professors who were African-Americans, to see African-Americans who could be chancellors or universities and heads of math departments and Dr. Quiester Craig at North Carolina A&T as the head of the business department, to see Dr. Howard as a mathematician who worked in the business department at A&T State university during my formative years between 18 and 21 years old, for me to be able to see African-Americans who had achieved at universities all across this country, it really fought stereotypes in my own mind about what I could be. And so I set at an early age, as a result of the mission of those institutions really to train its leadership, to allow it to have the free voice to move beyond the stereotypes and say that we can really make it, that we can really achieve.

This is really what the mission of historically black colleges has been. I would certainly hope that Members of this body would continue to support historically black colleges and universities. They represent the very best that our community has to produce. I am honored to have this opportunity to engage in a colloquy with the distinguished gentleman from Louisiana.

Mr. FIELDS of Louisiana. I thank the gentleman for his comments. The gentleman is right, not only is one inspired at an HBCU or can be inspired at an HBCU, but taking a moment of personal privilege, it also builds leadership. I often wonder today, had I not had the opportunity to attend Southern University and had the opportunity to be freshman class president and president of an entire student body and had to manage a budget in excess of $150,000 as a young college student, or had the opportunity to travel abroad, representing a student body of 10,000 students and then having the opportunity to compete to serve on the board of regents as the student representative, but for that foundation at Southern, I do not know if I would have had the opportunity to serve in the State senate at a very young age and serve now in Congress at a very young age.

Southern, that HBCU was a place to prepare me to be a young leader or to be a person who was able to be elected to public office, and the same thing it did to you and for you and for other Members of the CBC. That was really my first elected office. We had to run a campaign and you had to be responsive to constituents, the students, and that was a learning place for me.

That is why I would like to see CBC Members, you and I, as we have worked with the CBC, Congressional Black Caucus, to make this HBCU day, the 23d of this month, make it a significant day not just having a good program on a black college in this country but also show leadership among students where students register to vote in the hundreds of thousands across this country on September 23.

I am glad that this gentleman decided to initiate this program with the Congressional Black Caucus. I am glad that members of the Congressional Black Caucus, through your leadership and others, will be on college campuses across this country on black college day and certainly I urge SGA presidents, for example, to participate and get students registered to vote, because you have a civic responsibility on a college campus and young people who are sitting in a classroom on a historically black college need to know that there is a responsibility that goes along with that.

Mr. JACKSON of Illinois. Mr. Speaker, if the gentleman would yield, there are some intangibles that come from being a product of a historically black college, some things we hardly even think of. When I was at North Carolina A&T, to expect that an African-American could serve as the president of the student body, that was not like a far-fetched idea. That was what was kind of expected, that we could run a student government association.

On the other hand, when I went to the University of Illinois, where I very fortunately received my juris doctorate degree, it was not necessarily expected that an African-American could serve as the president of the SGA and be responsible for a million-dollar budget in terms of student activities and student fees or that we could organize the student body in such a way as to bring about the kind of campus life that we thought was acceptable to most of the students or bring about the kind of programs and speakers that we wanted to come to the university. This is an intangible.

So I left A&T feeling that, yes, I can serve as the president of the SGA or, yes, I could be the chancellor of an institution. And so the gentleman is so correct when he says that the African-American historically black colleges serve as an incubator for African-American leadership. I look forward to traveling on September 23 to a historically black college either in North Carolina or certainly in my district or wherever it is that I am needed in order to articulate the significance that these institutions have had.

But I think the gentleman raises another very interesting point, that there is a relationship between the education of those who have been historically denied, those historically black colleges, and political participation.

During First Reconstruction, 22 African-Americans were elected to Congress and to State legislatures, all across our country, the byproduct of which elected officials whose students voted for at that time who could come and serve in these bodies and fight for more resources. When students do not vote, students do not participate in the process, they cannot elect people to representative bodies across this great democracy for the purpose of fighting for those resources. So one of the things I have encouraged students to do, whether they are Democrat or Republican, really it is a nonpartisan effort, not promoting one party over the other, in 1996, as a result of the passage of the motor voter law of 1993, people can simply dial 1–800–register and fill out the voter registration application card over the phone and it will be mailed to them, just dial 1–800–register and they are full participants in democracy.

Mr. FIELDS of Louisiana. It is so simple now because of what this Congress did. It is so simple now to register to vote. There are organizations like Rock the Vote, for example, who travel all across the country and have a 1–800 number where a student in a dormitory room can get on the phone and dial 1–800–register and be a registered voter.

The motor-voter law did so much to encourage participation, particularly young participation in the process where young people could register to vote. So certainly a part of our effort with the CBC members traveling all across the country on September 23, actually participating in black college day, we will urge students to register to vote.

I will give you a scenario, something that happened to me when I was student body president at Southern.

Southern's budget, there is so much power in the vote and that student vote, that vote of 10,000 students sitting idly on a college campus can impact not only local policy but national policy as well. College students, HBCU or not, all across America, young college students can have a serious impact on elections and the outcomes of elections, if they simply exercise that constitutional right to vote.

When I was president of the student body at Southern University, there was a bill in the legislature to cut funding at Southern University by almost 20 percent. It was unbelievable and the student body, we had a meeting with the student senate and the student senate met and we all said, what we will do is we will march to the State capitol and in record numbers. And we will protest on the steps of the capitol and we will demand our legislators to come out of the session and speak to us and address this issue of higher education, not only at Southern but colleges all across Louisiana were being cut because the budget was tight and lawmakers saw fit to fund other areas and cut higher education across the board.

So we marched, about 5,000 students, and other college campuses met us on the steps of the capitol. We had 7,000 students on the steps of the State capitol in Louisiana protesting and demanding that legislators come out and address our concerns and also reconsider this across-the-board cut on higher education. We could not get a legislator to come out and address us.

And when we regrouped at the end of the day, college students and college presidents from all over the State, and we talked, why would not legislators address us, because politicians we thought look at three things, reelection, reelection and reelection. And then it dawned on us, how many of us are registered to vote? Of the 7,000 students we marched from all across the State to the capitol, we probably had 200 of them registered to vote. So we were talking loud and saying nothing, because we failed to use the power of the vote.

So what we decided to do was to think smart. We decided to have massive voter registration drives on all college campuses across the State of Louisiana and eventually presidents and Greek organizations, if they had a party, they had the party for a purpose, you had to be registered to vote to enter. We registered thousands upon thousands of students. Then it was not that easy because you had to actually take students, according to Louisiana law, back then to the registrar of voters office to actually register the student to vote.

So we had to use resources like buses and use moneys to rent buses to take students to register to vote. We registered 5,000-some odd students just on Southern's campus alone. And then the Governor and the legislators started calling the SGA presidents and wanting to know what they wanted in the appropriations bill.

□ 1845

So it just goes to show you the power in the student vote. Had we not exercised that power to vote we still would be marching, talking about saying nothing.

So you know I am just so excited that you are part of this HBCU Day where we encourage young college students on Black College Day, on the 23d, not just to have a program and talk about the significance of black colleges and universities in this country, but have the gall to be willing to protect them and stand by them by registering to vote and using that significant power by voting in all the elections. I mean that is just something that students all across this Nation should and must do.

Mr. JACKSON of Illinois. If the gentleman would yield, I would like to share a brief story I had experienced while I was at North Carolina A&T State University, a story that is similar to the one that the distinguished gentleman from Louisiana has mentioned. I was the vice president along with a good friend of mine by the name of Rick Bradley who was the president of a group that we founded on North Carolina A&T State University campus called Students United for a Free South Africa [SUFAFSA], and one of the things that we did outside of protesting various banking institutions in North Carolina that were still involved in doing business with South Africa, fighting for disinvestment or divestment of these various institutions, trying to get North Carolina A&T and the North Carolina school systems to divest their pension funds from businesses that were doing business in South Africa, we did a lot of research on South African issues. And it was not very long before international focus turned to more domestic issues, when we found ourselves fighting against apartheid in South Africa, but also as the most politically astute and aware group on campus with issues that affected us domestically.

Our struggle against apartheid in South Africa encouraged us and forced us to look at the role that our congressman, who represented North Carolina A&T State University at that time, was playing in South Africa, the free South Africa movement, and we found at that time that our representative did not represent the position of our organization, and we began registering people to vote on our campus. We would not let the Deltas, the Q's, the Alphas, Sigma Gamma Wu's, we would not let any organization on North Carolina A&T State University's campus host a party or an event on the campus unless they were registered to

vote and the students on that campus could prove that they were registered to vote, and as a result we registered of the 4,200 students, of North Carolina A&T State University's campus we registered more than 3,600 aggies to participate in the political process. And on election day, while we came very close to defeating that Member of Congress, we were only 60 votes away in the general election, and I will leave the gentleman's name anonymous for the purposes of my discussion, but when I was sworn into the 104th Congress as the 91st African-American to ever have the privilege of serving in this institution, that Member of Congress came up to me, congratulated me for my electoral victory, gave me an embrace, a hug, and said, ''You know, I am very familiar with you. You almost beat me on that day.''

And we were within 60 votes of beating that Member of Congress. As a result of that again I graduated in 1987. Students across the State of North Carolina were registered to vote and participate in the political process. The end result was a census taken in 1990, a reapportionment plan in 1991, the implementation of that reapportionment plan in 1992, and the by-product of which in 1996, the 12th Congressional district is now represented by Congressman MEL WATT, who represents North Carolina A&T as well as Winston-Salem and I believe as many as 6 other historically black colleges.

So it is possible, and I will yield back to the gentleman in just about 30 seconds.

Very few people know that they can register where they live. Students do not live in New York if they are at A&T. They do not live in Chicago if they are at A&T. They live in Greensboro, NC.

According to the law, you can register wherever you spend the last 3 nights in a row. That is home. If your name has changed, you are now an unregistered voter. If you just got married, your name was Smith last week, you married a Williams last week, you are now an unregistered voter because your name has changed, and as a result of efforts of many who fought and died in this country, Wiola Wheatson, a white woman, got her brains blown out at point blank range trying to register students to vote.

Martin Luther King, Jr., and Bobby Kennedy and others have died trying to reduce the age from 21 to 18. As a result of their efforts, you can now dial 1–800–REGISTER and become a full participant in this democracy, and I might add those who are interested in doing it ought to do it soon because the election is approaching.

Mr. FIELDS of Louisiana. Absolutely, and you know this whole voter registration among young people is really catching on.

I do not know if you are familiar with the shows called the Tom Journal Morning Show. It is a show that is on every morning on many of the syndicated shows on many of the ministations all across America.

I mean I was sitting in—I was driving in the car the other day, and I heard Tom Journal that morning talking about how people, particularly young people, need to register to vote, and he started this thing: You know, register five people to vote and call their names in and I will announce them over the air. And people were actually registering people to vote, and he was announcing the names over the air.

I just think that is so encouraging because a lot of people do not wake up in the morning, young people for example, who is about to go to a biology lab, who is on a college campus, not thinking about voting per se, interested in the future, interested in the outcome of elections, but not registered. As you stated, many college students, when they leave from Illinois and go to Los Angeles to register for college, they may be registered back home, but the likelihood of them going back to Illinois from California to vote on election day is not all that great. And so it is incumbent upon them to register to vote at that college, at that university because they are going to be there 4 to 5 years on the average.

So that is really home. That is where they are going to be during the local and State and perhaps Federal elections. So that is where they ought to exercise the power. They should never go powerless.

And I was just impressed with Tom Journal. I think that is the name of the show, the Tom Journal Morning Show. You know, encouraging people to register to vote.

I will give you an example.

Yes, we talk about, you and I debate night and day, for student loans and grants, Pell grants, to make sure that those opportunities are available to students today as they were available to us when we were in college. Why is it? I mean people that asked the question why is it that legislators would move on college tuition and raise college tuition or vote to cut higher education so that schools and board of directors have to raise college tuition and cut Pell grants and student loans and things of that nature? I mean let us look at it from a political perspective and preserve seniors on the other hand. Let us look at it from a political perspective.

If you look on the voter register rolls and you see most of the registered voters in this country are of the age of 55 to 65, and the fewest number of registered voters are between the ages of 18 and 35, then of course you are more likely to move on that age group than you are likely to move on the age group that is most registered to vote, but not just registered to vote, but more likely to go to the polls and vote on election day. Because it is one thing to register to vote, but it is another thing to actually go out and use the power by voting.

So college students—I mean we can fight. You and I and other Members of this Congress on both sides of the aisle, we can fight night and day about, you know, we need to keep student loans, we need to keep opportunities available to elementary, secondary, and higher education, but if we do not have students out there—they get enough of ire education, they get enough of a Pell grant, they thinking enough of student loans, that they are not exercising a power that they rightfully have by going to the polls and vote, especially after we passed this easy, easy, easy voter registration process.

I mean this bill that we have passed in this Congress. We passed a bill, as you stated, where a student government president, for example, can walk into a classroom and register every student. A teacher rather, a professor in a class at an institution, can say all right, first day of school, the first question:

How many of you all are registered to vote right here at this college?

And have the forms there. It is legal. OK, register to vote.

Do not have to dictate how you register, Democrat or Republican; that is irrelevant for registration purposes, or how you vote or who you vote for. You know, I am not going to advocate teachers do that. But it should be part of the learning process.

You talk about personal responsibility? One of the first basic personal responsibilities that individuals have is to claim citizenship by registering to vote, and then that teacher, that professor—I mean just think about if every college campus—just think about HBCU's, just take black colleges, for example, on Monday, the 23d. If every professor say, OK, what we will do this day is we will register every student in this class. When you walk into my class, you have the opportunity to register to vote the first 5 minutes, and I will personally turn these forms in. And the 100 percent voter registration on college campus, the kind of power, and not just HBCU's, historically black colleges, but all college students can have if they only exercise that constitutional right, and it is so easy to do.

I mean some can right now in their dormitories just dial 1–800–REGISTER and be registered to vote.

Mr. JACKSON of Illinois. If the gentleman would yield, and I thank the gentleman for yielding once again, you know this is a democracy. We claim to be the largest democracy in the world, the oldest democracy in the world, the most practicing and the most functioning democracy in the world, but nothing could be more tragic than to realize that fewer and fewer people are voting in our local, State, and national elections. There seems to be some kind of disconnect between the people's participation in this democracy and what takes place in the halls of this Congress and the State legislatures around our country.

And so when one even talks about voter registration, the reality is we

have sufficient enough technology in our country today. Whenever you get pulled over by a police officer, get pulled over by a state trooper or any law enforcement official, he can take your drivers license, and they can determine whether or not you are guilty or wanted of a felony or a misdemeanor in any of the 50 States. Because many of those police computers are connected to Interpol, we can find out within moments whether or not you are wanted for an international crime including terrorism or some international conspiracy. And so within moments we can find out whether or not you are guilty or wanted of some offense against this Nation or any nation around the world.

And yet to participate in this democracy there still remains so many barriers, including a 30-day cut off before the Federal election or the local election.

One of the States in our country that has the highest participation, which has absolutely no registration whatsoever, is the State of North Dakota. There is no voter register required. You just show up on election day, prove that you live in the State of North Dakota, can vote and keep right on about your business.

So even voter registration, which is obviously important for political purposes, is really an outdated method for including and encouraging people to participate in the political process.

But the gentleman touched upon something else that I want to, if he would not mind, allow me the opportunity to talk about for a moment, and that is the whole issue of why vote at all? Why participate in the political process?

When I was teaching political organizing classes and political education classes for the Rainbow Coalition before I became a Member of this body, I used to teach that there were really three types—two types of material power, but really three types of power. Spiritual power is obviously an important power, but it is not a material power. So for the purposes of this discussion we will leave spiritual power out; really two types of material power:

One is economic, and the other is political, and by definition poor people, disenfranchised people and increasingly growing body of students in our Nation, because they take student loans out to go to school, but at the end of school they cannot find a job, they cannot get the kind of employment that addresses the debt that they have received as a result of being a student; by definition poor people and disenfranchised people and students do not have economic power. What is available to them? The alternative is available. Political power.

And why is political power so important? Political power and the political system really is the distribution system for the economic system. It is in this institution and in State legislatures around this country that we determine how the economic system in our Nation is distributed. Some of us on one given day may talk about tax cuts; others may refer to them as entitlements for the poor.

□ 1900

Some of us may refer to them as welfare benefits. Others of us look at tax breaks for the wealthy. So it is called tax breaks if you are a wealthy person in this country, but if you are receiving a Federal benefit, it is called welfare. So even how it is labeled and what it is called in our society is the byproduct of how we define it politically.

So when people begin to see the relationship between their vote, it is easy to cut welfare in an election year. It is easy to attack the most vulnerable in an election year, because those who do not vote cannot defend themselves. Those who do vote will get a tax break. Those who do not vote will get their Federal benefits withdrawn, or even their constitutional rights violated or undermined, and I mean that by Democrats or by Republicans. We have to acknowledge that all of us, and many of us, have a political weakness when it comes to those vulnerable political, commercial type issues that could affect our reelection to this institution.

So once people understand and begin to appreciate that the political system is really the distribution system for our economic system, I might add that they begin to participate in great numbers. No long ago one of the Presidential candidates had suggested that, for example, he would propose an across-the-board 15 percent tax cut.

The next question I ask as an elected official is how is he going to pay for that tax cut. There is only one way to pay for it, do what General Powell said, eliminate the entitlement state as we know it. What are those entitlements? Those entitlements would be Medicare, Medicaid, and ending Social Security as we know it. That is really the only way to pay for a 15 percent across-the-board tax cut.

Mr. FIELDS of Louisiana. Or what about education?

Mr. JACKSON of Illinois. We talked about one of the President's plans to rebuild schools, the physical infrastructure, and leverage that money, $5 billion, leverage it four times, to $20 billion, to $23 billion, to rebuild the infrastructure of our public school systems. But if in fact we are not paying what we should be paying in terms of taxes and making sure that those resources are not going to an over-bloated military budget, but are being directed in a way that can help the average American to help change the quality of their lives, not for the rich but for those who are most vulnerable.

Mr. FIELDS of Louisiana. You are a former student leader on your college campus. How did you and your colleagues encourage young people or get young people at North Carolina A&T registered to vote? Let us face it, there are a lot of students who are not from North Carolina, who really do not care about the local politics of North Carolina, some not even concentrating on national politics, either. They are at North Carolina A&T just to get an education. When I was at Southern, that was one of the big things I had to face, trying to encourage students to register to vote, though they were not from the State.

What did you do to encourage nonresidents, so to speak, though they are residents once they register for school, to take an interest in registering to vote and actually vote on an election day?

Mr. JACKSON of Illinois. One of the campuses in North Carolina, right in front of the library has a statue, a statue of a famous North Carolinian. On that statue there is a placard that reads ''This Nation is democratic in direct proportion to its people's education.'' I remember that from 11 years ago when I was a student at North Carolina A&T. ''This Nation is democratic in direct proportion to its people's education.'' And guess what, the converse of that statement is also true: This Nation is undemocratic in direct proportion to the level of literacy and intelligence and education or lack of education thereof of its people.

So one of the things that I found most valuable for getting students to participate is education. I simply tell them that they are the first generation of Americans who are graduating with a college degree, graduate with a college degree, and if they decide to go to graduate school, 3 years for law school or 4 to 8 years, however long it may take to get a medical degree, where they have so many student loans as a result of their college education that it fundamentally affects their career options and their alternatives.

I chose public service. Fortunately, I went to North Carolina A&T State University. I played football for North Carolina A&T State University for a year or so before I received an academic scholarship. I left college not owing any money, so my genuine desire to become a public servant was directly related to me not owing $80,000 or $90,000 in bills that are associated with my college education. Had I owed $100,000, $110,000, $120,000 as a result of graduating from the seminary and graduating from law school, I quite probably would have had to have assumed a role in private, in the private sector or in private America, just to make the kind of salary that would address these bills.

I share that with students, that when they graduate from college, that they are the first generation of Americans who are more than likely moving back home with their parents. Their moving back home with their parents is part of the political process. Many of them who are incubated by their college environment, when they leave college, they are finding for the very first time that there are more unemployed people

in this Nation with college degrees and Master's degrees than at any other point in time in our Nation's history.

They then engage the political system, and if they stop complaining about what they do not have and just start using what they have got, pick up their vote early one morning and exercise it, exercise it in an intelligent way, not just vote for exercise but exercise their right to vote and make a sound decision, this country will become more democratic.

Mr. FIELDS of Louisiana. Mr. Speaker, I thank the gentleman for his comment. There are so many creative ways we used, so many creative ways to register young people to vote on a college campus. We used all kinds of techniques. We got all the professors involved, professors encouraged students to get on a bus. At that time we had to take the bus.

That is why I cannot even comprehend why a student is not registered to vote, because in 1994 when I was SU president, in 1984, rather, when I was SU president, you had to take students to register. I could not walk up to a student in Louisiana and say, or anybody, are you registered to vote; no, I am not. I could not register that student. But this Congress passed legislation where you can do that now.

If I was SU president I would walk around with voter registration cards in my pocket. For every student I came in contact with, I would ask the question, are you registered to vote? Because they empowered me as their student representative on the board of regents, their student representative as president of the student body, to speak with force to legislators to protect the institution and protect higher education statewide. Going back to talking about it and saying nothing, we can always complain about the problem, but you are part of the problem if you are not participating.

I was not as fortunate as you. Look at me, I am a little smaller than you. I could not play football, could not play many sports. I did not have an athletic scholarship. I had a book scholarship, a small academic scholarship, a book scholarship that only lasted 1 year that I received from the American Legion.

My family, my mom and my dad died when I was young, 5 years old. My mom raised 10 of us. There were 10 of us. I could not even afford to take out a student loan, to even entertain the thought of taking out a $5,000 student loan each semester. I could not even see how one could pay $5,000. At the end of the day, $20,000, $30,000, $40,000 after you graduate, I could not understand that.

I had the opportunity to participate in the Government's Pell Grant Program. I was able to get BEOG, the basic educational opportunity grant. Without that BEOG, quite frankly, since I did not have an athletic scholarship, I had a small academic scholarship that only took care of my books, so I do not know if I would have been able to attend college.

It would have been irresponsible of me as a recipient of the BEOG, a Government grant for higher education to assist me, because I did not have the kind of resources that other students may have had, to not vote. I wanted to protect my BEOG. Every time I heard of fights in Washington, DC, about cutting the BEOG and cutting Pell grants, I wanted to register even more students, because I wanted to make sure that this program was protected, because it is a program that gave benefits to so many students who, through no fault of their own, just did not have the resources and parents did not have the resources to send them to school.

Without it, I would not have gotten a higher education. Mr. Speaker, that is why it is so important. I am going to give a list of members of this Congressional Black Caucus who will attend Black College Day on the 23d of this month. I just think that is outstanding. I want to thank you for your leadership, that every member of the CBC, every last, every individual member of the CBC, the Congressional Black Caucus, will be at an HBCU on Monday, September 23, celebrating Black College Day, and encouraging young students to register and vote on all college campuses across America.

Mr. JACKSON of Illinois. If the gentleman will yield, Mr. Speaker, it is really amazing when we talk about this process. I want to thank the distinguished gentleman from Louisiana for his leadership, and the leadership that he has shown oftentimes by himself on the floor of this Congress, toward trying to get young people to participate in the process.

Today, we passed in the U.S. Congress a bill under suspension of the rules called the Student Debt Reduction Act, which will go a long way toward reducing the debt of students who have taken out these various loans.

I might add, Mr. Speaker, that we did not pass the Student Debt Elimination Act, which would totally wipe out the debt of every student who has ever had a student loan in this country. We can afford it. We are the richest Nation in the history of the world, we can afford it. If we education is a real priority, we can pass a student debt elimination act. But you know what, students are going to have to be mad enough about student loans as a collective body, a spirit is going to have to sweep across the Nation where students are calling for the elimination of debt. Because our Nation can afford to put children through college.

The President has a program for 2 years, others have proposed 4-year programs for students who desire to go to college. We can afford it if we consider education to be a National Defense Act. If our country is democratic in direct proportion to our Nation's education, then the defense of this democracy, education, must be seen as the defense of this democracy.

Mr. FIELDS of Louisiana. Let me just tell the gentleman where many of our colleagues will be on September 23. The gentleman from Georgia, SANFORD BISHOP, will attend Albany State College. I just think this is history making, having every member of the CBC at a historically black college in this country to talk about, listen, it is time to not just have a program, but to register to vote.

The gentlewoman from Florida, Ms. CORRINE BROWN, will be at Bethune Cookman College and Edward Waters College, as well; the gentleman from Missouri, Mr. WILLIAM CLAY, Lincoln University; the gentlewoman from North Carolina, EVA CLAYTON, Fayetteville State; the gentleman from Maryland, Mr. ELIJAH CUMMINGS, a new Member of this body, Morgan State and Coppin State University; the gentleman from Pennsylvania, Mr. CHAKA FATTAH, Lincoln University; the gentleman from Florida, Mr. ALCEE HASTINGS, Florida A&M; the gentleman from Alabama, Mr. EARL HILLIARD, will be at Alabama State University; the gentlewoman from the District of Columbia, Ms. ELEANOR HOLMES NORTON, will be at Howard University; the gentleman from Louisiana, Mr. WILLIAM JEFFERSON, Xavier University in New Orleans; the gentlewoman from Texas, Ms. EDDIE BERNICE JOHNSON, the Paul Quinn College; the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, Texas Southern University; the gentleman from Georgia, Mr. JOHN LEWIS, AU Center; the gentlewoman from Florida, Mrs. CARRIE MEEK, will be at Florida Memorial College; the gentleman from Virginia, Mr. BOBBIE SCOTT, Norfolk State University; the gentleman from Mississippi, Mr. BENNIE THOMPSON, Jackson State University; the gentleman from Maryland, Mr. ALBERT WYNN, Bowie State University.

I can go on and on. Every member of the CBC, and you are trying to make your alma mater, A&T, or North Carolina A&T, and a college in Illinois, in your district. There is so much energy among CBC members who want to participate, who want to be at a college on that day to get your people registered to vote. But the SGA presidents have a responsibility and the Greek presidents have a responsibility, and all the civic and social organizations have a responsibility. They have a responsibility to say, by the end of the day, we will register 100 percent of our student body. Professors have a responsibility.

Mr. JACKSON of Illinois. An achievable goal.

Mr. FIELDS of Louisiana. College presidents have a responsibility. Most colleges, when I was going to school, we had what you call a convocation, and freshmen had freshmen seminars, something they had to attend every week. Every student had to attend convocation. You attended convocation.

What would happen if a college president said, OK, at this convocation, for the first 15 minutes, I want every student to be registered to vote; pass out

the cards, not influencing students as to how to vote or how to register in terms of party affiliation, but if you choose to register, you have 15 minutes to do so right now.

I passed a bill in Louisiana where registration, college registration, will incorporate voter registration, when the registrars or voters office has to be present during college registration on college campuses in the State of Louisiana; a way to register students to vote when they register for college.

You worked when you were a kid on a piece, and I remember talking to you, I was at Southern and you were at A&T, talking about registering students to vote when they graduate from high school; if they graduated with a diploma in one hand and the voter registration card in the other. I remember that, and that worked. I went back to Louisiana and I tried to institute the same thing. I said, OK, when you graduate from high school, you have to have a diploma in one hand.

Mr. JACKSON of Illinois. Knowledge in one hand and empowerment in the other hand, that is correct.

Mr. FIELDS of Louisiana. Knowledge and power. I cannot overemphasize how important this is. For the 23d, it is HBCU, historical black colleges and universities, but listen, every college students, irrespective of what college they attend, ought to register to vote. SGA presidents have their responsibility.

Mr. JACKSON of Illinois. The old adage is true, if you do not vote, do not complain; really, do not complain if you are not voting, if you are not participating in the political process. The reality is that if you do not vote, you do vote. You vote by definition for the person you do not want to win. That is not a Democratic or Republican statement, that is just a statement of political reality. If you do not vote, you cannot complain. If you do not vote, you got what is coming to you that is coming to you, because it is coming to you.

Mr. FIELDS of Louisiana. Or if you use the excuse that I am not from Illinois or from Chicago, I am only here for school.

□ 1915

You live there, and you will be living there for the next 2, 3, 4 years.

Mr. JACKSON of Illinois. Nor can you use the excuse that ''I don't trust politicians, I don't like politicians.'' Run yourself. Come up here and try some of this. If you want to engage in a debate, if you want to engage in some discourse about the future of our Nation and the future of our community. Don't vote for the politician of your choice. You run and find out how difficult it is to talk hope into people who are dispirited, to talk hope into the disenfranchised, and to bring them into the political process and see how difficult it is.

If I were a DJ in America, on the radio every morning talking jive, and you had no substance to your jive, beyond the jive that you are talking, there is something wrong with that, if you are just complaining.

I am a graduate of Chicago Theological Seminary, and I speak in a lot of churches. Just about every Sunday, my pastor, the pastor of the Salem Baptist Church in Chicago, the Reverend James Meeks, we have altar call in our church. You would be surprised. I had a meeting with some of the people at our church who counsel members of our church. And I asked them some questions about what do people share with them most to be their problems. Some people are concerned about losing their job when they come to altar call, some are concerned about their illness, whether or not they can check into a hospital, whether or not they can afford to add a burden to their family. People come to altar call to pray for a whole lot of reasons. Many of these things are resolvable if they are in the political process.

Mr. FIELDS of Louisiana. Let me ask the gentleman a question. If I were sitting at home tonight and I wanted to register to vote, in my dormitory, watching television, doing whatever, washing, and I just want to register to vote, what is that number that I can call right now if I wanted to register to vote?

Mr. JACKSON of Illinois. I would look at that Jaguar from Southern University who is sitting at home.

Mr. FIELDS of Louisiana. What is that number for my edification?

Mr. JACKSON of Illinois. 1–800–REGISTER. It is really simple. 1–800–REGISTER. And ''register'' is spelled R-E-G-I-S-T-E-R. It costs you nothing. It is free.

Mr. FIELDS of Louisiana. I want to make sure I am doing it right. All I have to do if I go back to my office right now and I wanted to register to vote is pick up the phone and dial 1–800–REGISTER?

Mr. JACKSON of Illinois. That is correct.

Mr. FIELDS of Louisiana. That is all I have to do?

Mr. JACKSON of Illinois. Unless you are from the State of Illinois.

Mr. FIELDS of Louisiana. What will happen? They will send me a package or something?

Mr. JACKSON of Illinois. It is a toll-free call where they prompt, they ask you for your name, address, phone number, verify who you are through your State Secretary of State.

Mr. FIELDS of Louisiana. They set this up, and then I have to sign it or something?

Mr. JACKSON of Illinois. That is all you have to do is sign it. It is postage paid, and returned to you.

Mr. FIELDS of Louisiana. Mr. Speaker, I include the following material for the RECORD:

APPENDIX—SOME PROMINENT HBUC ALUMNI

Leaders of the Past

Nobel Laureate Martin Luther King, Jr. (Morehouse), Supreme Court Justice Thurgood Marshall (Lincoln and Howard), educators W.E.B. DuBois (Fisk), Mary McLeod Bethune (Scotia Seminary [Barber-Scotia]), Lucy C. Laney ([Clark] Atlanta), scientist-educator Booker T. Washington (Hampton), Urban League leader Whitney Young (Kentucky State), NAACP leader Walter F. White ([Clark] Atlanta), writer Ralph Ellison (Tuskegee), poet-lyricist James Weldson Johnson ([Clark] Atlanta), and activists Medgar Evers (Alcorn State) and Rosa Parks (Alabama State).

And the Present

Writers: Nobel Laureate Toni Morrison (Howard), Alice Walker (Spelman), Nikki Giovanni (Fisk), the late Alex Haley (Alcorn State and Elizabeth City State), and Imamu Amin Baraka (Leroi Jones) (Howard). Opera singers: Jessye Morman (Howard and Leonryne Price (Central State). Historians: John W. Blassingame (Fort Valley State and Howard) and John Hope Franklin (Fisk).

Political leaders: Jesse Jackson (North Carolina A&T), former ambassador to the United Nations Andrew Young, Jr. (Dillard and Howard), former Virginia Governor Douglas Wilder (Howard), former New York Mayor David Dinkins (Howard), former Atlanta mayor Maynard Jackson (Morehouse), former Memphis mayor Willie Herenton (LeMonye-Owen), Secretary of Energy Hazel O'Leary (Fisk), former Surgeon-General Joceyln Elders (Philander Smith), former Secretary of Health and Human Services Louis Sullivan (Morehouse), and many others such as * * * and NAACP leader Benjamin Hooks (Howard).

Enterainers: film director Spike Lee (Morehouse); actor-television host Oprah Winfrey (Tennessee State); actors Ossie Davis (Howard), Tim Reid (Norfolk State), Phylicia Rashad (Howard), director-actor Kenny Leon (Clark [Atlanta]), Esther Rolle (Spelman); musicians Roberta Flack (Howard), Lionel Ritchie (Tuskegee), Erskine Hawkins (Alabama State), Billy Eckstine (Howard), Billy Taylor (Virginia State), and Branford Marsalis (Southern).

Also journalist Carl Rowan (Tennessee State); astronaut Ronald E. McNair (North Carolina A&T); architect Tarlee Brown (Tuskegee); founder of a literary journal, Charles H. Rowell (Alabama A&M); kidney transplant specialist Dr. Samuel Lee Kounta (University of Arkansas at Pine Bluff); president and chief executive officer of Atlanta Life Insurance, Jesse Hill, Jr. (Lincoln); educator Marva Collins (Clark [Atlanta]); the first Black woman member of the American College of Physicians, Dr. Margaret E. Grisby (Prairie View A&M); jurists Joseph W. Hatchett of the U.S. Court of Appeals for the Eleventh Circuit (Florida A&M) and Henry E. Frye of the North Carolina Supreme Court (North Carolina A&T), and coaches John Chaney (Bethune-Cookman), Clarence Gaines (Morgan State), Art Shell (University of Maryland Eastern Shore), and Eddie Robinson (Leland).

Military leaders: the late Daniel James (Tuskegee), the first Black four-star general; Russell C. Davis (Tuskegee), first Black Air National Guard general; Dr. Marion Mann (Tuskegee), medical corps general; Air Force Generals Lucius Theus, Tirus Hall, James F. Hamlet, Rufus L. Billups, and Charles B. Jiggets (all of Tuskegee); Army generals Eugene R. Cromarie (Florida A&M), Julitis W. Becton, Jr. (Prairie View A&M), Edward Honor (Southern), Guthrie L. Turner (Shaw), Henry Doctor, Jr., James R. Klugh, and George Price (all of South Carolina State); and Army nurses corps general Clara Adams-Ender (North Carolina A&M).[1]

[1] This list, by no means comprehensive, was compiled from information obtained by AAUP Committee L from the institutions listed, and from Christa Brelin, ed., Who's Who Among Black Americans, 1992–93 (7th ed.). Detroit: Gale Research, Inc., 1993, and from Leadership and Learning, An Interpretive History of Historically Black Land-Grant Colleges and Universities, 99–111.

HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

ALABAMA

Alabama A&M University
Alabama State University
Bishop State Community College
Concordia College
Fredd State Technical College
Lawson State Community College
Miles College
Oakwood College
Selma University
J.F. Drake Technical College
Stillman College
Talladega College
Trenholm State Technical College
Tuskegee University

ARKANSAS

Arkansas Baptist College
Philander Smith College
Shorter College
University of Arkansas at Pine Bluff

DELAWARE

Delaware State University

DISTRICT OF COLUMBIA

Howard University
University of the District of Columbia

FLORIDA

Bethune-Cookman College
Edward Waters College
Florida A&M University
Florida Memorial College

GEORGIA

Albany State College
Clark Atlanta University
Fort Valley State College
Interdenominational Theological Center
Morehouse College
Morehouse School of Medicine
Morris Brown College
Paine College
Savannah State College
Spelman College

KENTUCKY

Kentucky State University

LOUISIANA

Dillard University
Grambling State University
Southern University and A&M College at Baton Rouge
Southern University at New Orleans
Southern University at Shreveport/Bossier City
Xavier University

MARYLAND

Bowie State University
Coppin State College
Morgan State University
University of Maryland Eastern Shore

MICHIGAN

Lewis College of Business

MISSISSIPPI

Alcorn State University
Coahoma Community College
Jackson State University
Mary Holmes College
Mississippi Valley State University
Rust College
Tougaloo College

MISSOURI

Harris-Stowe State College
Lincoln University

NORTH CAROLINA

Barber-Scotia College
Bennett College
Elizabeth City State University
Fayetteville State University
Johnson C. Smith University
Livingstone College
North Carolina A&T State University
North Carolina Central University
Saint Augustine's College
Shaw University
Winston-Salem State University

OHIO

Central State University
Wilberforce University

OKLAHOMA

Langston University

PENNSYLVANIA

Cheyney State University of PA
Lincoln University

SOUTH CAROLINA

Allen University
Benedict College
Claflin College
Clinton Junior College
Denmark Technical College
Morris College
South Carolina State University
Voorhees College

TENNESSEE

Fisk University
Knoxville College
Lane College
Lemoyne-Owen College
Meharry Medical College
Tennessee State University

TEXAS

Huston-Tillotson College
Jarvis Christian College
Paul Quinn College
Prairie View A&M University
Saint Phillip's College
Southwestern Christian College
Texas College
Texas Southern University
Wiley College

VIRGINIA

Hampton University
Norfolk State University
Saint Paul's College
Virginia State University
Virginia Union University

WEST VIRGINIA

Bluefield State College
West Virginia State University

U.S. VIRGIN ISLANDS

University of the Virgin Islands

FEDERAL AGENCIES SUPPORTING HBCUS UNDER EXECUTIVE ORDER 12876

U.S. Departments of:
- Agriculture
- Commerce
- Defense
- Education
- Energy
- Health and Human Services
- Housing and Urban Development
- The Interior
- Justice
- Labor
- State
- Transportation
- Treasury
- Veterans Affairs

Agency for International Development
Appalachian Regional Commission
Central Intelligence Agency
Environmental Protection Agency
Equal Employment Opportunity Commission
National Aeronautics and Space Administration
National Credit Union Administration
National Endowment for the Arts
National Endowment for the Humanities
National Science Foundation
Nuclear Regulatory Commission
Small Business Administration
United States Information Agency

TABLE 10.—FALL ENROLLMENT IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, BY INSTITUTION, CONTROL, AND SEX: 1976 TO 1990

Institution	State	Year established	Control	1976		1978		1980	
				Total	Women	Total	Women	Total	Women
1	2	3	4	5	6	7	8	9	10
Total	.....	.....	.....	222,613	117,944	227,797	123,581	233,557	127,170
**Alabama A&M University	AL	1875	Public 4-year	4,564	2,246	4,425	2,056	4,380	2,104
Alabama State University [2]	AL	1874	Public 4-year	4,153	2,455	4,794	2,844	4,066	2,416
Bishop State Community College [3]	AL	1927	Public 2-year	1,649	920	1,500	956	1,425	955
C.A. Fredd State Technical College	AL	1965	Public 2-year	.....	.....	.....	.....	.....	.....
Carver State Technical College	AL	1962	Public 2-year	.....	.....	.....	.....	.....	.....
Concordia College [4]	AL	1922	Private 2-year	137	70	228	170	243	182
Daniel Payne College, Birmingham [5]	AL	1889	Private 4-year	346	165	.....	.....	.....	.....
J.F. Drake Technical College	AL	1961	Public 2-year	.....	.....	.....	.....	.....	.....
Lawson State Community College [6]	AL	1965	Public 2-year	1,345	870	1,271	913	1,056	728
Lomax-Hannon Junior College [7]	AL	1893	Private 2-year	126	76	160	89	96	42
Miles College	AL	1905	Private 4-year	1,469	739	1,283	704	1,014	528
Oakwood College [8]	AL	1896	Private 4-year	1,171	652	1,266	654	1,303	751
Selma University	AL	1878	Private 4-year	650	324	632	371	501	276
Stillman College [9]	AL	1876	Private 4-year	857	497	607	360	558	317
Talladega College [10]	AL	1867	Private 4-year	625	406	705	481	797	576
Trenholm State Technical College	AL	1966	Public 2-year	.....	.....	.....	.....	.....	.....
**Tuskegee University [11]	AL	1881	Private 4-year	3,571	1,797	3,298	1,708	3,736	1,930
Arkansas Baptist College	AR	1901	Private 4-year	583	173	445	182	296	146
Philander Smith College	AR	1877	Private 4-year	592	249	550	248	590	282
Shorter College	AR	1886	Private 2-year	199	98	172	92	164	72
**University of Arkansas, Pine Bluff [12]	AR	1873	Public 4-year	3,062	1,653	2,998	1,730	3,064	1,750
**Delaware State College	DE	1891	Public 4-year	1,844	885	2,153	1,031	2,084	1,096
Howard University [13]	DC	1867	Private 4-year	9,815	4,708	10,339	5,066	11,321	5,845
**University of the District of Columbia [14]	DC	1851	Public 4-year	1,322	966	13,661	7,634	13,900	7,698

TABLE 10.—FALL ENROLLMENT IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, BY INSTITUTION, CONTROL, AND SEX: 1976 TO 1990—Continued

Institution	State	Year established	Control	1976		1978		1980	
				Total	Women	Total	Women	Total	Women
1	2	3	4	5	6	7	8	9	10
Bethune-Cookman College [15]	FL	1904	Private 4-year	1,517	855	1,791	1,045	1,738	1,045
Edward Waters College [16]	FL	1866	Private 4-year	743	417	660	406	836	548
**Florida A&M University [17]	FL	1877	Public 4-year	5,779	2,913	5,882	2,987	5,371	2,726
Florida Memorial College [18]	FL	1879	Private 4-year	412	177	797	428	950	502
Albany State College	GA	1903	Public 4-year	2,222	1,289	1,750	1,066	1,555	897
Clark Atlanta University [19]	GA	1989	Private 4-year	.....	.....	.....	.....	.....	.....
Atlanta University [20]	GA	1865	Private 4-year	1,177	656	1,227	658	1,371	706
Clark College [21]	GA	1869	Private 4-year	1,792	1,135	1,849	1,216	2,107	1,397
**Fort Valley State College [22]	GA	1895	Public 4-year	1,869	910	1,872	973	1,814	983
Interdenominational Theological Center	GA	1958	Private 4-year	227	31	288	41	273	36
Morehouse College	GA	1867	Private 4-year	1,402	0	1,659	0	2,006	28
Morehouse School of Medicine [23]	GA	1978	Private 4-year	.....	.....	.....	.....	.....	.....
Morris Brown College [24]	GA	1881	Private 4-year	1,579	806	1,684	950	1,611	983
Paine College	GA	1882	Private 4-year	775	472	817	563	748	473
Savannah State College [25]	GA	1890	Public 4-year	2,847	1,713	2,229	1,291	2,110	1,090
Spelman College [26]	GA	1881	Private 4-year	1,289	1,289	1,262	1,262	1,366	1,366
**Kentucky State University	KY	1886	Public 4-year	2,389	1,167	2,196	1,045	2,336	1,236
Dillard University [27]	LA	1869	Private 4-year	1,186	875	1,217	891	1,208	902
Grambling State University [28]	LA	1901	Public 4-year	4,048	2,144	3,623	1,968	3,549	1,797
**Southern University and A&M College, Baton Rouge	LA	1880	Public 4-year	8,995	4,970	8,061	4,424	8,372	4,409
Southern University, New Orleans	LA	1959	Public 4-year	3,311	1,928	2,710	1,748	2,574	1,733
Southern University, Shreveport-Bossier City Campus	LA	1964	Public 2-year	974	580	692	481	723	507
Xavier University of Louisiana [29]	LA	1915	Private 4-year	1,846	1,086	1,895	1,166	2,004	1,277
Bowie State University [30]	MD	1865	Public 4-year	2,845	1,598	2,722	1,545	2,757	1,619
Coppin State College [31]	MD	1900	Public 4-year	2,949	2,122	2,874	2,114	2,541	1,838
Morgan State University	MD	1867	Public 4-year	6,254	3,333	5,209	2,891	5,050	2,851
**University of Maryland, Eastern Shore	MD	1886	Public 4-year	994	451	1,057	462	1,073	543
Lewis College of Business [32]	MI	1874	Private 2-year	225	180	560	431	487	392
**Alcorn State University	MS	1871	Public 4-year	2,603	1,476	2,296	1,365	2,341	1,346
Coahoma Community College [33]	MS	1949	Public 2-year	1,446	696	1,425	837	1,394	984
Hinds Community College, Utica Campus [34]	MS	1954	Public 2-year	994	544	834	492	1,005	575
Jackson State University	MS	1877	Public 4-year	7,928	4,283	7,646	4,274	7,099	4,078
Mary Holmes College	MS	1892	Private 2-year	624	279	655	333	422	218
Mississippi Industrial College [35]	MS	1905	Private 4-year	314	162	270	150	239	139
Mississippi Valley State University	MS	1946	Public 4-year	3,228	1,718	2,899	1,629	2,564	1,461
Natchez Junior College [36]	MS	1884	Private 2-year	19	16	62	56	.....	.....
Prentiss Institute [37]	MS	1907	Private 2-year	139	80	81	50	146	83
Rust College	MS	1866	Private 4-year	883	555	725	503	715	434
Tougaloo College [38]	MS	1869	Private 4-year	810	541	960	634	886	598
Harris-Stowe State College [39]	MO	1857	Public 4-year	1,248	862	1,102	827	1,175	832
**Lincoln University [40]	MO	1866	Public 4-year	2,341	1,037	2,332	1,047	2,651	1,202
Barber-Scotia College [41]	NC	1867	Private 4-year	526	289	401	247	317	191
Bennett College [42]	NC	1873	Private 4-year	618	618	614	614	620	620
Elizabeth City State University [43]	NC	1891	Public 4-year	1,651	929	1,584	908	1,488	836
Fayetteville State University [44]	NC	1877	Public 4-year	1,940	1,114	2,125	1,268	2,465	1,440
Johnson College Smith University	NC	1867	Private 4-year	1,599	805	1,473	766	1,379	740
Livingstone College	NC	1879	Private 4-year	909	400	921	448	879	366
**North Carolina Agricultural and Technical State University	NC	1891	Public 4-year	5,515	2,675	5,385	2,580	5,510	2,473
North Carolina Central University [45]	NC	1910	Public 4-year	4,782	2,849	4,810	2,919	4,910	3,013
St. Augustine's College	NC	1867	Private 4-year	1,641	997	1,762	1,003	1,861	1,063
Shaw University	NC	1865	Private 4-year	1,453	648	1,263	549	1,523	749
Winston-Salem State University [46]	NC	1892	Public 4-year	2,094	1,277	2,204	1,329	2,220	1,313
Central State University [47]	OH	1887	Public 4-year	2,182	1,084	2,414	1,171	3,031	1,554
Wilberforce University [48]	OH	1856	Private 4-year	1,109	493	1,026	473	1,082	558
**Langston University [49]	OK	1897	Public 4-year	1,128	503	942	391	1,179	497
Cheyney University of Pennsylvania [50]	PA	1837	Public 4-year	2,848	1,289	2,637	1,345	2,426	1,249
Lincoln University [51]	PA	1854	Public 4-year	1,104	537	1,132	513	1,294	665
Allen University [52]	SC	1870	Private 4-year	543	275	419	213	410	210
Benedict College	SC	1870	Private 4-year	1,982	1,267	1,761	1,152	1,426	914
Claflin College [53]	SC	1869	Private 4-year	1,005	640	852	560	739	481
Clinton Junior College [54]	SC	1894	Private 2-year	208	81	122	34	116	54
Denmark Technical College [55]	SC	1948	Public 2-year	.....	.....	565	239	669	317
Friendship College [56]	SC	1891	Private 2-year	193	56	166	46	343	141
Morris College	SC	1908	Private 4-year	638	368	637	386	626	372
**South Carolina State College	SC	1896	Public 4-year	3,678	2,127	3,437	1,999	3,929	2,192
Voorhees College [57]	SC	1897	Private 4-year	1,050	617	794	487	613	390
Fisk University [58]	TN	1867	Private 4-year	1,279	761	1,150	721	1,009	682
Knoxville College [59]	TN	1875	Private 4-year	837	435	713	343	557	205
Lane College [60]	TN	1882	Private 4-year	701	341	673	345	757	378
LeMoyne-Owen College [61]	TN	1862	Private 4-year	1,118	677	990	637	1,063	690
Meharry Medical College [62]	TN	1876	Private 4-year	886	362	1,038	445	817	298
Morristown College [63]	TN	1881	Private 2-year	176	79	149	68	114	45
**Tennessee State University [64]	TN	1912	Public 4-year	5,480	2,919	5,537	2,855	8,318	4,435
Bishop College [65]	TX	1881	Private 4-year	1,664	694	1,569	708	945	273
Huston-Tillotson College [66]	TX	1876	Private 4-year	717	268	616	271	692	290
Jarvis Christian College [67]	TX	1912	Private 4-year	526	257	480	237	619	307
Paul Quinn College [68]	TX	1872	Private 4-year	537	236	421	195	438	230
**Prairie View A&M University	TX	1876	Public 4-year	5,118	2,660	5,101	2,667	6,592	3,542
St. Philip's College	TX	1927	Public 2-year	6,900	2,034	6,782	2,218	6,860	2,308
Southwestern Christian College [69]	TX	1949	Private 4-year	341	154	471	138	285	146
Texas College	TX	1894	Private 4-year	725	377	468	241	476	218
Texas Southern University [70]	TX	1947	Public 4-year	9,170	4,350	8,802	4,261	8,100	3,564
Wiley College	TX	1873	Private 4-year	599	293	615	319	664	328
Hampton University [71]	VA	1868	Private 4-year	2,805	1,714	2,808	1,738	3,230	1,930
Norfolk State University [72]	VA	1935	Public 4-year	6,956	4,074	7,283	4,146	7,286	4,324
St. Paul's College	VA	1888	Private 4-year	626	331	615	313	645	322
Virginia College [73]	VA	1886	Private 2-year	242	91	251	88	.....	.....
**Virginia State University [74]	VA	1882	Public 4-year	5,229	2,963	4,475	2,518	4,668	2,645
Virginia Union University	VA	1865	Private 4-year	1,424	704	1,178	618	1,361	682
Bluefield State College	WV	1895	Public 4-year	1,735	774	2,283	1,173	2,742	1,456
West Virginia State College	WV	1891	Public 4-year	4,001	1,813	3,678	1,874	4,353	2,413
**University of the Virgin Islands, St. Thomas Campus [75]	VI	1962	Public 4-year	2,122	1,350	1,848	1,266	2,148	1,533

—Data not reported or not applicable.

**Land-grant institution.

[1] Preliminary data.

[2] Founded as the Lincoln Normal School, a private institution. In 1874, became first state-supported historically black college.

[3] Founded as the Alabama State Branch by Mrs. Fredericka Evans and Dr. H. Council Trenholm, President of Alabama State College. In 1936, the College began offering a 2-year curriculum as part of the parent institution, Alabama State University. In 1965, the College became an independent junior college and the name was changed to Mobile State Junior College. In 1971, the name of the institution was changed to honor its first President, Dr. S.D. Bishop.

[4] Formerly called Alabama Lutheran Academy and College. In 1981 changed name to Concordia College. Affiliated with the Lutheran Church, Missouri Synod.

[5] School closed in 1977.

[6] In October 1973, Wenonah Vocational Trade School for Negroes (founded in 1949) and Theodore Alfred Lawson State Junior College (founded in 1963 and known as the Wenonah State Technical Junior College between 1963 and 1969), merged as a result of Alabama legislation adopted June 1972.

[7] Prior to closing in 1984, the school was affiliated with the African Methodist Episcopal Zion Church.

[8] Is owned and operated by the General Conference of Seventh-Day Adventists.

[9] Affiliated with the Presbyterian Church.

[10] Was the first school in Alabama to admit students regardless of race.

[11] Founded by Booker T. Washington. Formerly called Tuskegee Institute.

[12] Founded as Branch Normal College, it continued from 1927 until 1972 as Arkansas Agricultural, Mechanical, and Normal College. In 1972, it joined four other campuses to comprise the University of Arkansas System.
[13] Founded as a coeducational and multiracial private university in 1867 by an act of the U.S. Congress, the University is named after General Oliver Otis Howard, Commissioner of the Freedmen's Bureau.
[14] The roots of the University of the District of Columbia, the nation's only metropolitan, land-grant institution of higher education stretch back to 1851 when Myrtilla Miner opened a school to prepare black women to teach. In 1976, three public higher education institutions, D.C. Teachers College, Federal City College, and Washington Technical Institute, were merged into the University of the District of Columbia. This merger caused the apparent enrollment increase in 1978.
[15] Upon the merger in 1923 of Cookman Institute for Men, founded in 1872 by the Reverend D.S.B. Darnell, and Daytona Normal and Industrial Institute for Women, founded in 1904 by Dr. Mary McLeod Bethune, the institution became the Daytona Cookman Collegiate Institute and was taken over by the Board of Education of the Methodist Church. The name was later changed to Bethune-Cookman College.
[16] Founded as Brown Theological Institute. Edward Waters College is the oldest historically black institute of higher learning in the State of Florida. Affiliated with the African Methodist Episcopal Church.
[17] Designated as a land-grant institution in 1891 and became a university in 1953. Founded in 1887 as the State Normal College For Colored Students.
[18] Affiliated with the Baptist Church.
[19] Atlanta University and Clark College merged July 1, 1989, and became Clark Atlanta University.
[20] In 1929, the college became an exclusively graduate and professional institution, the first with a predominantly black student body; merged with Clark College in 1989.
[21] Founded as the first Methodist-affiliated college to serve African Americans.
[22] The Fort Valley Normal and Industrial School merged with the Forsyth State Teachers and Agricultural College in 1939 to become Fort Valley State College.
[23] Morehouse School of Medicine began in 1975 as a medical program within Morehouse College. In April 1985, the school was granted full accreditation to award an M.D. degree.
[24] Affiliated with the African Methodist Episcopal Church and is the only surviving college founded by blacks in Georgia.
[25] Called Georgia State College until 1947, it was established as a school for the training and education of Negro youth. It served as the state land-grant institution for blacks until this function was transferred to Fort Valley State College. The Regents of the University System changed the name to Savannah State College in 1950.
[26] The nation's oldest undergraduate liberal arts college for black women.
[27] Affiliated with the United Church of Christ and the United Methodist Church.
[28] Founded by Charles P. Adams. Is a multi-purpose, state-supported, coeducational institution.
[29] The only historically black institution with Catholic affiliation.
[30] Bowie State University is part of the University of Maryland System. Formerly Bowie State College.
[31] The only public senior college in the University of Maryland System.
[32] Founded by Dr. Violet T. Lewis to provide postsecondary business education to urban dwellers unable to obtain training from other institutions. This school originated in a store front in Indianapolis, Indiana.
[33] Was established as Coahoma Junior College in 1949. In 1989, the College was renamed Coahoma Community College.
[34] Founded by Dr. William H. Holtzclaw. Formerly called Utica Junior College and then Hinds Junior College.
[35] Lost accreditation in 1983 and closed in 1986. Lane College in Tennessee maintains their records.
[36] School no longer eligible for listing.
[37] Formerly Prentiss Normal and Industrial Institute. Closed in 1990.
[38] In 1869, the American Missionary Association of New York purchased a plantation of 500 acres near Jackson, Mississippi, and established on it a school for the training of young people irrespective of their religion and race.
[39] Founded in 1857 as the first teacher education institution west of the Mississippi. Was formerly known as Harris Teachers College and Harris Stowe College.
[40] A land-grant, comprehensive, multi-purpose institution of higher education founded by members of the 62nd and 65th U.S. Colored Infantry units as Lincoln Institute in 1866.
[41] Founded as Scotia Seminary, a preparatory for young Negro women. In 1916 changed its name to Scotia Women's College. Merged with Barber Memorial College in 1930. In 1932 changed name to Barber-Scotia College and then changed to coeducational in 1954. Historically affiliated to the Presbyterian Church (USA).
[42] Founded as a coeducational institution and reorganized as a women's college in 1926. Is affiliated with the United Methodist Church.
[43] Founded as a Normal School for the specific purpose of teaching and training teachers of the black race to teach in the common schools. Since 1972, it has been part of the 16-campus University of North Carolina System. Granted its first degrees in 1939 when it was known as Elizabeth City State Teachers College.
[44] Began as Howard School in 1867. In 1877 its name was changed to the State Colored Normal School. It is the second oldest state-supported institution in North Carolina and one of the oldest teacher education institutions in the South. In 1939, the institution began a 4-year program and became Fayetteville State Teachers College marking the beginning of a 4-year curriculum. In 1972, became part of the University of North Carolina System.
[45] Founded by Dr. James E. Shepard. In 1925, became the nation's first state-supported liberal arts college for black people.
[46] Founded as Slater Industrial Academy. Became Winston-Salem Teachers College, the first black institution in the U.S. to grant degrees for teaching in the elementary grades.
[47] Originated as a separate department of Wilberforce University in 1887. Became independent in 1947.
[48] Founded as the first coeducational college for blacks. Affiliated with the African Methodist Episcopal Church.
[49] Was founded as the Colored Agricultural and Normal University. The present name was adopted in 1941.
[50] Founded by Richard Humphreys, a Philadelphia Quaker. It is the nation's oldest historically black institution of higher learning. Began as a high school in 1837 and offered its first baccalaureate degree in the 1930s. Formerly known as Cheyney State College.
[51] The first institution established anywhere in the world to provide higher education in the arts and sciences for male youth of African descent. It was chartered as Ashmun Institute, an all-male institution, and remained as such for almost 100 years. It graduated its first woman in 1953, but it did not become fully coeducational until 1965.
[52] Founded under the auspices of the African Methodist Episcopal Church.
[53] Founded by two Methodist laymen from Massachusetts, William and Lee Claflin.
[54] School was not eligible for listing in 1988. Affiliated with the African Methodist Episcopal Zion Church.
[55] Founded as an all black trade school. In 1969, became a public 2-year branch campus of the South Carolina technical education system.
[56] Closed in 1982. Formerly known as Friendship Junior College.
[57] Founded by Elizabeth Evelyn Wright, it is a coeducational, liberal arts college.
[58] Incorporated under the laws of the State of Tennessee on August 22, 1867. The purpose was the education and training of young black men and women.
[59] Knoxville College now has two campuses. In 1989, Morristown College merged with Knoxville College. Knoxville was founded in 1875 by the United Presbyterian Church of North America.
[60] Founded by the Colored (Christian) Methodist Episcopal Church as the C.M.E. High School, and became Lane College in 1895.
[61] In 1968 LeMoyne College and Owen College merged.
[62] Founded as the Medical Department of Central Tennessee College, with the mission of educating health professionals for the black population. Meharry became an independent medical college in 1915. Meharry Medical College has trained close to one-third of the black physicians and dentists practicing in the United States today.
[63] After closing in 1988, Morristown was annexed by Knoxville College in 1989.
[64] Founded in 1912 as the Tennessee Agriculture and Industrial State Normal School for Negroes. It merged with the University of Tennessee at Nashville in 1979 and now has two campuses.
[65] Closed in 1988; was affiliated with the Baptist Church.
[66] Was formed in 1952 by the merger of Tillotson College (founded in 1875) and Samuel Huston College (founded in 1876). Is supported by the United Methodist Church and the United Church of Christ.
[67] A private coeducational college founded in 1912 and affiliated with the Christian Church (Disciples of Christ).
[68] Paul Quinn College began in a one room building in Austin, Texas, by a group of African Methodist Episcopal circuit riders who saw a need for a trade school to teach newly freed slaves. The college moved to Dallas in 1990 to the campus formerly occupied by Bishop College which closed in 1988.
[69] Formerly a 2-year institution, but became a 4-year institution offering bachelor's degrees in 1984.
[70] Founded as the Houston Colored Junior College. Its successor, Houston College for Negroes was transferred to the State of Texas following passage of a bill creating Texas State University for Negroes. Established as a State University in 1947. The name was changed to Texas Southern University in 1951.
[71] Founded by General Samuel Chapman Armstrong. Hampton is Virginia's only coeducational, non-denominational 4-year private college. Formerly known as Hampton Institute and Hampton College.
[72] Formerly known as Norfolk State College.
[73] Changed name to Virginia Seminary and College. Closed in 1980.
[74] The first fully state-supported, 4-year bachelor's degree black college in America. Founded in March 1882, when the Virginia legislature passed a bill to charter the Virginia Normal and Collegiate Institute. Formerly known as Virginia State College.
[75] This is a public, coeducational, land-grant institution that was founded in 1962 by enabling legislation of the Virgin Islands Legislature. Formerly known as College of Virgin Islands.

Note.—Some schools are estimated on the previous year enrollment on this table.

Source: U.S. Department of Education, National Center for Education Statistics, Higher Education General Information Survey (HEGIS), ''Fall Enrollment in Colleges and Universities'' surveys; and Integrated Postsecondary Education Data System (IPEDS), ''Fall Enrollment'' surveys. (This table was prepared January 1992.)

COMBATING THE NATION'S DRUG PROBLEM

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized for 60 minutes.

Mr. KINGSTON. Mr. Speaker, I wanted to talk tonight a little bit about the growing debate about the drug war and talk about some of the things that this Congress has done to combat the drug problem in America and the youth.

I think there are two things that we need to keep in mind. One is the statistics, and the other is the recent salvo of the Clinton administration about tobacco. I, like you, have young children. I am concerned about my children smoking at early ages and I am concerned about the health problems of smoking and so forth. But why did Bill Clinton come out so strong now, on the eve of an election, against tobacco when he has had the Presidency for 4 years? Why suddenly?

One of the suggestions that people have, and I think this is a legitimate, it goes back to when Bill Clinton was talking on national TV on MTV, the music television show which gets a huge audience of, say, 13 to 20-year-olds, I will watch it every now and then myself, it is good, it is not just those ages; they have some good programs; of course they have some other things that are pretty questionable.

He was asked if given another chance to smoke marijuana, would he have inhaled; because, of course, Bill Clinton would have everyone in America believing that he never inhaled, which this particular President seems to be able to get away with a lot of things but he is famous for saying he did not inhale. But when asked by an MTV audience full of 13-, 14-, 15-, 16-year-olds, if you had it to do again would you have inhaled, to which a snickering, laughing Bill Clinton said, ''Sure. Sure, if I could. I tried before. Ha-ha.''

So here we are, he is running for the President of the United States and at that time, this was on June 12, 1992, he was clearly on his way to being the Democrat nominee, standing in front of 13-, 14-, 15-year-olds, makes a joke about it. So let us kind of say, well, that is what happened. Think about that as exhibit 1.

Now play that scenario again, Mr. Candidate for President Clinton, if you had to do it again, would you have inhaled?

''You know, if I had to do it again, I never would have smoked marijuana. I never would have tried. It hurts your ambition, it hurts your grades, it hurts your abilities to do sports. It can be a

steppingstone drug to other drugs. It could have psychological addiction. It is a bad thing. I tried it, it was rampant in the 1960's. Do not fall for it in the 1990's. We know so much more about it.''

Just think, Mr. Speaker, if you are a 14-year-old kid and you are sitting on the fence with half your friends smoking marijuana and the other half not smoking and you were sitting on the fence, in that audience, and you had the soon-to-be President of the United States tell you, sure, if I had another chance I would try it, versus, no way, hell no, it is bad for you, do not make my mistake, think which way you would go if you were that 14-year-old.

Instead, what happens is we have a passive, I would say endorsement on drug use and drug culture.

So what is the Clinton drug record? Here are some great statistics that have just come out. They are not great in the sense that they are optimistic by any stretch, but they have just come out. They are from a 1996, August, 1 month ago, report by the Household Survey on Drug Abuse, the Department of Human Services, which of course is controlled by the Clinton liberal Democrats. But it says that drug use among teenagers has exploded. From 1992 to 1995, overall drug use from 12- to 17-year-olds has gone up 78 percent. Marijuana use during the 1992 to 1995 period is up 105 percent. LSD, 103 percent increase. Cocaine, from 1994 to 1995, 166 percent increase.

Think about that, Mr. Speaker. That is all during the Clinton administration, during the period of time when he was slashing interdiction, cutting funding for drug enforcement agents and sending these cynical messages to our children about what drug use means.

I had a conversation with my 13-year-old the other day. We have a constant dialogue about this because already in her class, even though she goes to a very good school, I know most of the parents, most of the kids have gone to that same school all their life, they do not have a lot of transplants coming in and out of the system, it is a very stable environment, they already have one kid who was smoking marijuana in their class.

If you want some more statistics, and this is something that as a parent of four kids I am very concerned about—this is from the Luntz Research Co.—by the time the average teenager reaches 17, 79 percent of the teenagers have friends who are regular drinkers, 60 percent of the teenagers can buy marijuana within 1 day, 62 percent of our teenagers under 17 have friends who use marijuana, 58 percent have been solicited to buy marijuana, 58 percent know someone who personally uses acid, cocaine or heroin, 43 percent know someone who has a personal drug problem, and 42 percent find marijuana easier to buy than either beer or cigarettes. I think that is very interesting. These statistics, Mr. Speaker, as you know, are of major concern.

This past weekend, the Speaker was outraged when the President had the audacity to write a letter that blamed Congress for not fully funding his anti-drug program. We know what has happened. His sideshow with tobacco has not brought in the poll numbers that he expected, so he is going to come at the drug problem now head-on by blaming it on Congress. So here are some statistics on that that we want to talk about.

Is Congress to blame? One of President Clinton's first acts as President was to slash the staff of the drug czar by 83 percent. He cut drug interdiction spending 25 percent below the Bush administration. And from 1992 to 1995, 227 agent positions were eliminated from the Drug Enforcement Agency.

Let us talk about the Drug Enforcement Agency, Mr. Speaker. I believe the total number of employees at the Drug Enforcement Agency, the DEA as it is called often, I believe it is around 6,800 people. How many people do we have working for the IRS? One hundred eleven thousand employees.

So we have got 111,000 employees who are going to breathe down the necks of middle-class tax-paying Americans to make sure that they fill out their taxes right. But in terms of cracking down on drug thugs, we only have about 6,800 people and 227 of them have had their jobs eliminated under President Clinton.

Drug prosecution. What is going on over at the Attorney General's office? They are in on that, too. Drug prosecution has dropped 12 percent during Clinton's first 2 years as President. And we remember one of his key top advisers and Cabinet members had a son who was involved and arrested for drug usage and maybe drug sales, I am not sure; I know drug usage, and at the time she said, as a good mother should say, she thought he had done no wrong; I guess a good mother should say, I am still behind my son, I love him, even though he has done wrong; but I would say in true Clinton administration fashion; blamed it on society. That is the kind of people that we seem to have surrounding the President.

The recent book that came out by Gary Aldrich who was a top FBI adviser over at the White House, the name of the book is ''Unlimited Access,'' it is an FBI agent who is no longer with the administration but who was there during the key periods of time in the administration, he talks about the big difference between, say, Bush applicants and Clinton applicants. And I am not going to say that this book is gospel, I am not going to say that all of this has been verified. Frankly, some of it has, some of it has not. I will say this; that if Anita Hill said anything that was truth, then this book is gospel compared to Anita Hill, but I am not going to get into opinions too much, just read a little bit of it here.

That a minority of Bush applicants, and this is on page 112 of the book, experimented and admitted to inhaling illegal drugs. They were very sorry. They said, yes, I smoked marijuana once or twice, I was in college, everybody was doing it, so I stopped, I stopped using marijuana after I left college. I am ashamed that I ever did it, but it was stupid and I am sorry agents like you were risking your lives fighting drug traffickers and I did not have the guts to stand up to peer pressure.

What Mr. Aldrich does in his book, he contrasts this to Clinton staffers. Remember, this guy was there at the time. He said, by contrast, Clinton staffers, older or younger, make no apology for their illegal drug use, which was much more extensive, with heavy drugs like cocaine, crack, LSD. Many were actually in your face about it, using the FBI interview to try to debate me, me being Gary Aldrich, on the merits of making drugs legal.

That sets a tone of this White House having certainly, I am not going to say a drug culture, but certainly a different view of drugs entirely than society; because I think society as a whole recognizes the danger of drugs, recognizes that it is not a positive thing, that society as a whole does not want to legalize marijuana, which again was one of the Clinton Cabinet and adviser things that they brought up.

Here is another quote, again Mr. Aldrich says incidents like these, and it is talking about an incident of somebody who had had some marijuana and polygraph problems, but the word had trickled down that the Clinton staff system was rigged and there were some paperwork problems, that they would blur over people's drug use or whatever like that.

□ 1930

This book goes into great detail about it. It also talks about the drug czar and some of the Cabinet members. Originally the drug czar was not the gentleman who is drug czar now, who is a fine gentleman and doing a very good job over there. I am glad to see that Clinton has recognized that, and I am sorry to see it is in the 11th hour of his administration.

But, you know, getting back to what the Gingrich-Clinton discussion was about over the weekend, I think it is good to hear what the Speaker said in his letter back to Clinton. Clinton wrote that Congress has not come up with $640 million in appropriations or his request to spend more money on drugs in the safe and drug free school program.

I am a member of appropriations, as you are, Mr. Speaker. I have never been lobbied by anybody except for the new drug czar about increasing spending for drug interdiction, enforcement, or convictions. I have not had anybody from the administration contact me as an appropriations member and say this is what we need. I have had some other agencies do that, but they were not acting from the administration.

The Speaker wrote back: It is an outrage to watch you, to the President, to watch you, the President, joke about your own drug use. You have eliminated 83 percent of the drug czar's office after being sworn in, and you stood by while your Surgeon General called for drug legalization and your Attorney General testified against mandatory minimum sentences for drug dealers.

He also contended that Clinton tried to cut antidrug efforts by law enforcement agencies, appointed Federal judges who are easy on drug dealers.

Mr. Speaker, let me talk about that. Typical Clinton-appointed judge: This was a case where a woman pulled up into a high crime district in New York City. She hops out of her car. Four men come out of the dark alleyway and put two duffel bags into the trunk of the car. When that happened, law enforcement personnel closed in on her. The people ran. The police caught them. They arrested them, took them to court.

In court, the liberal Clinton-appointed judge threw out the bags of cocaine, which was in the duffel bags, full of, I think, 80 pounds of cocaine in each duffel bag, threw that out as evidence. He said in that neighborhood running from the police is logical and rational behavior because police in that neighborhood are oppressive. That was the Clinton-appointed judge who was supposed to be protecting our children on our streets from drug thugs and traffickers and pushers.

That is the kind of mentality we have here. It is just two different perceptions of the problem.

The letter from Mr. GINGRICH goes on, and I think it is a good one, but he points to a lot of facts. This year, Republicans in Congress will provide $173 million for the Drug Enforcement Agency. That is $20 million more than the President had requested.

The Republican Congress is increasing funding for INS, $542 million, including 400 more Border Patrol agents. That, Mr. Speaker, is the Immigration Service. As we know, one of the big problems we have with drug trafficking is people coming over the borders from out of the country bringing in drugs. If we can crack down on illegal immigration, we are also cracking down on drug trafficking.

Mr. Speaker, it is interesting to note that 22 percent of the prison population in our Federal penal system are illegal aliens, and 80 percent of them are in jail for violent offenses, and many, many related to drugs.

Republicans are also providing $914 million in the defense budget for drug interdiction and counter drug activities. I met with a gentleman today who represents a group who is trying to support new funding for an airplane for Customs. This airplane has a special kind of radar that can be used to detect drug dealers. As you probably know, Mr. Speaker, most drugs right now are the ones south of the border and are coming from Peru or Bolivia. They are manufactured there, and then they are brought to Colombia, where the lab is. Then from Colombia they are flown to a ship or flown to another country and dropped off, either with a quick landing, or sometimes they have to just drop the stuff and keep going.

This drug interdiction plan would track drug planes and tell the people on the ground where they are going to, and so forth, because right now, of course, the drug planes are flying without flight plans, without running lights and so forth, and they are very hard to detect. Drug interdiction planes would be a great help in fighting that.

We are spending $13 million more than President Clinton requested for intelligence efforts against drug cartels, and $9.5 more for interdictions on the southwest border. We have increased funding to fight drugs in high crime neighborhoods by $10 million.

Now, we have a philosophical disagreement on some of the spending for the Safe and Drug Free Schools Program, because some of that was frankly getting wasted. But there is a lot of good that came from it, because this was a Reagan program. It was part of the Nancy Reagan just say no program.

One of the things that is interesting about Nancy Reagan's program, Mr. Speaker, is that as the liberal Washington elite snickered at it because it was just too simple, it is interesting that up until 1992, drug usage for every drug except for heroin fell up until 1992. Then you get a new President, you get a new tone, a new drug philosophy, and what happens? Drug usage is right back up.

So this is something that we have got to keep fighting on. It is something where marijuana is more deadly now than it was when we were teenagers. There are chemicals and so forth that are mixed into it. It is not the same plant that parents say, ''Well, I smoked a little marijuana. It will not hurt my 15 year old.'' It might, because it is a different drug, and it is a different age in terms of drugs.

So I think that when you look at the statistics that the Luntz Corp. put out, we have got to be very, very concerned.

With that, Mr. Speaker, I am going to move on to a couple of the other things that are of great concern in terms of this Congress, some of the reforms that we have done.

This Congress has made a lot of changes. The reforms we have put in are all commonsense based. We have given the President the line-item veto. That will be effective in January. We have applied the same laws to Congress that the private sector has to live under. That goes for OSHA, EPA, regulatory departments of all natures that have to govern us. This was a Republican initiative.

We have cut the budget of Congress by $67 million. We have eliminated 28 committees and subcommittees, and reduced our own staff by approximately one-third.

We have banned most gifts to Members of Congress. There was a time, as you know, when the Congressmen could do anything, travel anywhere, and collect honorariums. That is not the case anymore.

We have reduced the franking privileges, that is the free mail we get. In my office, and I know in yours, Mr. Speaker, we keep it down, because it is running for reelection on the taxpayers' expense.

We have put term limits on committee chairs and top congressional leaders. We have done that because we think that that will put new blood and new energy into the committee system, instead of some old bull who has been sitting there for 25 years, and maybe he is contributing, maybe he is not. Somebody else comes along who has more energy and perhaps more intellect, he has only been there 6 years. Let him have a shot at it. That is something we think is very important.

We have moved in terms of reducing the amount of Government. We have tried our best to dismantle some of the bureaucracy, not all of it, but some of the duplications and so forth. We have reduced the paperwork in the Federal agencies.

One of the things that I have always been amazed at as I go down in the basement of the Rayburn Building across the hall is there are rolls and rolls of paper, some of them as tall as I am, and it is just paper we will use in our Government Printing Office for all our documents and so forth. I would venture to say, many of them get processed, printed, and thrown away, still unread.

Just kind of skipping around a little bit, we have eliminated over 270 unnecessary Federal programs. The number of bureaucrats was reduced in 29 of the 39 major government offices. Defense spending was reduced as a result of congressional initiatives.

We have to be very careful on defense spending because it costs so much to train somebody to drive a tank or fly an airplane, and that is someone's son or daughter in that expensive equipment, and we want them to have the best equipment that is available. Also, you never know how many fronts there may be a problem on, the Middle East, Bosnia, Korea. We have to be ready in America.

We cut spending last year by $45 billion. We reformed welfare and changed welfare to a program that is work-based, and we have put the caseworkers back home closer to the decisionmaking process, rather than having a cookie-cutter, one-size-fits-all.

But, you know the thing that worries me the most, Mr. Speaker, is you are working harder and harder and getting nowhere for it. Are you worried that your children are not going to be able to have the lifestyle that you enjoy? Are you worried that your children are not going to be able to enjoy the American dream? Has big government, high taxes, and excess of regulations and

deficit spending, has it stolen or diminished the American dream?

I think that it has. What this Congress has tried to do is work for commonsense reforms. We have tried to balance the budget in a fair way. We have tried to put sanity back into our tax system, with such things as eliminating the marriage tax penalty. We have tried to make government more responsive and operate like a household budget, rather than like some kind of Santa Claus fantasy that we can just tap into some instant money machine somewhere, and the money just keeps flowing and flowing and flowing. We have tried to do this, because balancing the budget is about people.

You know, an individual today owes about $18,000 on the national debt. That means a couple working to pay their mortgage is having to pay a higher mortgage rate because the interest rates are higher because the budget is not balanced. That means a professional woman pursuing a career, leasing a car, has to pay higher payments, on buying that car, has to pay higher interest rates on that, or the small business person.

It also means that a small baby, like my nephew, Walker Watson, will have to pay over $200,000 in interest over his lifetime just on the national debt above and beyond State, local, and Federal taxes.

Balancing the budget is not about numbers, it is about people. It is not just about people, it is about a future of children in the American dream. I think we can change the system. I think we can restore sanity to Washington, Mr. Speaker. We have got to do it in a bipartisan way, we have got to do it in a fair way, and we have got to do it outside of Washington. We have got to go home, every weekend, and constantly talk to the American people about this process, because it is something that affects all of us.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PORTMAN (at the request of Mr. ARMEY), for today, on account of a death in the family.

Mr. RIGGS (at the request of Mr. ARMEY), for today, on account of illness.

Mr. GANSKE (at the request of Mr. ARMEY), for today and September 12, on account of illness.

Mr. HEINEMAN (at the request of Mr. ARMEY), for today and September 12, on account of illness.

Mr. TORKILDSEN (at the request of Mr. ARMEY), for today, on account of official business.

Mr. PASTOR (at the request of Mr. GEPHARDT), for today, on account of business in the district.

Mr. MCNULTY (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. SCOTT (at the request of Mr. GEPHARDT), for today, on account of personal business.

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. CHAMBLIS to revise and extend their remarks and include extraneous material:)

Mr. LUCAS, for 5 minutes, today,

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

Mr. HINCHEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GIBBONS, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,061.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. HAMILTON.
Mr. TORRICELLI.
Mr. SANDERS.
Mr. LEVIN.
Mr. STOKES.
Mr. STARK.
Mr. DOYLE.
Mr. CLEMENT.
Mrs. MALONEY.

(The following Members (at the request of Mr. CHAMBLISS) and to include extraneous matter:)

Mr. FIELDS of Texas.
Mr. BAKER of California.
Mr. DUNCAN.
Mr. THORNBERRY.
Mr. SMITH of Michigan.
Mr. WALSH.
Mr. STOCKMAN.
Mr. SCHAEFER.
Mr. SOLOMON.

(The following Members (at the request of Mr. KINGSTON) and to include extraneous matter:)

Mr. CLINGER.
Mr. HAYES.
Mr. CRAPO.
Mr. GILLMOR.
Mr. EDWARDS.
Mr. DUNCAN.
Mr. KILDEE.
Mr. OBEY.
Mr. MATSUI.
Mr. POSHARD.
Mr. RAMSTAD.
Mr. MOLLOHAN.
Mr. DORNAN.
Ms. DELAURO.
Mrs. JOHNSON of Connecticut.
Mrs. LOWEY.
Mr. GIBBONS.
Ms. ROS-LEHTINEN.
Mr. BENTSEN.
Mr. OWENS.
Mr. FORBES in three instances.
Mr. PORTMAN.
Mr. MCINTOSH.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1662. An act to establish areas of wilderness and recreation in the State of Oregon, and for other purposes; to the Committee on Resources, and in addition to the Committees on Agriculture and 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.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2428. An act to encourage the donation of food and grocery products to nonprofit organizations for distribution to needy individuals by giving the Model Good Samaritan Food Donation Act the full force and effect of law.

H.R. 4018. An act to make technical corrections in the Federal Oil and Gas Royalty Management Act of 1992.

ADJOURNMENT

Mr. KINGSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, September 12, 1996, at 10 a.m.

EXPENDITURE REPORTS CONCERNING FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized by various committees, U.S. House of Representatives, during the 2d quarter of 1996 in connection with official foreign travel, pursuant to Public Law 95–384, as well as reports by various miscellaneous groups and individuals concerning expenditures in connection with official foreign travel authorized by the Speaker, U.S. House of Representatives, are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING AND FINANCIAL SERVICES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
James McCormick	5/21	5/25	Abidjan		950.00		3,986.05				4,936.05
Sean Peterson	5/20	5/25	Abidjan		1,140.00		3,293.05				4,433.05
Committee total					2,090.00		7,279.10				9,369.10

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES LEACH, Chairman, July 29, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Paul Berkowitz	4/9	4/13	Switzerland		1,240.00						1,240.00
Commercial airfare							3,131.95				3,131.95
	5/17	5/21	Taiwan		798.00						798.00
Commercial airfare							2,758.95				2,758.95
Debi Bodlander	4/5	4/13	Israel		[3] 2,714.00						2,714.00
Commercial airfare							4,622.95				4,622.95
Elana Broitman	4/19	4/20	Austria		253.00						253.00
	4/20	4/22	Hungary		636.00						636.00
Commercial airfare							3,119.75				3,119.75
	6/7	6/11	Nicaragua		980.00						980.00
Commercial airfare							1,382.95				1,382.95
Hon. Dan Burton	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)		7,961.53		8,509.53
	4/11	4/14	Brazil		597.00		(4)				597.00
Phil Christenson	4/1	4/11	South Africa		1,922.00						1,922.00
	4/11	4/12	Botswana		80.00						80.00
	4/12	4/15	South Africa		218.00						218.00
Commercial airfare							7,805.15				7,805.15
Karen Donfried	4/7	4/9	Turkey		[3] 216.00						216.00
	4/9	4/13	Germany		[3] 811.00						811.00
	4/13	4/16	Belgium		[3] 569.00						569.00
Commercial airfare							4,381.55				4,381.55
Scott Feeney	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)				548.00
	4/11	4/14	Brazil		597.00		(4)				597.00
Hon. Victor Frazer	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)				548.00
	4/11	4/14	Chile		597.00		(4)				597.00
Richard Garon	4/10	4/11	Croatia		[3] 1,300.00						1,300.00
	4/11	4/14	Bosnia								
	4/14	4/15	Croatia								
Commercial airfare							$2,300.95				$2,300.95
Kristen Gilley	4/4	4/11	South Africa		[3] 1,216.00						1,216.00
	4/11	4/12	Botswana		80.00						80.00
	4/12	4/14	South Africa		[3] 572.00						572.00
Commercial airfare							6,245.65				6,245.65
Christopher Hankin	6/21	6/25	Germany		950.00						950.00
Commercial airfare							3,284.25				3,284.25
Hon. Nancy Johnson	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)				548.00
	4/11	4/14	Brazil		597.00		(4)				597.00
David Jung	4/7	4/9	Turkey		376.00						376.00
	4/9	4/13	Germany		999.00						999.00
	4/13	4/16	Belgium		1,016.00						1,016.00
Commercial airfare							4,381.55				4,381.55
Gilead Kapen	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)				548.00
	4/11	4/14	Brazil		597.00		(4)				597.00
Hon. Jay Kim	4/3	4/4	Singapore		355.97						355.97
	4/4	4/8	Malaysia		812.00						812.00
	4/8	4/11	Philippines		744.00						744.00
Commercial airfare							1,761.00				1,761.00
Mark Kirk	3/30	3/31	England		[3] 48.00						48.00
	3/31	4/4	Egypt		[3] 762.00						762.00
	4/4	4/9	South Africa		[3] 1,040.00						1,040.00
	4/9	4/15	Bosnia		[3] 1,455.00						1,455.00
Commercial airfare							6,071.25				6,071.25
	6/7	6/12	Nicaragua		1,225.00						1,225.00
Commercial airfare							1,382.95				1,382.95
Christopher Kojm	3/31	4/1	Hungary		212.00						212.00
	4/1	4/3	Poland		520.00						520.00
	4/3	4/4	Czech Republic		[3] 383.00						383.00
	4/4	4/5	Slovakia								
Commercial airfare							3,834.85				3,834.85
Cliff Kupchan	3/31	4/7	Morocco		822.00						822.00
	4/7	4/11	South Africa		[3] 840.00						840.00
	4/11	4/12	Bostswana		80.00						80.00
Commercial airfare							7,091.85				7,091.85
John Mackey	4/19	4/20	Austria		253.00						253.00
	4/20	4/22	Hungary		636.00						636.00
Commercial airfare							3,119.75				3,119.75
	4/8	4/9	Mexico		222.00		(4)				222.00
	4/9	4/11	Panama		278.00		(4)				278.00
	4/11	4/13	Bolivia		282.00		(4)				282.00
	4/13	4/15	Peru		504.00		(4)				504.00
Les Munson	3/31	4/6	Morocco		822.00						822.00
	4/6	4/11	South Africa		[3] 855.00						855.00
	4/11	4/12	Botswana		80.00						80.00
	4/12	4/13	South Africa		[3] 571.00						571.00
Commercial airfare							3,834.85				3,834.85
Cliff Kupchan	3/31	4/7	Morocco		[3] 822.00						822.00
	4/7	4/11	South Africa		[3] 840.00						840.00
	4/11	4/12	Botswana		80.00						80.00
Commercial airfare							7,091.85				7,091.85
John Mackey	4/19	4/20	Austria		253.00						253.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	4/20	4/22	Hungary		636.00						636.00
Commercial airfare							3,119.75				3,119.75
	4/8	4/9	Mexico		222.00		(4)				222.00
	4/9	4/11	Panama		278.00		(4)				278.00
	4/11	4/13	Bolivia		282.00		(4)				282.00
	4/13	4/15	Peru		504.00		(4)				504.00
Les Munson	3/31	4/6	Morocco		822.00						822.00
	4/6	4/11	South Africa		[3] 855.00						855.00
	4/11	4/12	Botswana		80.00						80.00
	4/12	4/13	South Africa		[3] 571.00						571.00
Commercial airfare							7,055.85				7,055.85
Ken Nelson	4/25	4/27	Canada		310.00						310.00
Commercial airfare							388.00				388.00
Roger Noriega	3/31	4/3	Haiti		[3] 260.00						260.00
Commercial airfare							642.95				642.95
	4/25	4/27	Canada		349.00						349.00
Commercial airfare							388.00				388.00
	5/31	6/3	Nicaragua		150.00						150.00
Commercial airfare							1,382.95				1,382.95
Steve Rademaker	3/30	4/1	Hungary		212.00						212.00
	4/1	4/3	Poland		520.00						520.00
	4/3	4/4	Czech Republic		[3] 269.00						269.00
	4/4	4/6	Slovakia		388.00						388.00
	4/6	4/9	Russia		[3] 477.14						477.14
Commercial airfare							4,271.35				4,271.35
Grover Joseph Rees	6/7	6/9	Mexico		371.66						371.66
Commercial airfare							502.95				502.95
Dan Restrepo	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)				548.00
	4/11	4/14	Brazil		597.00		(4)				597.00
Frank Record	4/1	4/6	Morocco		822.00						822.00
Commercial airfare							3,354.25				3,354.25
	4/25	4/27	Canada		[3] 300.00						300.00
Commercial airfare							388.00				388.00
Walker Roberts	3/30	4/1	Hungary		212.00						212.00
	4/1	4/3	Poland		520.00						520.00
	4/3	4/4	Czech Republic		[3] 463.00						463.00
	4/4	4/5	Slovakia								
Commercial airfare							3,834.85				3,834.85
Hon. Charlie Rose	5/23	5/25	Taiwan								
Commercial airfare							2,523.95				2,523.95
Hon. Toby Roth	6/21	6/25	Germany		950.00						950.00
Commercial airfare							3,284.25				3,284.25
Mara Rudman	3/31	4/4	Egypt		[3] 550.24						550.24
	4/4	4/9	Israel		[3] 1,320.00						1,320.00
Commercial airfare							4,756.25				4,756.25
Marty Sletzinger	4/7	4/9	Turkey		564.00						564.00
	4/10	4/11	Croatia		300.00						300.00
	4/11	4/14	Bosnia		0.00						0.00
	4/14	4/15	Croatia		0.00						0.00
Commercial airfare							4,551.65				4,551.65
Hillel Weinberg	4/7	4/9	Turkey		276.00				46.20		322.20
	4/9	4/13	Germany		999.00						999.00
	4/13	4/16	Belgium		[3] 351.00						351.00
Commercial airfare							4,381.55				4,381.55
David Weiner	4/25	4/27	Canada		[3] 314.58						314.58
Commercial airfare							388.00				388.00
Hon. Al Wynn	4/7	4/9	Chile		581.00		(4)				581.00
	4/9	4/11	Argentina		548.00		(4)				548.00
	4/11	4/14	Brazil		597.00		(4)				597.00
Committee total					54,078.59		108,772.10		8,007.73		170.858.42

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refund of unused per diem.
[4] Military air transportation.

BEN GILMAN, Chairman, Aug. 9, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ITALY, BOSNIA, CROATIA AND HUNGARY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 29 AND MAR. 4, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Sonny Callahan	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Charles Wilson	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Bob Stump	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Bob Dornan	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Esteban Torres	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Charles Taylor	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Richard Hastings	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Mac Thornberry	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Victor Frazer	3/1	3/2	Italy		200.00		(3)				200.00
Hon. W. Livingood	3/1	3/2	Italy		200.00		(3)				200.00
Charles Flickner	3/1	3/2	Italy		200.00		(3)				200.00
Bill Inglee	3/1	3/2	Italy		200.00		(3)				200.00
Brett O'Brien	3/1	3/2	Italy		200.00		(3)				200.00
Mark Murray	3/1	3/2	Italy		200.00		(3)				200.00
Hon. Sonny Callahan	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Charles Wilson	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Bob Stump	3/2	3/3	Croatia		280.00		(3)				280.00
Hon Bob Dornan	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Esteban Torres	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Charles Taylor	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Richard Hastings	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Mac Thornberry	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Victor Frazer	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. W. Livingood	3/2	3/3	Croatia		280.00		(3)				280.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ITALY, BOSNIA, CROATIA AND HUNGARY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 29 AND MAR. 4, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Charles Flickner	3/2	3/3	Croatia		280.00		(3)				280.00
Bill Inglee	3/2	3/3	Croatia		280.00		(3)				280.00
Brett O'Brien	3/2	3/3	Croatia		280.00		(3)				280.00
Mark Murray	3/2	3/3	Croatia		280.00		(3)				280.00
Hon. Sonny Callahan	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Charles Wilson	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Bob Stump	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Bob Dornan	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Esteban Torres	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Charles Taylor	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Richard Hastings	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Mac Thornberry	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Victor Frazer	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. W. Livingood	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Charles Flickner	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Bill Inglee	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Brett O'Brien	3/3	3/4	Hungary		212.00		(3)				212.00
Hon. Mark Murray	3/3	3/4	Hungary		212.00		(3)				212.00
Committee total					9,688.00						9,688.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

SONNY CALLAHAN, Apr. 1, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 16 AND MAY 21, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Doug Bereuter	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Gerald Solomon	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Sherwood Boehlert	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Jan Meyers	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Marge Roukema	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Floyd Spence	5/17	5/20	Greece		823.50		(3)				823.50
Hon. Michael Bilirakis	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Porter Goss	5/17	5/21	Greece		841.68		(3)				841.68
Hon. Toby Roth	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Bobby Rush	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Hon. Pat Schroeder	5/17	5/21	Greece		1,098.00		(3)				1,098.00
John Herzberg	5/16	5/21	Greece		1,441.13		1,271.00				2,712.13
Jo Weber	5/16	5/21	Greece		1,441.13		2,577.12				4,018.25
Michael Ennis	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Chris Kojm	5/17	5/21	Greece		1,098.00		(3)				1,098.00
William Cox	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Ronald W. Lasch	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Linda Pedigo	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Jim Doran	5/17	5/21	Greece		1,098.00		(3)				1,098.00
Committee total					21,017.44		3,848.12				24,865.56

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

DOUGLAS BEREUTER, June 14, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO U.S.-RUSSIA JOINT COMMISSION ON POW–MIA AFFAIRS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 25 AND JUNE 1, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Pete Peterson	5/26	5/27	Germany		240.00		(3)				240.00
	5/27	5/29	Azerbaijan		394.00		(3)				394.00
	5/29	5/31	Georgia		426.00		(3)				426.00
	5/31	6/1	Germany		240.00		(3)				240.00
Suzanne Farmer	5/26	5/27	Germany		240.00		(3)				240.00
	5/27	5/29	Azerbaijan		394.00		(3)				394.00
	5/29	5/31	Georgia		426.00		(3)				426.00
	5/31	6/1	Germany		240.00		(3)				240.00
Committee total					2,600.00						2,600.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

PETE PETERSON, June 7, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO HUNGARY, BOSNIA, AND CROATIA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 21 AND JUNE 24, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. David L. Hobson	6/21	6/23	Hungary		324.00		(3)				324.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO HUNGARY, BOSNIA, AND CROATIA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 21 AND JUNE 24, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Hon. Bill Barrett	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Hon. Joe Knollenberg	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Hon. Dan Miller	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Hon. Robert W. Ney	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Hon. Tom Bevill	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Hon. John S. Tanner	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230		(3)				230
Hon. Wilson Livingood	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Kenneth Kraft	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		3				230.00
Brian Gunderson	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
John Plashal	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
R. Scott Lilly	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Dudley L. Tademy	6/21	6/23	Hungary		324.00		(3)				324.00
	6/22	6/22	Bosnia				(3)				
	6/23	6/23	Bosnia				(3)				
	6/23	6/24	Croatia		230.00		(3)				230.00
Committee total					7,202,000						7,202,000

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

DAVID L. HOBSON, July 17, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO A TRI-LATERAL FORUM, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 28 AND JULY 2, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Amo Houghton	6/28	7/2	United Kingdom								
Hon. Clifford Stearns	6/29	7/2	United Kingdom		93.00		3,082.45				3,175.45
Hon. Charles Taylor	6/29	7/2	United Kingdom		93.00		3,082.45				3,175.45
Hon. Kika de la Garza	6/29	7/2	United Kingdom		93.00		3,082.45				3,175.45
Hon. James McDermott	6/29	7/2	United Kingdom		93.00		3,271.45				3,364.45
Robert Van Wicklin	6/29	7/2	United Kingdom		93.00		3,215.45				3,308.45
Julie Paradis	6/29	7/2	United Kingdom		93.00		3,082.45				3,175.45
Committee total					558.00		18,816.70				19,374.70

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

AMO HOUGHTON, Aug. 2, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO OSCE PARLIAMENTARY ASSEMBLY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 5 AND JULY 9, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Henry Hyde	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Patricia Schroeder	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Steny Hoyer	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Benjamin Cardin	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Louise McIntosh Slaughter	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Bob Clement	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Greg Laughlin	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Bill Brewster	7/5	7/9	Sweden		1,216.00	(3)					1,216.00
Hon. Pat Danner	7/5	7/9	Sweden		1,216.00	(3)					1,216.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO OSCE PARLIAMENTARY ASSEMBLY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 5 AND JULY 9, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Karen Thurman	7/5	7/9	Sweden		1,216.00		(3)				1,216.00
Hon. Alcee Hastings	7/5	7/9	Sweden		1,216.00		(3)				1,216.00
Hon. Matt Salmon	7/5	7/9	Sweden		1,216.00		(3)				1,216.00
Hon. Jesse L. Jackson	7/5	7/9	Sweden		1,216.00		(3)				1,216.00
Hon. Samuel Wise	7/5	7/9	Sweden		1,216.00		(3)				1,056.00
Hon. Ronald McNamara	7/5	7/9	Sweden		1,216.00		(3)				1,216.00
Hon. Erika Schlager	7/5	7/9	Sweden		1,216.00		(3)				1,171.89
Marlene Kaufmann	7/5	7/9	Sweden		1,216.00		(3)				826.85
Michael Amitay	7/5	7/9	Sweden		1,216.00		(3)				762.00
Mark Gage	7/5	7/9	Sweden		1,216.00		(3)				984.00
Caroline Cooper	7/5	7/9	Sweden		1,216.00		(3)				973.47
Committee total					23,866.00						22,798.21

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

HENRY HYDE, Aug. 2, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. GARDNER PECKHAM, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 12 AND FEB. 24, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Gardner Peckham	2/12	2/14	Germany		301.00						301.00
	2/14	2/21	Bosnia		1,288.00						1,288.00
	2/21	2/22	Croatia		228.00						228.00
	2/22	2/24	Italy		337.00		1,515.75				1,852.75
Committee total					2,154.00		1,515.75				3,669.75

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GARDNER G. PECKHAM, Mar. 18, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. DAVID JOERGENSON, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 31 AND APR. 14, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
David Joergenson	3/31	4/2	Ecuador		326.00		(3)				326.00
	4/2	4/5	Chile		848.00		(3)				848.00
	4/5	4/8	Argentina		822.00		(3)				822.00
	4/8	4/14	Brazil		1,383.00		(3)				1,383.00
Committee total					3,379.00						3,379.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

JOHN D. JOERGENSON, May 14, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. JASON LOVELL, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 7 AND APR. 14, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jason Lovell	4/7	4/9	Chile		581.00						581.00
	4/9	4/11	Argentina		548.00						548.00
	4/11	4/14	Brazil		597.00						597.00
Committee total					1,726.00						1,726.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JASON LOVELL, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. ANDREA P. CAMP, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 31 AND APR. 14, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Andrea P. Camp	3/31	3/31	Panama				(3)				
	3/31	4/2	Ecuador		326.00		(3)				326.00
	4/2	4/5	Chile		848.00		(3)				848.00
	4/5	4/8	Argentina		822.00		(3)				822.00
	4/8	4/14	Brazil		1,383.00		(3)				1,383.00
Committee total					3,379.00						3,379.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

ANDREA P. CAMP, May 14, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. SAMUEL LANCASTER, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 8 AND APR. 15, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Samuel G. Lancaster	4/8	4/9	Mexico		221.75		(3)				221.75
	4/9	4/11	Panama		278.00		(3)				278.00
	4/11	4/11	Colombia				(3)				
	4/11	4/13	Bolivia		282.00		(3)				282.00
	4/13	4/15	Peoria		504.00		(3)				504.00
Committee total					1,285.75						1,285.75

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

SAMUEL LANCASTER, May 29, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HONORABLE GREG LAUGHLIN, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 8 AND MAY 14, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Greg Laughlin	5/8	5/14	Russia		100.00		3,280.95		306.00		3,686.95
Committee total					100.00		3,280.95		306.00		3,686.95

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GREG LAUGHLIN, May 30, 1996.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[Omitted from the Record of September 10, 1996]

4939. A letter from the Secretary of Energy, transmitting the Department's 34th quarterly report to Congress on the status of Exxon and stripper well oil overcharge funds as of March 31, 1996; to the Committee on Commerce.

4940. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals for the District of Columbia Circuit (94–1558—Engine Manufacturers Association, on Behalf of Certain of Its Members versus Environmental Protection Agency); to the Committee on Commerce.

4964. A letter from the Assistant Secretary for Employment Standards, Department of Labor, transmitting the Department's rule—Affirmative Action and Nondiscrimination Obligations of Contractors and Subcontractors Regarding Individuals with Disabilities, Disabled Veterans and Veterans of the Vietnam Era; Approval of Information Collection Requirements and OMB Control Numbers (RIN: 1215–AA62, 1215–AA76) received August 27, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4972. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals for the District of Columbia Circuit (95–5057—Scott Armstrong, et al. versus Executive Office of the President); to the Committee on Government Reform and Oversight.

4974. A letter from the Director, Financial Services, Library of Congress, transmitting the activities of the Capitol preservation fund for the first 9 months of fiscal year 1996, which ended on June 30, 1996, and comparable data for the same period of the previous fiscal year; to the Committee on House Oversight.

5000. A letter from the U.S. Court of Appeals, District of Columbia Circuit, transmitting an opinion of the U.S. Court of Appeals for the District of Columbia Circuit (92–3133—United States of America versus Rochell Ardall Crowder); to the Committee on the Judiciary.

[Submitted September 11, 1996]

5065. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's ''Major'' final rule—Control of Air Pollution; Final Rule for New Gasoline Spark-Ignition Marine Engines; Exemptions for New Nonroad Compression-Ignition Engines At or Above 37 Kilowatts and New Nonroad Spark-Ignition Engines At or Below 19 Kilowatts [FRL–5548–8] received September 10, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5066. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Las Vegas, New Mexico) [MM Docket No. 95–161] received September 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5067. A letter from the Acting 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. 96–63), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5068. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to Turkey for defense articles and services (Transmittal No. 96–64), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5069. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Sweden (Transmittal No. DTC–41–96), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5070. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of a major military equipment with Sweden (Transmittal No. DTC–40–96), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5071. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC–31–96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5072. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC–38–96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5073. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to United Kingdom (Transmittal No. DTC–54–96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5074. A letter form the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed issuance of export license agreement for the temporary export of defense articles or defense services sold commercially to Kazakhstan (Transmittal No. DTC–49–96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5075. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to Norway (Transmittal No. DTC–55–96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2076. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed issuance of export license agreement for the temporary export of defense articles or defense services sold commercially to the Department of National Defense, Government

of Malaysia (Transmittal No. DTC–45–96), pursuant to 22 U.S.C. 23776(c); to the Committee on International Relations.

5077. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC–43–96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5078. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5079. A letter from the FOIA Officer and General Counsel, Federal Mediation and Conciliation Service, transmitting a copy of the annual report in compliance with 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.

5080. A letter from the Secretary, Securities and Exchange Commission, transmitting a correction to the Commission's annual report submitted June 12, 1996; to the Committee on Government Reform and Oversight.

5081. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries Off the West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Trip Limit Reductions [Docket No. 951227306–5306–01; I.D. 082996C] received September 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5082. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Editorial Amendments for Classification and Program Review; Inmate Discipline; Education, Training, and Leisure Time Program Standards; and Release Gratuities [BOP–1057–F] (RIN: 1120–AA56) received September 11, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5083. A letter from the Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting a draft of proposed legislation to modify the existing authorization for flood damage reduction at Cape Girardeau—Jackson Metropolitan Area, MO, to authorize the Secretary of the Army to construct the project at a total cost of $42,776,000; to the Committee on Transportation and Infrastructure.

5084. A letter from the Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting a draft of proposed legislation to modify the project for deep-draft navigation at San Juan Harbor, PR, to authorize the Secretary of the Army to construct the project at a total cost of $45,085,000; to the Committee on Transportation and Infrastructure.

5085. A letter from the Chairman, Railroad Retirement Board, transmitting the results of a determination of the Railroad Retirement Account's ability to pay benefits in each of the next 5 years, pursuant to 45 U.S.C. 231u(a)(1); jointly, to the Committees on Commerce and Ways and Means.

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 Mrs. CLAYTON (for herself, Mr. ROSE, Mr. JONES, Mr. BALLENGER, Mr. FUNDERBURK, Mr. HEINEMAN, Mr. HEFNER, Mr. WATT of North Carolina, Mr. COBLE, Mr. BURR, Mr. HOYER, Mr. BLILEY, Mr. DAVIS, Mr. PAYNE of Virginia, Mr. SISISKY, Mr. WOLF, Mr. CLYBURN, Mr. SPRATT, Mr. WISE, Mr. CUMMINGS, Mrs. MORELLA, and Mr. WYNN):

H.R. 4046. A bill to make emergency supplemental appropriations for fiscal year 1996 to provide relief from the damages caused by Hurricane Fran and other natural disasters of 1996; to the Committee on Appropriations.

By Mrs. JOHNSON of Connecticut (for herself, Mr. DINGELL, Mr. GREENWOOD, Mr. STARK, Mr. SHAW, Mr. CARDIN, Mr. SAXTON, Mr. PALLONE, Mr. DEFAZIO, Mr. MCDERMOTT, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. MATSUI, Mr. DURBIN, Mr. RAHALL, Mr. ACKERMAN, Mr. ANDREWS, and Mr. HILLIARD):

H.R. 4047. A bill to amend title XVIII of the Social Security Act to provide additional consumer protections for Medicare supplemental insurance; to the Committee on Commerce.

By Mr. BAKER of California (for himself, Mr. RIGGS, Mrs. SEASTRAND, Mr. RADANOVICH, Mr. HORN, Mr. DREIER, Mr. KIM, and Mr. CALVERT):

H.R. 4048. A bill to enhance California's habitat, water quality, and water supply; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILLMOR:

H.R. 4049. A bill to permit States to prohibit the disposal of solid waste imported from other nations; to the Committee on Commerce.

By Mr. GIBBONS:

H.R. 4050. A bill to amend the Internal Revenue Code of 1986 to replace the current individual and corporate income taxes, and the Social Security and Medicare taxes, with a value-added tax; to the Committee on Ways and Means.

By Mr. KLECZKA (for himself and Mr. KLUG):

H.R. 4051. A bill to waive temporarily the Medicaid enrollment composition rule for Managed Health Services of Wisconsin; to the Committee on Commerce.

By Mr. KLECZKA (for himself and Mr. STARK):

H.R. 4052. A bill to amend the Internal Revenue Code of 1986 to assure continued health insurance coverage of retired workers; to the Committee on Ways and Means, and in addition to the Committees on Economic and Educational Opportunities, and 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. LAHOOD:

H.R. 4053. A bill to impose temporarily a 25-percent duty on imports of wheat gluten and to require the administering authority to initiate an investigation under title VII of the Tariff Act of 1930 with respect to wheat gluten; to the Committee on Ways and Means.

By Mr. LIGHTFOOT:

H.R. 4054. A bill to provide relief to agricultural producers who granted easements to, or owned or operated land condemned by, the Secretary of the Army for flooding losses caused by water retention at the dam site at Lake Redrock, IA, to the extent that the actual losses exceed the estimates of the Secretary, and for other purposes; to the Committee on Transportation and Infrastructure.

By Ms. LOFGREN:

H.R. 4055. A bill to require initial intake screenings and the use of youth development specialists in Federal juvenile proceedings, and to encourage States and local governments to use similar procedures; to the Committee on the Judiciary, 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 Mrs. MINK of Hawaii:

H.R. 4056. A bill to amend the Immigration and Nationality Act to provide for less restrictive standards for naturalization as a citizen of the United States for certain categories of persons; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.R. 4057. A bill to suspend temporarily the duty on the chemical DEMT; to the Committee on Ways and Means.

By Mrs. ROUKEMA (for herself, Mr. DEFAZIO, Mr. WISE, Mrs. JOHNSON of Connecticut, Mrs. MORELLA, Ms. NORTON, Ms. KAPTUR, Mr. MCCOLLUM, Mr. KASICH, AND Mr. HUTCHINSON):

H.R. 4058. A bill to provide for parity for mental health benefits under group health plans; to the Committee on Commerce, and in addition to the Committees on Economic and Educational Opportunities, 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 Mrs. SEASTRAND:

H.R. 4059. A bill to provide for the acquisition of certain property on Santa Cruz Island; to the Committee on Resources.

By Mr. SOLOMON (for himself, Mr. STUMP, Mr. WATTS of Oklahoma, and Mr. LONGLEY):

H.R. 4060. A bill to establish the Commission on the Future for America's Veterans; to the Committee on Veterans' Affairs, and in addition to the Committees on Rules, and National Security, 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. TALENT:

H.R. 4061. A bill to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. SOLOMON (for himself and Mr. GILMAN):

H. Con. Res. 212. Concurrent resolution endorsing the adoption by the European Parliament of a resolution supporting the Republic of China on Taiwan's efforts at joining the community of nations; to the Committee on International Relations.

By Ms. MILLENDER-MCDONALD:

H. Res. 518. Resolution to establish a select committee to investigate CIA involvement in the financing, distribution, and promulgation of crack cocaine and the use of any proceeds to support the Contras; to the Committee on Rules.

By Mr. SOLOMON:

H. Res. 519. Resolution to amend House Rules to require the random drug testing of Members, officers, and employees of the House; to the Committee on Rules.

By Ms. WATERS:

H. Res. 520. Resolution to establish a select committee to investigate CIA involvement in crack cocaine sales to fund Contras; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

242. The SPEAKER presented a memorial of the General Assembly of the Commonwealth of Kentucky, relative to Senate Joint Resolution No. 50, postratifying the 27th article of amendment to the Constitution of the United States of America deferring any variations in the compensation of Members of the U.S. Congress until an election of U.S. Representatives shall have intervened; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. LEACH.

H.R. 72: Mrs. FOWLER and Mr. STEARNS.

H.R. 103: Mr. METCALF.

H.R. 210: Mr. COX.

H.R. 1023: Mr. KINGSTON.

H.R. 1090: Mr. SAXTON.

H.R. 1363: Mr. GREENWOOD.

H.R. 1386: Mr. FRANKS of Connecticut and Mr. MCCOLLUM.

H.R. 1402: Mr. STOKES and Mr. BROWN of Ohio.

H.R. 1998: Mr. BACHUS, Mr. NEY, and Ms. PRYCE.

H.R. 2084: Mr. NADLER.

H.R. 2085: Mr. NADLER.

H.R. 2089: Mr. ROHRABACHER and Mr. SKEEN.

H.R. 2247: Ms. ESHOO.

H.R. 2508: Mr. HAYWORTH and Ms. MCCARTHY.

H.R. 2531: Mr. PETE GEREN of Texas and Mr. DICKEY.

H.R. 2535: Mr. BARR.

H.R. 2900: Mr. MICA, Mr. OBERSTAR, Mr. PETERSON of Minnesota, Mr. BEREUTER, Mr. ROBERTS, Mr. FRELINGHUYSEN, Mr. LEWIS of Kentucky, Mr. BALDACCI, Mr. CASTLE, Mr. CHRISTENSEN, Mr. REED, Mr. MARTINEZ, and Mr. BENTSEN.

H.R. 3002: Mr. WICKER.

H.R. 3077: Ms. SLAUGHTER and Mr. CRAMER.

H.R. 3142: Ms. PRYCE and Mr. INGLIS of South Carolina.

H.R. 3178: Mr. ABERCROMBIE.

H.R. 3207: Ms. SLAUGHTER and Mr. ACKERMAN.

H.R. 3221: Mr. ACKERMAN, Mr. GUTIERREZ, Ms. VELÁZQUEZ, Mr. FIELDS of Louisiana, and Mr. BROWN of California.

H.R. 3226: Mr. MCDERMOTT, Mr. ANDREWS, Mr. CONYERS, Mr. BOEHLERT, Mr. STARK, Mr. BAKER of Louisiana, Mr. SAXTON, Mr. VENTO, and Mr. LONGLEY.

H.R. 3307: Mr. PARKER, Mr. BREWSTER, Mr. PETERSON of Minnesota, Mr. HALL of Texas, Mr. SISISKY, Mr. CONDIT, and Mr. PETE GEREN of Texas.

H.R. 3337: Ms. SLAUGHTER.

H.R. 3348: Ms. NORTON.

H.R. 3401: Mr. TORRICELLI, Mr. LATHAM, and Mr. OWENS.

H.R. 3430: Mr. CANADY, Mr. SAWYER, Ms. PRYCE, Mr. JOHNSON of South Dakota, Mr. OXLEY, Mr. LUCAS, and Mr. CAMPBELL.

H.R. 3511: Mr. DELLUMS, Mr. ROMERO-BARCELÓ, and Mr. YATES.

H.R. 3584: Mr. MANTON.

H.R. 3590: Ms. SLAUGHTER, Ms. NORTON, Ms. FURSE, and Mr. MATSUI.

H.R. 3646: Mr. DELLUMS.

H.R. 3654: Mr. TAUZIN, Mr. FATTAH, Mr. CLEMENT, Mr. GEJDENSON, and Ms. VELÁZQUEZ.

H.R. 3678: Mr. COLEMAN.

H.R. 3714: Mr. MATSUI, Ms. SLAUGHTER, Mr. CONDIT, Mr. COLEMAN, Mr. HALL of Ohio, Ms. FURSE, and Mr. RAHALL.

H.R. 3727: Mr. BROWN of California, Mr. DELLUMS, Mrs. MORELLA, and Mr. MANZULLO.

H.R. 3745: Mr. TALENT.

H.R. 3752: Mrs. SMITH of Washington.

H.R. 3905: Mr. WELLER.

H.R. 3923: Mr. TRAFICANT, Mr. CLINGER, Mrs. MEEK of Florida, Mr. COBLE, Mr. FROST, Mr. EHRLICH, Mr. KENNEDY of Rhode Island, Mr. COSTELLO, Mr. MCDADE, Mrs. SEASTRAND, Mr. BALDACCI, Mr. PETE GEREN of Texas, and Mr. GREENWOOD.

H.R. 3927: Mr. WAXMAN, Mr. MORAN, Mr. KLUG, Mr. FAZIO of California, Mr. DELLUMS, Mr. LIPINSKI, and Mr. MATSUI.

H.R. 3928: Mr. DELLUMS.

H.R. 3963: Mr. BLUTE, Mr. HORN, Mr. BARR, and Mr. BALDACCI.

H.R. 4000: Mr. MANTON, Mr. VENTO, Mr. GEJDENSON, Mr. BEVILL, Mr. BAESLER, Mr. KLECZKA, Mr. CLEMENT, Mr. BROWN of Ohio, and Mr. FROST.

H.R. 4011: Mr. CAMP and Mr. MANZULLO.

H.J. Res. 191: Mr. HASTERT, Mr. LIPINSKI, and Mr. NETHERCUTT.

H. Con. Res. 63: Mr. BALDACCI and Mr. STUMP.

H. Con. Res. 135: Mr. WILLIAMS, Ms. PELOSI, Mrs. LOWEY, and Mr. DAVIS.

H. Con. Res. 176: Mr. DAVIS, Mr. COBURN, Mr. LIPINSKI, Mr. SKEEN, Mr. BLUTE, Mr. WATTS of Oklahoma, Mr. PETE GEREN of Texas, Mr. CAMP, Mr. CAMPBELL, and Mrs. MORELLA.

H. Con. Res. 180: Mr. MANTON, Mr. FOX, and Mr. HOBSON.

H. Con. Res. 199: Ms. SLAUGHTER, Mr. BALDACCI, and Mrs. MALONEY.

H. Res. 478: Mr. JACOBS, Mr. MATSUI, Mr. LUCAS, and Mr. CLEMENT.

H. Res. 486: Mr. HOSTETTLER, Mr. BARTLETT of Maryland, Mr. DORNAN, Mr. FIELDS of Texas, and Mr. BAKER of California.

H. Res. 510: Mr. STOCKMAN, Ms. GREENE of Utah, and Mr. ENGLISH of Pennsylvania.

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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

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Senate

The Senate met at 11 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:

O God, our Father, this is a new day. Banish all the gloom and darkness of worry and fear. Set us free to praise and worship You in joy and gladness. May we neither gloat over yesterday's successes nor be grim over yesterday's defeats. Help us make a fresh start and give ourselves fully to the challenges and opportunities of this day.

Grant us a vibrant enthusiasm so that we can accept each responsibility with delight and care for each person with affirmation. We know that life is an accumulation of days lived fully for Your glory or wasted on anxious care. Fill our minds with Your spirit so that we can think creatively; transform our attitudes so we can reflect Your patience and peace; brighten our countenance so that we will radiate Your joy; infuse strengths into our bodies so that we will have resiliency for the pressures of whatever the day will bring.

We look ahead to the decisions we will have to make today, and our deepest longing is that we will not miss Your best for us or our Nation. We dedicate this day to trust You all the way. Through our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT, is recognized.

Mr. LOTT. Thank you very much, Mr. President.

SCHEDULE

Mr. LOTT. Mr. President, this morning, the Senate will resume consideration of H.R. 3756, the Treasury-Postal appropriations bill. I understand there are two pending amendments, and I hope we may dispose of those amendments in short order and continue to make progress on the bill.

It is my intention to complete action on the Treasury-Postal appropriations bill this evening. That will certainly take cooperation—it always does—across the aisles. We need to help the managers by coming on over and offering amendments. Amendments are, in fact, needed so that we can be able to complete action at a reasonable hour tonight so we can then go tomorrow to the Chemical Weapons Convention.

If we do not get the Treasury-Postal Service appropriations bill completed this evening, then I am going to have to weigh exactly what we do with regard to the Chemical Weapons Convention. We made a commitment to do that. I intend to do that, but in order to do that, we are going to have to get this bill done. We are going to have to have some cooperation with that.

In accordance with the consent agreement reached on June 28, I do anticipate beginning the consideration of Executive Calendar No. 12, which is the Chemical Weapons Convention. We hope to be able to complete that in 1 day, instead of going all day tomorrow and going over until Friday. Again, with cooperation of the Members, we would like to see if we can complete that tomorrow, because we do have a Jewish holiday on Friday. We will not have any votes after 12 o'clock for sure, but if we could complete work on the CWC by tomorrow night, then Members will have more time to get to their homes to celebrate this special date for our Jewish Members.

We will probably have a 1-hour closed session at the end of the debate on the Chemical Weapons Convention, because it appears that some of the information Senators really need to have will not be declassified. If it is not declassified by noon tomorrow, we will give Members, I believe 4 hours notice is required under the rules. We will convene in the Old Senate Chamber, and then we will go to votes right after that.

Again, I urge all Senators to come to the floor if they have amendments. The smart thing to do would be to not offer a lot more amendments. Let's just go ahead and pass the Treasury-Postal appropriations bill and be done with it. Would that be all right with the chairman?

Mr. SHELBY. That will be fine.

Mr. LOTT. So go to third reading as soon as you can.

Mr. SHELBY. In 5 minutes.

Mr. LOTT. I yield the floor.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER (Mr. BROWN). Under the previous order, the Senate will resume consideration of H.R. 3756, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3756) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Wyden/Kennedy amendment No. 5206 (to committee amendment beginning on page 16, line 16, through page 17, line 2) to prohibit the restriction of certain types of medical communications between a health care provider and a patient.

Dorgan amendment No. 5223 (to committee amendment beginning on page 16, line 16, through page 17, line 2) to amend the Internal Revenue Code of 1986 to end deferral for

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

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United States shareholders on income of controlled foreign corporations attributable to property imported into the United States.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

AMENDMENT NO. 5206

Mr. SHELBY. Mr. President, I ask for the yeas and nays on the Wyden amendment.

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

Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

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

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

PRIVILEGE OF THE FLOOR

Mr. SHELBY. Mr. President, I ask unanimous consent that privilege of the floor be granted to Paul Irving, staff of Treasury, Post Office.

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

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

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

AMENDMENT NO. 5223

Mr. DORGAN. Mr. President, I believe that the amendment which I offered yesterday is the pending business before the Senate. Is that correct?

The PRESIDING OFFICER. The Senator is correct. The pending question is the Dorgan amendment No. 5223.

Mr. DORGAN. Mr. President, it is kind of an upside-down world out there. You look at the news from day to day. A few weeks ago we all listened to the news and discovered that, if you were roughly 7 feet tall and had basketball skills, you could sign a contract for $100 million. One 7-foot-2-inch athlete signed a contract for $115 million to play basketball for 7 years. That would employ, by the way, about 4,000 elementary school teachers for a year, that $115 million; but in our economy it is one very good basketball player. Sounds a little confusing to me that that represents the value system, but that is the system.

This morning in the paper there is an article that says credit card companies are going to end the free ride. They are going to start charging a fee for those who pay off their credit card bills. Isn't that interesting? They are going to charge a fee for those who pay their credit card bills off in full every month. Why? Because if you are paying off your credit card bill and settling your balance, they are not making money off you. So the result is they will charge a fee for that. Sound kind of like a screwball idea? It does to me.

Or how about this screwball idea. Have a provision in America's Tax Code that says to a corporation, we will give you a special little deal. We know that you are here in America. We know that you built a plant here. You hired a bunch of workers. You have made a product here for 30 years. You make profits here. But we will give you a special little deal. If you will simply shut your American plant down, fire all those workers, get rid of all that in America, and move the whole system to a foreign tax haven, open a new factory overseas, hire new foreign workers, make exactly the same product you were making in America, and then ship the product from that foreign tax haven country into America and make your profit that way, we will give you a deal. We will give you a tax break if you will do that. Close your American plant, produce overseas instead, and we will give you a tax break. Sound like a screwball idea? It is current tax law.

I have an amendment that is pending before the Senate that will lose today. We voted on this before, 52–47. I lost a year ago. We are going to vote again today, and no doubt I will lose again today. Why? Because anyone standing in this Chamber feels comfortable going home telling their folks who sent them here that it was ''my priority to decide to keep a tax provision that says let's reward people who move American jobs overseas''? No. That is not why. There is not one person who can find one good reason to have this in current tax law. Not one.

I do not stand here asking for 10 reasons why this ought to be repealed. I would like to find one sober American who can explain to me one reason why this ought to be kept in American tax law. At the very least our tax law ought to be export-neutral with respect to jobs.

Mr. KERREY. I wonder if the Senator will yield?

Mr. DORGAN. I am glad to yield.

Mr. KERREY. The Senator and I, I guess a month ago, discussed a long article that was in the New York Times, in the business section of the New York Times, describing a U.S. corporation, actually a multinational corporation, described by the operator, with $9 billion for the revenue total as reported in the paper, and $2 billion for net income as reported by the paper. And the tax rate was down to 3 or 4 percent.

One particular transaction that was under examination was shipping all the income to the Dutch Antilles so they would not have to pay any capital gains tax. When the CEO of the company, the owner of the company, was asked the question, ''Well, don't you feel bad about not paying any taxes in the United States of America?'' his answer was, ''That's what multinational corporations are for.''

Is that the sort of thing that the Senator believes that the U.S. taxpayers, basically the taxpayers of the United States are subsidizing, because they are paying the taxes? If somebody does not pay tax—if I forgive you all of your taxes and say, ''Senator DORGAN, you don't have to pay any taxes at all, somebody else is going to pick up the tax for it, somebody else is going to be subsidizing your reduction in tax''—in this case, what you are describing is a situation where not only am I subsidizing the fact that you are not paying any taxes, not only am I paying more and you are paying less, but I am paying more and you are paying less and you are moving operations abroad.

Mr. DORGAN. What I have not mentioned in discussion, because it is slightly different but probably an even more important discussion, is that 73 percent of foreign corporations doing business in America pay zero in Federal income taxes to this country—not a little, or not much, they pay zero. Mr. President, 73 percent of foreign corporations doing business in America—and those names everyone would understand and recognize instantly; they are the names on the products people are buying in this country—they do hundreds of billions of dollars of business in this country every year, and 73 percent of them pay zero in taxes to our country.

A slightly different issue but in the same general family of tax problems, in addition to the strainer through which all of this flows and through which these corporations can come in, earn billions of dollars and pay zero taxes in our country, in addition to that, we actually have a provision in this Tax Code that says, by the way, if you are an American company and you are having to compete against a foreign corporation coming into our country—what is the solution? Move your jobs, leave our country, produce in Sri Lanka, Bangladesh, Malaysia, Singapore, produce elsewhere. Hire foreign workers. Not only can you get a tax break, you can get lower wages over there. You can hire somebody for 14 cents an hour, a quarter an hour, 50 cents an hour, $1 an hour. You do not have to worry about pumping effluents into the air, dumping chemicals into the water. You can hire kids and work them 14 hours a day. Move your jobs and go overseas, our Tax Code says to companies, and then ship the product back here and compete with someone who stayed here.

I represent a State not unlike the Senator from Nebraska. North Dakota is slightly smaller in population. I toured a little manufacturing facility recently with 55 workers. They are wonderful workers who love their jobs. It is a great little company, struggling and not making a lot of money, but making it in a small community in

North Dakota. They do not have the opportunity to decide, ''I think we will move our production, we will move our manufacturing to Singapore.'' They do not have that opportunity. They do not have that luxury. They are just working every day, doing the best they can, trying to make a profit.

Assume that some other company makes the same products that compete with this little company. One of them was an arrowhead on arrows used in archery that are sold in stores around this country, little steel arrowheads for hunting and target practice. Assume another company makes that same product to compete with this little North Dakota company and they decide, ''I think we will make them overseas.'' Our Tax Code says, ''Well, good for you, good decision.'' In fact, we will reward you for making that decision. Any money you make, any income you make, as long as you do not repatriate it, keep it over there, invest it over there, you never have to pay American income taxes. Our Tax Code says, ''Yes, jump on the bandwagon. Move jobs overseas.''

The fact is, our manufacturing job base is diminished. It used to be 24 percent in 1979. Now it is down close to a 15 percent manufacturing job base.

The Senator from South Carolina said yesterday, and I agree with him, no country will long remain a strong world economic power unless it retains a strong manufacturing base. The Senator from South Carolina went far afield yesterday talking about a wide range of trade issues. There is nothing wrong with that because that is also part of the global discussion. But this is a very simple, modest amendment. We are not talking rocket science here. I am not talking about global strategies, the global economy, or international trade. I am talking about a simple proposition: Should this country, under any condition, decide that in its Tax Code it should subsidize moving U.S. jobs overseas? If this Congress cannot stand up and take the first small baby step in deciding that we should no longer subsidize moving jobs overseas, then Lord help a legislative body that cannot make that fundamental, small decision on behalf of a country.

The Senator from South Carolina, in discussing trade yesterday, talked about protectionist, and ''protectionist'' has a very specific meeting for a lot of people debating the global economy. Should anyone in this Chamber, at least when it comes to this issue, this simple little tax provision that now rewards those who move American jobs overseas, should anyone in this Chamber deny they are interested in protecting America's jobs, deny their interest in standing up for this country's manufacturing base? No, I am not suggesting putting up barriers, but I am suggesting deciding we will put an end to an insidious, perverse tax provision that rewards those who do the wrong things moving American jobs overseas.

Mr. KERREY. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. KERREY. The opponents are not up here to engage in a discussion.

One of the arguments I have heard against the Senator's amendment is that it is effectively a tariff. I wonder if the Senator could pretend I am an opponent of the amendment and talk to the American people a bit about this issue of whether or not the change in Tax Code that you are proposing would result in a tariff?

Mr. DORGAN. That is an absolutely absurd contention. It makes no sense at all for someone to say, ''Well, this is a tariff.'' This has nothing to do with tariffs, nothing to do with international trade.

I would love to offer, incidentally, some amendments on trade, but I shall not. This has to do, simply, with a tax subsidy that now tilts the playing field and says to a company, ''If you move those jobs from Akron, from Toledo, from Bismarck, from Lincoln, to some tax-haven company, we will reward you.'' How much is the reward? Well, I come from a town, as I said yesterday, of 300 people, a high school class of nine, a wonderful community in southwestern North Dakota. The reward here is not giant in the context of our Federal budget. It is $2.2 billion in 7 years.

Now, that may not sound like much to people here who would chair a Budget Committee, for example. Go to my hometown and talk about $2.2 billion that the Federal Government asks other Americans to pay effectively as a subsidy to companies who would move their jobs overseas, and then see what kind of reaction you get from people who think with a bit of common sense.

Now, how does this perversity occur in the Tax Code? This is called deferral, a fairly common concept in tax law. It has been there a long while. There also are many antideferral provisions in the Tax Code. In fact, the Senate voted a couple of decades ago to eliminate all deferral altogether. Deferral means a U.S. company does business overseas, makes profits and, therefore, does not have to pay tax on their profits because they can defer it indefinitely—in fact, until and unless they bring the money back to the United States.

The Senate at one point voted to eliminate all deferral. The House of Representatives, when I served in the House, voted to eliminate a narrow portion of deferral, which is exactly what I am proposing we do. Eliminate deferral when a company moves their jobs to tax havens overseas, produces a product with those jobs and ships the products back into our country to compete against other companies whose jobs and production are here.

Again, this is not rocket science. I am not proposing something that is hard to understand. I expect in the next couple of hours I will lose. I expect those who are now concerned about this and who do not want to debate it apparently on the floor of the Senate are strategizing how they will offer something that prevents an up-or-down vote on this. They will either offer to table it, or they will offer some other device, and they will try to ricochet the vote because the last thing in the world they want to do is deal with this.

We have organizations in this town formed and financed by the largest corporations in America and the world whose job it is to protect this tax subsidy—2.2 billion dollars' worth. So you have all kinds of lobbyists across this town who have done an enormous amount of work here in the Senate to make sure that this will not pass. That is the way the system works.

However, in my judgment, it is not much of a system that allows us to ever make an excuse for a Tax Code that on behalf of the American people says our interest is served by paying those who diminish America's economic strength, who move America's economic production abroad.

Let me make a couple of other brief points. I do not propose to object if a U.S. corporation decides that it is going to compete in Japan or Korea or Europe, and in order to do that, because Japan is locating its production facilities in Thailand or Indonesia, the U.S. corporation says, ''Well, I will open up a plant in Indonesia to produce products to be sold in Korea.'' I would prefer they not do that. I prefer they put those jobs in North Dakota, as a matter of fact, or in Colorado. But if they decide they have to have offshore production to compete with others with offshore production, fine, I am not interrupting that. My amendment says, however, if you are going to create offshore production facilities to create products to ship back into America to compete against American firms, then you are going to obey the same tax laws. You can't defer anything. If you make a profit, you pay taxes on the profit. You made the profit by making a product and selling it in the American marketplace. So you pay the same tax that the American producer pays, who stayed here and produced here. That is all my amendment says. It is very narrow.

Now, the second point I want to make is this: Some say—and they will say it with gusto, if only they will come out and debate this amendment—and I fully understand why they don't want to debate this amendment—but they would say, ''You don't understand; we are dealing with a global economy. You don't have the foggiest understanding of what on Earth is going on in this world. If you did, you would not offer this nonsense and you would not talk the way you do about the trade deficit.''

Well, the global economy has changed. Our economy in the United States has changed our economic circumstances. That is certainly true. We for 75 years fought in this country about some fundamental issues—minimum wage, safe workplaces, pollution,

environmental standards, issues with respect to child labor—and we came to some conclusions on all of them. Then some economic enterprises—the largest in the world, in fact—found a way to pole vault over all of those issues and say: You don't understand. Those fights did not mean anything. We can hire kids—oh, not in America, but we can hire kids and we can go to other countries and hire 14-year-olds, and we can work them 14 hours a day and pay them 14 cents an hour, and they can make whatever they make, and we can ship that back to the United States, and we can sell it in supermarkets and in the discount stores. We can do that in the name of profit because it is part of the global economy.

Well, that might be the way they have described the global economy, but it is not fair competition. Free trade ought to mean fair trade. This is not fair competition. Those who describe the global economy as working in that way are describing a system that is now being discussed in the Philadelphia Inquirer. I think they are doing 10 or so segments that are wonderful segments on this entire issue. The one in Monday's newspaper deals with exporting jobs again. It describes a couple—Lynn and Ed Tevis—who worked for a company for 20 years and were discarded like a wrench that was used up. Human capital now is like a wrench or a hammer or a pair of pliers. When they are done with it, they throw it away. They are told: We are sorry. You worked for us 20 years. This job is now in Singapore, or this job is now in Bangladesh. Your job with us is over.

That is what is happening in this country.

My suggestion is not that we decide that we are not part of the global economy. We are. My suggestion is that we decide, as a country, what the rules are for access to our marketplace. Is there a rule about accessing America's marketplace with labor from 14-year-olds who are paid 14 cents an hour? Is there or isn't there? If there is, let's start enforcing it. Should there be a rule that at least the American taxpayers should be assured that the Tax Code is not subsidizing the movement overseas of American jobs? Should there be that assurance made to the American taxpayer? The only way we will give them that assurance is to step up now and vote.

The desk I sit at in the U.S. Senate was a desk that was occupied at one point by a man named La Follette from Wisconsin, Senator La Follette. For those that don't know the tradition of the Senate, the tradition has always been to carve your name inside the desk drawer of the Senate desk. It has been a longstanding tradition in the Senate. If you pull out the desk drawer, the bottom drawer—the only drawer in the desk—you will find a list of names of Senators who sat in that desk.

I was told a story by Senator BYRD, who is the preeminent historian of the U.S. Senate, about Senator La Follette. He was once speaking from this desk many, many decades ago, I believe he said, in a filibuster. He ordered down for a turkey sandwich and a glass of eggnog. Senator BYRD, as he told the story, said that the eggnog was delivered at this desk to Senator La Follette, and he was trying to take a sip of eggnog as he was speaking. He took a mouth full of this eggnog and spit it out and hollered, ''It's poison, it's poison.'' Some days later, back then, they got the analysis of the eggnog and discovered, indeed, there had been poison put in that poor Senator's eggnog. So I have not had an urge to filibuster from this desk since the recitation of that wonderful story about another occupant of this desk, Senator La Follette. I did not ever hear the conclusion of that story, whether they found out who laced the eggnog. But I am not ordering eggnog today, and I am not intending to filibuster. I do expect that there are a whole lot of folks in this town—hired by enterprises that will benefit from this $2.2 billion—who think this is real poison. Oh, they think this is awful. God forbid that we should pass something like this amendment. What an awful thing to do. Senator DORGAN just doesn't understand.

Well, the point is, I do understand. What we are doing is fundamentally wrong. What we are doing weakens this country. What we are doing in our Tax Code says to multinational corporations that you can make a choice about where to put your jobs, and you can put them elsewhere, move them out of America, because jobs are not the issue. Well, jobs are the issue. Good jobs that pay well and provide real security for American workers are the issue. American workers are not tools. They are part of a group of people who help make these companies the great companies they are.

I am going to finish with one short story. Just after Christmas this past year, I was on an airplane, Northwest Airlines, traveling from North Dakota back to Washington, DC. I read a story in the Minneapolis Star Tribune that brought tears to my eyes. It was a story about a businessman and his wife. I believe his name was Mr. Nagle. He was a fellow who started a company in the early 1980's and was incredibly successful, made an enormous amount of money. It was a very simple idea. The company's name is Rollerblade, which many Americans will recognize. He began, as I recall, in a circumstance where hockey players wanted something to practice skating on when it wasn't wintertime up in our part of the country, Minnesota and North Dakota. So there was invented something that was the early version of what we now know as ''Rollerblades.'' The Rollerblade company, I believe, was probably the pioneering company. This fellow ran the company and he turned this tiny little company into something extraordinary. It grew and blossomed and prospered and made enormous profits. What a wonderful success story for this fellow and his workers and his corporation. Then he sold Rollerblade Corp. He and his wife moved to Florida. I was on the plane that morning after the Christmas season, and I read the story about what this fellow had done. Just before Christmas, this company, that had some nearly 300 employees in the company out in the manufacturing plants making rollerblades and in the production, control, finance, and various places, these employees began to receive Christmas greetings from this fellow and his wife, who used to own their company but who had sold it a couple of months previous. As these employees opened up their Christmas greetings at home, they discovered a Christmas card and a check from this man and his wife.

The check equaled a certain amount of money multiplied times the months that each of those employees had worked for that company. Some checks were as much as $20,000 to the people out on the manufacturing line.

But there is more. This fellow not only sent them a check, but he told them that he had prepaid the taxes on the checks. So this was theirs. The taxes were paid, and he was sending this money to them because he ran a very successful company, sold it, made an enormous amount of money. And he said, ''I know that part of the reason, a major reason, this company succeeded was because you people worked for it. You people that made those rollerblades, those skates out on the manufacturing line, made this company what it was. I made a lot of money as a result, and I want to share some of that with you now that I have left this company.''

Out of the blue, a check for $20,000 with the tax prepaid. I got back to Washington, DC, after I read that story. I called him down in Florida. I said, ''You know, at a time when so many in American business believe that workers have no value, they are just wrenches and tools and things that you either hire or throw away at will, it is so nice to see someone who once again believes that part of what made that company successful were the men and women who worked for that company.''

It was such a wonderful story. That ought not to be the exception. One would hope that would be the rule in our country. But this man is such an exceptional man. Everyone else does it differently. Everyone else now says people do not matter; they are expendable; get rid of them. For the jobs in Kansas City, ''If you can put more money in Bangladesh, move it to Bangladesh. It does not matter.''

Here is a picture of two people. And I have lots and lots of pictures that I will not show today. Lynn and Ed Tevis moved 1,200 miles for a company they had worked 12 to 14 years for already. They downsized and moved 1,200 miles. Two years later they downsized again,

and said, ''You are done. It is all over; nothing more.'' It is just human capital that is expendable.

My point is this: I do not believe the U.S. Senate can make decisions about jobs for international businesses and for U.S. corporations. But I believe that this Senate can make decisions about whether our Tax Code rewards those people who do the wrong things about jobs. I do believe our Tax Code could stand on the side of American businesses who stay here and have jobs here and compete here. When we find that our Tax Code says to others, ''Go away, ship your products back, and we will give you a competitive advantage over the people who stayed here,'' I believe that our Tax Code can be changed to decide that is unfair, and that we will not allow that to happen anymore.

I offered this yesterday. The Senator from South Carolina spoke. I assume that we will have someone come and procedurally offer a motion to try to avoid the debate on this. I would love to have the debate. I would love to find one person who will give me one reason that we ought to reward anyone with tax breaks that move jobs overseas; just one. I am not asking for a dozen. I am not asking for the impossible. One person give me one reason; just come, stand, and give me one reason. The last time we had someone come and say, ''Well, we will hold hearings on this. This is not the place. This is not the time. This is not the way.'' They will come today again. They will say, ''This is not the place. This is not the time. This is not the way to hold hearings.''

I have heard all of that before. Just give me one reason that this country ought to have a Tax Code that says we encourage moving American jobs abroad. If anyone can do that, alert me that you are coming so we can spend a little time visiting about it, and I would love to have the American people hear the other side of this debate.

I have spoken twice now at some length. The American people have not had the advantage of having someone else come, and stand up and say, ''Count me in. My name is X, Y, and Z, and I believe we ought to have in our Tax Code an incentive to move jobs overseas.'' Is there anyone who will do that? Anyone?

Well, I doubt it. But it is now in current law, and we must take it out at some point. A lot of folks don't want it taken out. Those are the folks who will benefit by the $2.2 billion. That is the way the political system works. But if we keep prodding, agitating, one of these days we are going to get this Congress to do the right thing.

I tried to break the cement in the driveway one day, and it reminded me that it is a lot like legislating. If you take a 16-pound mallet and try to break cement in a driveway, you wind up hitting the driveway as hard as you can with this giant mallet, and nothing happens. You hit it again, and nothing happens. You hit it again, and nothing happens. About the 15th time you hit this big slab of cement, the whole darned thing collapses.

That is the way legislative activity is as well. You don't always get it the first time. You don't always see a discernible result. But one of these days we will change this provision in the tax law. It is not the biggest issue in the world. But it is something that ought to be changed, and something this Congress ought to remedy. This will not be the end of the debate.

But I appreciate the indulgence of the Presiding Officer, and I appreciate also the patience of the Senator from South Carolina.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, let me try to answer why there will not be one come and join the debate. It is easily understood. It is the result, of course, of our affirmative action policy after World War II of trying to rebuild the industrialized nations. It spread capitalism in Europe, and out into the Pacific rim. And our affirmative action policy called for various things to induce American investment overseas. We put in, as you can find in the early morning news now on the front of the business page, the Overseas Private Investment Corporation, subject to assault because it is no longer needed. It was needed at that time. Industry had to be ensured against expropriation and the loss of their investment overseas.

So we passed the Overseas Private Investment Corporation [OPIC]. Then we found that we could subsidize, give inducements by way of actual subsidy for export overseas, with the Export-Import Bank. And we put in various tax deferrals.

The reason the distinguished Senator from North Dakota in our amendment is not going to win, as he says, today as you can only look at the Republican screen at Channel 2. And it says new taxes. Once it is labeled as new taxes, that crowd will run in the other direction because we live in this symbolic poster world of true-false, up-down, ''I am for the families, and against taxes; I am for jobs, and against crime.'' And that is all you get out of them—is symbolic nonsense. So they will not really get to the guts of the issue.

It is not a new tax. It just says those who are paying taxes for production here should be on an equal footing and not penalized with American investment and corporations overseas for producing overseas. We are trying to cut out that deferral.

As a result of our affirmative action policy and spreading capitalism after World War II—I am not debunking it, or regretting it. It has worked. The Marshall plan is one of the great success stories of all history by way of people taxing themselves. They think. They didn't have pollsters running around loose in the late 1940's to get these children to come to the U.S. Senate—true-false. Just look at the polls. I will go back home, and, ''I am against taxes.'' In fact, only 17 percent of the people in one poll taken at that time, Gallop, said at that particular time—that only 17 percent favored the Marshall plan. But we had division as they all talked to. Everybody wants to use the buzzwords, and they come on with their little 20-second sound bite, and said, ''we have the vision.'' There is not any vision in any of this stuff going on about gay marriages and everything else. They are not national problems whatever. When you get to a real national problem, as it is about the economic security—and I emphasize ''economic security''—you can find the Senators want it.

I would amend the idea of just jobs because jobs appeals to the polls. You are for jobs, or against jobs. And it makes it just a little political nuance of a campaign. The truth is the security of the United States of America is an issue here with respect to this particular amendment. The passage of the amendment is not going to ensure the security. It is going to begin as a wake-up call, and a trend backward.

I have described that the success of the United States, the strengths that we have as a nation, the security that we have as a nation, rests, as it were, on the three-legged stool: The one leg, the values of a nation. That leg is strong, and unchallenged. We sacrificed to feed the hungry in Somalia.

We sacrificed to build democracy in Haiti. We sacrificed to build peace in Bosnia. Everyone the world around as we travel knows the great contributions and sacrifices made by American taxpayers for its values.

The second leg is that, Mr. President, of course, of our military strength. That is unquestioned.

But that third leg, that economic leg, without which we cannot foster values or protect ourselves militarily—and I emphasize in World War II we won on account of Rosie the Riveter; our industrial might overwhelmed Hitler; there is not any question about that—has become somewhat fractured and enfeebled, if you might, as a result of the affirmative action.

Now, what was the affirmative action? As I said, not only the subsidies, the insurance, the deferrals, but get out of here, just scatter, let us get industry, get American investment abroad and spread capitalism. As I say, it has not only been successful but it has become unfairly competitive.

When I say unfairly competitive, I mean that the other competitors in the Pacific rim do not practice free trade. Oh, they use the rhetoric of free trade, but I can tell you here and now, try to get into some of the markets. Our textile industry tried to get into Korea. They have got to get a vote of the Korean textile folks before they can come into Korea. Try to get into Japan. Oh, they talk a little here about Motorola is doing a little bit; Intel will come in a little bit. But really in trying to open

up the markets, we have had a dismal record over some 50 years trying to get into the country that we saved that does not practice free trade. Come on. Everybody knows that.

(Mr. ASHCROFT assumed the chair.)

Mr. HOLLINGS. What happens is that now we are confronted—and that is why you do not find them in the Chamber—with the opposition. You might call them the enemy here, the fifth column in this economic war. Let us start and list the soldiers in that particular opposition or enemy, that fifth column.

The soldiers in that fifth column begin, of course, with the State Department. The State Department had an affirmative action of sacrificing the industrial might for friends. Fortunately, Secretary Christopher has changed that. Secretary Brown changed that to some extent. And we are beginning to change that. But that is the way it started. That was the best of diplomacy: ''Oh, don't worry; we are fat, rich and happy back in America.'' We have seen it over the 30 years I have served in the Senate.

We started with these corporations that we induced overseas as nationals that became multinationals. They found out that they could produce more economically, make a profit for their stockholders, and as a natural development the nationals became multinationals.

And the banks—Chase Manhattan, First Citicorp, all the big banks as of 1973—I remember back in the 1970's we found out that our large American banks were making the majority of their profits outside of the United States, so they were not really American banks. They were multinationals or had their, let us say, loyalty and nationalism, profitwise at least, outside of the United States, certainly not in the United States of America.

So you have the State Department; you have the multinationals; you have the banks, and then, of course, with that money they developed the consultants and academia. All the consultants are not paid by those who are coming along talking about jobs and the economic security. You go to any of these conferences, these particular institutes all over this city are just rampant with these consultants who are talking, ''Free trade, free trade, free trade,'' shouting, ''Smoot-Hawley, Smoot-Hawley. We are going to end the world and go into a global depression.''

And otherwise academia. I do not have that booklet with me. There was a very sharp economist, Miss Jacobsen, who put out the booklet here some 10 years ago showing how academia had been taken over by the foreign entities and the multinationals. You go up east to the Ivy League and find out their investments up there to bring about the thought and get a free ride into dumping their goods back here in the United States and they will not allow us into their markets.

So you have academia; you have consultants; you have the multinationals; you have the multinational banks and, of course, the State Department. Then when we debated back when I first came here—I will never forget it—and we passed the textile bill—it did not get past the House but we passed one here in the late 1960's, early 1970's—at that particular time we found out the real opposition that gears up the votes in this Chamber. And that is the retailers. In order to bring it to the attention of our colleagues, we went down into the stores here in Washington, DC, and we got a shirt that was manufactured in Taiwan—well, a ladies blouse, I remember correctly, one made in Taiwan for $32 and the one made in New Jersey was also $32. We found a catching glove made in Korea at $42 and one made in Michigan at $42.

We went down the list. We piled the desk up to show that the retailers were not by way of global competition reducing the price. They were making a bigger profit. So the retailers are really geared up and they call their stores around and everything else of that kind and they intimate to us as politicians, U.S. Senators, and they come in and zoom in on us and we have to be for ''free trade, free trade. Let's don't Smoot-Hawley, start a worldwide depression.''

So you have then the retailers. Then, of course, you have the Washington lawyers, and none other than now the Reform Party Vice-Presidential nominee, Dr. Pat Choate. In his book ''The Agents of Influence,'' he took one country, the country of Japan, and listed out how they had over 100 Washington firms, lawyers, consultants, paid over $113 million to represent the people of Japan here in the Capitol, where the 100 Senators, the 435 congressmen, the cumulative salaries of the 535 is $73.1 million. By way of pay, the people of Japan are better represented here in Washington, DC, than the people of the United States of America. You have a powerful force.

Chair the Commerce Committee, which I have for years and am now the ranking member, and get these trade measures and others to come up, and they zoom in immediately with the Washington lawyers, and I mean powerful ones, Mr. President. They are no more powerful than the Special Trade Representative. Heavens above. We saw my good friend, Bob Strauss, we saw my good friend Bill Brock, all representing the foreigners after they had been the Special Trade Representative. It was like Colin Powell going over to represent Saddam. And what did we have to do? Put a rider in the bill of the Special Trade Representative; they could not do that after 5 years. It caught Mickey Kantor—he was the first one—now Secretary Kantor, the Secretary of Commerce, when he was Special Ambassador Kantor, but we had to finally put it in there to stop that. But we had the best of the best trained, the best of the best friends and influence, ambassadorial rank, coming around, and after you are talking ''free trade, free trade, Smoot-Hawley.''

I will be glad to yield for a question.

Mr. BROWN. I notice the Senator is the No. 2 sponsor on the bill. Perhaps he might respond to a few questions that I have with regard to it?

Mr. HOLLINGS. Yes, sir.

Mr. BROWN. I notice, reading through the amendment, it gives a special exemption for oil. Everybody is subject to this special tax except the oil companies. Why was the decision made? What is the reasoning for giving the special treatment to oil?

Mr. HOLLINGS. The principal author could respond more accurately, but I am convinced we did that to try to get votes. I hope agriculture——

Mr. BROWN. That is without precedent.

Mr. HOLLINGS. Yes. Agriculture, that crowd there, I will never forget when I went out campaigning in the Presidential race, ''Dutch'' Reagan's special station in Des Moines, IA, you get on there at 5 o'clock for questions. They said no Democrat would appear. So, you know, if it was for free—I did not have any money—I got on there, and they said, ''Senator, you come from a textile State and you want all this protectionism and subsidies and everything else. How do you expect to get a vote out here in agricultural Iowa?''

I said, wait a minute, let me correct the record. No. 1, I happen to be for subsidies. I happen to be for the quotas and the protectionism for agricultural quotas. We have wonderful farm folks, growing soybeans, wheat, corn, everything else in South Carolina. But let me get the record clear. We do not ask for a subsidy for textiles. We do not ask for Export-Import Bank financing. We do not ask for tax deferrals. When I get to that Nebraska corn, when I get to Colorado and these agricultural States, that is the crowd that runs around hollering, ''Free trade, free trade, keep subsidizing me, keep financing me, keep deferring me.'' Because why? Our friend Wayne Andrus has all the news on Sunday. He has ''Meet the Press,'' he has ''This Week With David Brinkley,'' he has even the public television and everything else. All he talks is, ''exports, exports, exports,'' and we come in here like monkeys on a string hollering, ''exports, exports, exports.'' I mean, we have a regular drumbeat.

I would ask the Senator from North Dakota who drafted our amendment, I am sure oil is a matter of national security, and we put in special provisions, as we well know, for oil.

Mr. BROWN. The other question I had—there were several others, as I went through it. I notice the distinguished Senator from North Dakota said, ''We encourage moving jobs abroad, and we ought to take that language out of the code.''

I have looked through the amendment. I do not find ''striking'' language, other than striking the end of the period and adding additional language. Is there a section of the code

where we ''encourage moving jobs abroad?''

Mr. HOLLINGS. The tax deferral itself, obviously. Oh, yes, that encourages it.

Mr. BROWN. What section is that?

Mr. HOLLINGS. The cost and everything. IBM moved all their research overseas. We are losing not only our jobs in manufacturing, we are losing our research centers and everything else of that kind.

Mr. BROWN. The Senator talked about repealing something out of the law, yet there is nothing repealed in the amendment.

Mr. HOLLINGS. Modifying the deferral itself.

Mr. BROWN. The deferral?

Mr. HOLLINGS. Tax, income made from production overseas. There is a tax deferral for that, and this does away, partially, with that by the amount of products shipped back in and jobs lost. That is the way the amendment is worded.

Mr. BROWN. If I can put this in my own words, and maybe the Senator will correct me, we are not saying there is a section in the code that does that, we are saying it is simply not covered in the code?

Mr. HOLLINGS. We are referring to the tax deferral section.

Mr. BROWN. I do not find any repeal of that tax deferral section in here.

Mr. HOLLINGS. It is a modification of it.

Mr. BROWN. I wonder if there are other countries that have provisions like this. This, in effect, is that it taxes profits on activity outside of the United States, I take it?

Mr. HOLLINGS. Right.

Mr. BROWN. Are there other countries that do a similar thing?

Mr. HOLLINGS. Do they do it? They make sure that they do not make a profit. You ought to come and see how they highball the cost of the parts that they ship through the Port of Charleston, SC, and send up to, let us say, Nissan-Tennessee to make automobiles up there. They get a high cost for the part so Nissan-Tennessee is not even making a profit in Tennessee.

We have tried to correct that one. Oh, they have every gimmick in the book. When you get with these tax lawyers, they know how to get around anything and everything.

Incidentally, I have an article here about Nissan, and Nissan is moving to Mexico. We will get into that on NAFTA. We love to get these foreign investments, but they are just passthroughs now. An expansion of BMW that had come to Spartanburg, SC, is going into Mexico. They will follow the market, which is fine. It is a matter of taking care of your stockholders and profits and that kind of thing. Business is business.

But we have to understand that the business of the U.S. Senate is to look at the overall economy, and when we have these deficits in the balance of trade, over $1.5 trillion in the past 12 years, come, we have to do something about it.

You will get some who come here, like my distinguished friend from New York, he will get up, ''Why, America has always been a great nation on account of commerce. We are a trading nation. Are we going back on our history?''

We were a trading nation of a plus balance of trade, not a minus. Not a minus. What does the record show, heavens above? That thing goes up, up, and away. I think it was in 1992 we finally got it under $100 billion, only to a $96.1 billion deficit; in 1993, it was $132.6 billion; 1994, a $166.1 billion deficit in the balance of trade—more imports than exports. Not what my friend, Wayne Andrus from Archer-Daniels-Midland—''exports, exports, exports.'' We have to look at the overall picture.

In 1995, $174 billion? We are going up, up, and away. We are losing our shirt and enjoying it. We, as Senators, are telling the American people, ''We are fat, rich, and happy. Don't worry about your economy. All you have to do is worry about gay marriages. The States are taking care of it.''

We come up on the silliest thing. Instead of balancing the budget, we will give you a constitutional amendment so we can run on it. Come on.

Mr. BROWN. The Senator referred to the phenomenon. I think it is the game played sometimes with automobile manufacturers, where they take their profit overseas and overprice the automobile as it comes in here so they do not show any profit in the United States.

Mr. HOLLINGS. They overprice the parts and assemble them here. That is what they are doing.

Mr. BROWN. So, by manipulating the prices, they are avoiding recognizing profit in this country and thus avoid paying taxes in this country?

Mr. HOLLINGS. Oh, yes, that is right.

Mr. BROWN. Doesn't our tax law now give us the tools to go after them when they play those games with prices?

Mr. HOLLINGS. I think our tax law does. But there are some——

Mr. BROWN. It simply does not get done.

Mr. HOLLINGS. In the Treasury Department, it just does not get done. You and I know we need, for example, hundreds more Customs agents. They have told us down at Treasury there are billions of transshipments. We just got China, and there is a case right now of over $5 billion. It is really a sad case.

In the textile debate, I said, ''Wait a minute, I will withdraw this textile bill entirely if we just enforce the law.'' So you are right. If we enforced our tax laws, if we enforced our trade laws, our customs law, our import duties, we would do a lot to solve this.

If I were king for a day, I would start by abolishing the International Trade Commission. Every time they find injury, a violation of our trade laws, dumping, over at the International Trade Administration, in Commerce, then they have to buck it over to the International Trade Commission, and that crowd constantly bubbles, ''free trade, free trade, free trade,'' and finds against us.

So, the business folks in America say, ''Why even bring the case? It takes you 3 or 4 years. You go through all that gauntlet with Washington lawyers and costs, and when you finally get it, you are not going to win anyway''? So they say, ''We will just move our production overseas.'' That is the good reason for the production moving overseas and the loss of jobs here.

But, Mr. President, let me sum up that particular matter of the fifth column, so we will understand it. I would no longer include our State Department, but I could certainly start off with our multinationals, our multinational banks, the consultants, academia, the retailers, the Washington lawyers, and, of course, the Special Trade Representatives, all representing them and heading up these particular entities. When you get all of those coming in giving you a false history—free trade, free trade, Smoot-Hawley, Smoot-Hawley—that is the reason for this particular bill.

The distinguished Senator from North Dakota, I think, used the expression ''go far afield.'' That is my intent, to bring understanding. Unless we can get a grasp of our history and how we built this strong America and what is really the opposition, the fifth column that confronts us, we are not going to get a competitive economic society. We are going to just service the economy and take in wash and serve hamburgers to each other. We will have no manufacturing capabilities. When war comes, we will have no military production. We will have to depend, like Japan, on the gulf war, and that is why you panic. They say, ''No, we are going to cut it off to the United States and say no to her and she won't be able to do these things of protecting freedom the world around.''

So it is not far afield. This is to break open the door. This particular amendment is a wake-up call, and it is not a spurious one whatsoever. It is current.

I refer, Mr. President, to the article, once again, of our distinguished friend, William Grieder, former editor at the Washington Post and now the editor of Rolling Stone.

I ask unanimous consent the ''Ex-Im Files,'' an article dated August 5, 1996, be printed in the RECORD.

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

THE EX-IM FILES

HOW THE TAXPAYER-FUNDED EXPORT-IMPORT BANK HELPS SHIP JOBS OVERSEAS

(By William Greider)

WASHINGTON, DC.—As the Nation's salesman in chief, Bill Clinton looks like a smashing success. When Clinton came to office, his long-term strategy for restoring

American prosperity had many facets, but the core of the plan could be summarized in one word: exports. The U.S. economy would boom or stagnate, it was assumed, depending on how American goods fared in global markets. So the president mobilized the government in pursuit of sales.

Flying squads of Cabinet officers, sometimes accompanied by corporate CEOs, were dispatched to forage for buyers in foreign capitals from Beijing to Jakarta. The Commerce Department targeted 10 nations—India, Mexico and Brazil among them—as the ''big emerging markets.'' Trade negotiators hammered on Japan and China to buy more American stuff. And two new agreements were completed—GATT and NAFTA—to reduce foreign tariffs.

U.S. industrial exports have soared in the Clinton years, from $396 billion during the recessionary trough of 1992 to around $520 billion last year. And as this administration has said time and again, more exports means more jobs—usually good jobs with higher wages. In his fierce commitment to trade, Clinton is not much different from Ronald Reagan, who (notwithstanding his laissez faire pretensions) also played hardball on trade deals and, in some cases, intervened with more effective results. George Bush, too, bargained on behalf of corporate interests and played globe-trotting salesman. Promoting exports and foreign investment is not a new idea; it has enjoyed a bipartisan political consensus for decades.

What does seem to be new in American politics are the thickening doubts among citizens and a rising chorus of critics, informed and uninformed, who question Washington's assumptions about exports. The conventional strategy, the critics argue, may help the multinational companies turn profits, but does it really serve American workers and the broad public interest? The new realities of globalized production play havoc with the old logic of exports-equal-jobs. Sometimes it is the jobs that are exported, too.

This contradiction, usually covered up with platitudes and doublespeak in political debate, becomes powerfully clear when you look closely at the dealings of an obscure federal agency located just across Lafayette Park from the White House: the U.S. Export-Import Bank with only 440 civil servants and a budget of less than $1 billion—small change as Washington bureaucracies go.

Yet America's most important multinational corporations devote solicitous attention to the Ex-Im Bank. Their lobbyists shepherd its appropriation through Congress every year and defend the agency against occasional attacks. Why? The Ex-Im Bank provides U.S. corporations with hundreds of millions of dollars each year in financial grease that smooths their trade deals in the new global economy.

This year, Ex-Im will pump our $744 million in taxpayer subsidies to America's export producers, financing the below-market loans and loan guarantees that help U.S. companies sell aircraft, telecommunications equipment, electric power turbines and other products—sometimes even entire factories—to foreign markets. Since the biggest subsidies always go to the largest corporations, skeptics in Congress sometimes refer to Ex-Im as the Bank of Boeing. It might as well be called the Bank of General Electric—or AT&T, IBM, Caterpillar or other leading producers. Ex-Im's senior officers call these firms ''the customers.''

But the banker-bureaucrats at Ex-Im see their main mission as fostering American employment. ''Our motto is, Jobs through exports,'' says James C. Cruse, vice president for policy planning, ''Exports are not the end in itself, so we don't care about the company and the company profits.'' That was indeed the purpose when the bank was chartered as a federal agency back in 1945 and the reason it has always enjoyed broad support, including that of organized labor.

At this moment, the tiny agency is under intense pressure from influential U.S. multinationals to change the rules of the game. Specifically, the companies want taxpayer money to subsidize the sale of products that aren't actually manufactured in America. They want subsidies for products that are not really U.S. exports, since companies ship them from their factories abroad to buyers in other foreign countries. If the rules aren't changed, the exporters warn, they will lose major deals in the fierce global competition and may be compelled to move still more of their production offshore.

''Global competitiveness, multinational sourcing and the deindustrialization of the U.S.'' wrote Cruse in a policy memo for the bank, ''were the three most common factors that exporters cited as reasons to revise Ex-Im Bank's foreign content policy. . . . U.S. companies need multisourcing to be able to compete with foreign companies. Foreign buyers are becoming more sophisticated and they are expressing certain preferences for a particular item to be sourced foreign . . . [and] U.S. suppliers may not always exist for a particular good.''

In plainer language, foreign is usually cheaper—often because the wages are much lower—and sometimes better. As U.S. producers have begun to buy more hardware and machinery overseas, the capacity to make the same components in the United States has diminished or even disappeared. What the companies want in Cruse's bureaucratic parlance, is ''broadly based support for foreign-sourced components.''

As the complaints from American firms swelled in the last few years, Ex-Im officials agreed to convene the Foreign Content Policy Review Group to explore how the U.S. financing rules might be relaxed. The review group's members include 11 major exporters (General Electric, AT&T, Boeing, Caterpillar, Raytheon, McDonnell Douglas and others) plus several labor representatives from the AFL–CIO and the machinists' and textile-workers' unions.

The Ex-Im Bank must decide who wins and who loses—a fundamental argument over what is in the national interest, give globalized business. The review group discussions are couched in polite police talk, but they speak directly to the economic anxieties of Americans. If young workers worried about their livelihood could hear what these powerful American companies are saying in private, there would be many more sleepless nights in manufacturing towns across this Nation. The information below is taken from confidential Ex-Im Bank members that were recently leaked to me. What these executives have to say is not reassuring, but it's at least a more accurate vision of the future than anything you are likely to hear from this year's political candidates.

A decade ago the rule was simple: Ex-Im would not underwrite any trade package that was not 100 percent U.S.-made. Then and now Ex-Im scrutinizes the content of very large export projects, item by item. to establish the national origin of subcomponents. Any subcomponents produced offshore must be shipped back to American factories to be incorporated into the final assembly. If Caterpillar sells 10 earthmoving machines to Indonesia all 10 of them have to come out of a U.S. factory to get a U.S. subsidy, even if the axles or engines were made abroad.

By the late 1980s, however, as major manufacturers pursued globalization strategies that moved more of their production offshore. Ex-Im, with labor approval opened the door. In 1987 it agreed to finance deals with 15 percent foreign inside content. Partial financing would also be provided for export deals that involved at least 50 percent U.S. content.

Now the multinationals are back at the table again, demanding still more latitude. The bank's rules, they complain, have created a bureaucratic snarl that threatens U.S. sales. These regulations are oblivious to the complexities of modern trade which multinationals routinely ''export'' and ''import'' huge volumes of goods internally—that is among their own fur-flung subsidiaries or foreign joint ventures.

The flavor of the company complaints is revealed in Ex-Im Bank minutes of the review group's first meeting last year, where various company managers sounded off about the new global realities. David Wallbaum, from Caterpillar, urged the bank to be ''more flexible in supporting foreign content,'' according to the minutes, General Electric's Selig S. Merber said GE needs ''access [to] worldwide pricing.'' Merber proposed that instead of insisting on American content item by item, Ex-Im look only at the U.S. aggregate.

Lisa DeSoto of Fluor Daniel, one of America's largest construction engineering firms, suggested in a follow-up memo that Ex-Im subsidize ''procurement from the NAFTA countries,'' Mexico and Canada as if the goods were from the U.S.

But it was Angel Torres, a representative for AT&T, who spoke more bluntly than the others. AT&T's foreign content has grown in the last 10 years because the U.S. is becoming a ''service-oriented society,'' Torres said, according to the minutes. ''AT&T's priority,'' he declared, ''is to increase the allowable percentage of foreign content.''

When I rang up these corporate managers and some others to ask them to elaborate on their views, all of them ducked my questions. The one exception was David L. Thornton, a manager from Boeing, whose newest jetliner, the 777, actually involves 30 percent foreign content in the manufacturing process (mostly from Japan). It still qualifies for full Ex-Im financing. Thornton explained, because Boeing's original investment in research and development also counts in the sales price. ''Our general view of 75 percent is we can live with it for the time being,'' Thornton said, ''but over time it probably won't be adequate.''

The labor-union representatives, not surprisingly, choked at the ominous implications of such comments—especially the matter-of-fact references to America's de-industrialization. Corporate leaders and politicians, after all, have been celebrating the ''comeback'' of American manufacturing in the 1990s. Exports are booming, and U.S. competitiveness has supposedly been restored, thanks to the corporate restructurings and downsizings. Stock prices are rising, and shareholders are happy again.

The private corporate view is not so cheery for the employees. A memo from one multinational corporation (its identity whited-out by Ex-Im bureaucrats) made it sound like the demise of American manufacturing is already inevitable. ''We believe the current policy does not reflect the de-industrialization of the U.S. economy and the rise of the Western European and Asian capabilities to produce high-tech quality equipment . . .'' the memo states. ''Location is no longer important in the competitive equation, and where the suppliers of components will be [is] wherever the competitive advantage lies.''

The more that labor heard from the companies, the more hostile it became to any revision. ''We have been presented with no credible evidence that current bank policies have cost companies sales, thereby reducing

U.S. employment,'' the labor representatives fired back in a jointly signed letter in April. ''While we understand that global corporations might prefer fewer restrictions—even the provision of financing regardless of the effect on jobs in the United States—that desire simply ignores the very purpose of extending taxpayer-based credit.''

If Ex-Im agrees to finance more foreign content, the labor reps asked, won't that simply encourage the multinationals to move still more U.S. jobs overseas, thus accelerating deindustrialization? When I put this question to Ex-Im officials and corporate spokesmen, their answer was a limp assurance that this isn't what the bank or the companies have in mind.

But can anyone trust these assurances? The massive corporate layoffs have sown general suspicions of the companies' national loyalties, and the ''outsourcing'' of high-wage jobs has already boiled up as a strike issue in major labor-management confrontations. The United Auto Workers shut down General Motors earlier this year over that question. The UAW lost a long, bitter strike at Caterpillar when it demanded wage cutbacks, threatening to relocate production if the union didn't yield. The International Association of Machinists and Aerospace Workers closed down Boeing's assembly lines for two months last fall, demanding a stronger guarantee of job security as Boeing globalizes more of its supplier base.

''Ex-Im financing is corporate welfare with a fig leaf of U.S. jobs, and now they want to take away the fig leaf,'' says Mark A. Anderson, director of the AFL's task force on trade. ''They want to be able to ship stuff from Indonesia to China and use U.S. financing, I said to them, 'You're nuts. If you go ahead with this, you're going to be eaten alive in Congress.'''

George J. Kourpiss, president of the machinists' union whose members make aircraft at Boeing and McDonnell Douglas, and jet engines at GE and Pratt & Whitney, put it more starkly: ''The American people aren't financing that bank to take work away from us. If the foreign content gets bigger, then we're using the bank to destroy ourselves.''

EXPORTS—JOBS

According to the government's dubious rule of thumb, each $1 billion in new exports generates 16,000 jobs. By that measure, Bill Clinton's traveling salesmen brought home 2 million good jobs. So why is there not greater celebration? The first, most-obvious explanation is imports. Foreign imports soared, too, albeit at a slower rate of growth, and so America's trade deficit with other nationals actually doubled in size under Clinton, despite his aggressive corporate strategy. Thus a critic might apply the government's own equation to Clinton's trade deficit and argue that there was actually a net loss of 11 million good jobs.

Bickering over the trade arithmetic, however, does not get to the heart of what's happening and what really bothers people: the specter of continued downsizing among the nation's leading industrial firms. In fact, globalization has created a disturbing anomaly. U.S. exports multiply robustly, yet meanwhile the largest multinationals that do most of the exporting are shrinking dramatically as employers. It's important to note that about half of U.S. manufacturing exports comes from only 100 companies, and 80 percent from some 250 firms, according to Ex-Im's executive vice president, Allan I. Mendelowitz. The top 15 exporters—names like GM, GE, Boeing, IBM—account for nearly one quarter of all U.S. manufactured exports. Yet these same firms are shedding American employers in alarming dimensions. The 15 largest export producers with few exceptions have steadily reduced their U.S. work forces during the past 10 years—some of them quite drastically—even though their export sales nearly doubled.

GE is a prime example because the company is widely emulated in business circles for its tough-minded corporate strategies. In 1985, GE employed 243,000 Americans and 10 years later, only 150,000. GE became stronger, then Executive Vice President Frank P. Doyle said. But, he conceded. We did a lot of violence to the expectations of the American work force.

So, too, did GM, the top U.S. exporter in dollar volume (though the auto companies are not big users of Ex-Im financing). GM has shrunk in U.S. work force from 559,000 to 314,000. IBM shed more than half of its U.S. workers during the past decade (about 132,000 people). By 1995, Big Blue had become a truly global firm—with more employees abroad than at home (116,000 to 111,000). Even Intel, a thriving semiconductor maker, shrank U.S. employment last year from 22,000 to 17,000. Motorola has grown, but its work force is now only 56 percent American.

The top exporters that increased their U.S. employment didn't begin to offset the losses. The bottom line tells the story. The government's great substitute for America's major multinational corporations has not been reciprocated, at least not for American workers. The contradiction is not quite as stark as the statistics make it appear, because the job shrinkage is more complicated than simply shipping jobs offshore. Some companies eliminated masses of employees both at home and abroad. Others, like Boeing, reduced payrolls primarily because global demand weakened in their sectors. Some jobs were wiped out by labor-saving technologies and reorganizations. But virtually all of these companies offloaded major elements of production to lower-cost independent suppliers, both in the U.S. and overseas. If the jobs did not disappear, the wages were downsized.

This dislocation poses an important question, which American politicians have not addressed. Does the success of America's multinationals translate into general prosperity for the country or merely for the companies and their shareholders? The question is a killer for politicians—liberals and conservatives alike—because it challenges three generations of conventional wisdom. That's why most Democrats or Republicans never ask it.

When these facts are mentioned, the exporters retreat to a few trusty justifications. First there is the ''half a loaf'' argument. Yes, it is unfortunately true that companies must disperse an increasing share of the production jobs abroad, either to reduce costs or to appease the foreign customers. But if this were not done, there might be no export sales at all and, thus, no jobs for Americans. Next, there is the ''me, too'' argument. All of the other advanced industrial nations have export banks that provide financing subsidies to their multinationals. The export banks in Europe do allow greater foreign content than the U.S.—but only if the goods originate from an allied nation in the European community. France supports German goods and vice versa, just as Michigan supports California. The U.S. Ex-Im Bank, as Mendelowitz has pointed out, actually provides greater risk protection and generally charges lower premiums.

Japan's Ex-Im bank is indeed more flexible than America's, but Japan's industrial system also operates on a very different principle; major Japanese corporations take responsibility for their employees. That understanding creates a mutual trust that allows both the government and the firms to pursue more sophisticated globalization strategies. Japanese jobs are regularly eliminated when Japan's manufacturing is relocated offshore in Asia or in Europe (and sometimes in the U.S.), but the companies find new jobs for displaced employees and only rarely, reluctantly, lay off anyone.

''The situation that our companies see,'' Ex-Im's Cruse explains, ''is that Japan is willing to finance as much as 50 percent foreign content, and [the companies] say to us, 'You're not competitive.' But an important difference is that the Japanese government doesn't have to worry about the workers because the Japanese companies worry about them. . . . If GE subcontracts work to Indonesia, it tends to lay off a line of workers back in the U.S.''

BAIT AND SWITCH

In April 1994, AT&T announced a $150 trillion joint venture with China's Qingdao Telecommunications to build two new factories, in the Shandong province and in the city of Chengdu, in the Sichuan province, that will manufacture the high-capacity 5ESS switch, the heart of AT&T's advanced telephone systems. AT&T's chairman, Robert Allen, said that it will more than double its Chinese work force over the next two or three years.

Five months later, in September, the Ex-Im Bank in Washington approved the first of $87.6 million in loan guarantees to underwrite AT&T's export sales to China—switching equipment that will modernize the phone systems in Qingdao and several other cities. AT&T won the contract in head-to-head competition with Canada's Northern Telecom, Germany's Siemens and France's Alcatel Alsthom. The Clinton administration celebrated another big win for the home team.

But who actually won in this deal? A Telecom Publishing Group article provided a different version of what AT&T's victory meant for the United States. ''While some equipment for AT&T's network projects in China will be built in this country,'' the article reported, ''the Chinese are demanding that eventually the bulk of the equipment in their system be built in their country, the carrier [AT&T] said.''

An AT&T public-affairs vice president, Christopher Padilla, denies this, but then Padilla also denies that AT&T is prodding the Ex-Im Bank to relax its foreign-content rules. Further, he assures me that despite their proximity, there was no explicit quid pro quo and no connection between the two transactions, the taxpayer-financed export sales and AT&T's agreement to build new factories in China.

''It's a reality of the marketplace,'' Padilla says. ''If we tried to pursue a strategy of just making everything in Oklahoma City''—where the 5ESS switch is now manufactured—''we wouldn't have any market share at all.''

The White House also led cheers for Boeing because Boeing was also stomping its competitors in the Chinese market. In 1994 alone, Boeing sold 21 737s and seven 757s to various Chinese airlines and obtained nearly $1 billion in Ex-Im loans to finance the deals. When President Clinton hailed the news, he did not mention that Boeing had agreed to consign selected elements of its production work to Chinese factories. The state-owned aircraft company at Xian, for instance began making tail sections for the 737, work that is normally done at Boeing's plant in Wichita, Kan. The first order for Xian was for 100 sets, but that was just the beginning. In March 1996, a China news agency boasted that Boeing had agreed to buy 1,500 tail sections from Chinese factories, both for the 737 and the 757. The deal was described as ''the biggest contract in the history of China's aviation industry.''

Unlike AT&T and some others, Boeing is relatively straightforward about acknowledging that it's trading away jobs and technology for foreign sales. China intends to build its own world-class aircraft industry, and Boeing helps by giving China a piece of the action, relocating high-wage production jobs from America to low-wage China, as well as relocating some elements of the advanced technology that made Boeing the world leader in commercial aircraft. Boeing has told its suppliers to do the same. Northrop Grumman, in Texas, is sharing production of 757 tail sections with Chengdu Aircraft, in China.

''What we've done with China,'' says Lawrence W. Clarkson, Boeing's vice president for international development, ''we've done for the same reason we did it with Japan—to gain market access.'' The two transactions—the export sales and job transfers—are legally separate but typically negotiated in tandem, Clarkson explains. China always insists upon a written acknowledgement of the job commitment in the export sales contract—the same sale to China submitted to the Ex-Im Bank for its financial assistance.

Until recently, the Ex-Im Bank's operative policy on this issue could be described as ''don't ask, don't tell'': The bank officials didn't ask the companies if they were offloading jobs, and the companies didn't tell them. When I asked various Ex-Im managers if they knew about AT&T's new switch factories in China before they approved AT&T's export financing their answer was no. What about companies like Boeing doing similar deals?

''Yes, we're aware of that,'' Cruse says. It's not that the companies tell us, but it's not hard to read the newspapers.''

After prodding from labor officials, the bank last year began requiring exports to reveal whether they dispersed U.S. jobs or technology in connection with the Ex-Im-financed sales. But the federal agency still approves these deals without weighing the potential impact on future employment. In fact, Ex-Im still pretends that the export sales and corporate decisions to relocate jobs are unrelated transactions, though every company knows otherwise.

The practice of swapping jobs for sales is widespread in global trade—deals are negotiated in secrecy because such practices ostensibly violate trade rules. But everyone knows the game, and most everyone plays it. If Boeing doesn't swap jobs for Chinese sales, then its European competitor Airbus will. If AT&T doesn't move its switch manufacturing to China, then Siemens or Alcatel will (in fact, Alcatel already has). The cliché at Boeing is ''60 percent of something is better than 100 percent of nothing.''

The trouble is that nothing may be what many American workers wind up with anyway—especially if China eventually becomes a world-class aircraft producers itself. Officials at the Communications Workers of America, which represents AT&T workers, recall that Ma Bell once made all its home telephones in the U.S. and now makes none here.

Is the same migration under way now for the high-tech switches? The AT&T spokesman insists not. Anyway, he adds the assurance that the most valuable input in these switches is the software, not the hardware from the factories, and the design work is still American. This may reassure the techies, but it's not much comfort to those who work on the assembly lines. Besides, AT&T plans to open a branch of Bell Laboratories in China.

The dilemma facing American multinationals is quite real, but the question remains: Why should American taxpayers subsidize export deals contingent on increased foreign production, or even offloading portions of the American industrial base? Americans are told repeatedly that they cannot exercise any influence over these global firms, but that claim is mistaken. The Ex-Im Bank is an important choke point in the bottom line of these multinationals. Americans should demand that the subsidies be turned off, at least for the largest companies, until the multinationals are willing to provide concrete commitments to their work forces.

The gut issue is not about economics but about national loyalty and mutual trust. ''Every meeting we have in the union, we open it with the pledge of allegiance,'' machinists union president George Kouepias muses, ''Maybe the companies should start doing that at their board meetings.''

Mr. HOLLINGS. Just referring to the article, if you please, Mr. President, and everyone ought to read this article, it says:

Globalization has created a disturbing anomaly. While U.S. exports grow robustly, the corporations that do most of the exporting are the busiest downsizers.

When they fire everybody, it is a polite word, that is just downsizing so they are becoming more competitive. They are just, by gosh, getting rid of the United States worker and employing the offshore worker.

But I quote this particular sentence:

GE is a prime example because the company is widely emulated in business circles for its tough-minded corporate strategies. In 1985, GE employed 243,000 Americans and 10 years later, only 150,000. GE became stronger, then executive Vice President Frank P. Doyle said. But he conceded. We did a lot of violence to the expectations of the American work force.

Get that sentence, the vice president of GE, when they cut down to 150,000 jobs, so-called downsizing, fired them. I used to have five GE's. I had one at Irmo. I have one still at Greenville which is doing well. I have one which was brought into Florence. It made cellular radios and now MRI's. It has taken the business away from competitors. But the one I had in Charleston has gone to Brazil. We are losing good plants down there, and here is why: ''We did a lot of violence to the expectations of the American work force.''

Mr. President, I ask that our colleagues refer to the Philadelphia Inquirer of Monday, September 9, Tuesday, September 10, and again today: Endangered Label ''Made in the United States.''

It is a wonderful article of how we are losing our industrial backbone, how small businesses lose out to foreign competition.

I was asked at the Chicago convention, Mr. President, ''Senator, you Democrats, why don't you all do something for small business?''

I said, ''Oh, no, that small business crowd is organized by the National Federation of Independent Business.'' I have won recognition and awards from that group, but, generally speaking, they are not for the small business on this particular score, they are talking about free trade, free trade as retailers to make a bigger profit.

I thank the wonderful Philadelphia Inquirer. This is the headline: ''Small businesses lose out to foreign competition.'' I want the NFIB to read these series of articles.

Mr. President, referring just to one part, let's start off with the first paragraph:

In early 1980's when stainless steel knives, forks and spoons suddenly surged into the United States from Japan, South Korea and Taiwan in response to lowered tariffs and cutthroat foreign prices, the domestic industry found itself in trouble.

American producers, contending it was unfair competition, appealed to the United States trade commission to impose higher tariffs on imported flatware. The trade commission is an independent Government agency whose main job is to monitor the impact of the imports on the U.S. industries.

If the ITC agrees with the complaint, the presidentially appointed commissioners may recommend that duties be imposed. Even so, there is no assurance that the duties will actually be assessed and, in most cases, they are not. The final decision rests with the White House which historically has refused to impose additional duties.

After 5 months of study, the commission ruled on May 1, 1984, that stainless flatware was ''not being imported into the United States in such increased quantities as to be a substantial cause of serious injury or the threat thereof to the domestic industry.''

On the contrary, the ITC held that the ''economic data on the performance of this industry failed to demonstrate the required degree of serious injury mandated by the statute. Rather, the industry is doing reasonably well.''

According to ITC findings, nine companies produced flatware in the United States in 1982. Today—

Now listen, Mr. President—

Today, most of them are either out of business or purchasing flatware from foreign services. Except for two small plants, Oneida, Ltd., in Oneida, New York, there is virtually no stainless steel flatware production in the United States.

I could go down the list of commodities after commodities after commodities, and you can see, Mr. President, where these companies are just moving the strength—it is not just jobs—it is moving the strength of the United States. When they get to national defense, everybody comes out here on the defense authorization bill and votes overwhelmingly on a defense appropriations bill. But right to the point, they forget their history and how we got here and how we were able to maintain and sustain the strength of the greatest superpower.

Mr. President, we are the last remaining superpower. Look at them run all around. The atom bomb, the nuclear bomb cannot be used—should not be used. We do not have the manpower that the People's Republic of China has and others have that are coming along now and are going to build up their military strength. And they do not care anymore about the 6th Fleet coming in to protect them.

The name of the game is the economic warfare, and the great superpower—and if you read Eamonn Fingleton's book—''Blindside'' is the title of that book—you will find that within 4 short years, the largest economic power in this world will be the

country of Japan. Already they are a larger manufacturer. Here is a little place not bigger than California, with 125 million compared to our 260 million, and vast resources, with oil and all the natural wealth that we have here, all the talent, all the research and everything else, and they produce more in Japan today, manufacturing, than the United States of America. Economically, their GNP, their productivity, will be greater than that of the United States. Their per capita income, right now they are richer than we are. We cannot get into their markets. We still, as a result of the fifth column, keep saying ''free trade, free trade, Smoot-Hawley, Smoot-Hawley.'' We are losing our shirts. We are losing our shirts.

By the year 2015, the People's Republic of China will come along. They are producing economically. I just visited there in April, and I think they are going capitalistic. I think it will succeed. I hope. And we have our fingers crossed it will succeed.

What do we need to do? We need to really start enforcing our laws on the books. Get rid of the International Trade Commission. You can see the political cabal that comes in any time they appoint a member. They have to swear on the altar of free trade, almighty allegiance, and everything else before they go over there. That is a big part of the fifth column. We have to quit financing.

We have to actually someday repeal that GATT, World Trade Organization. We lost our sovereignty. In the Kodak case, we found out, Mr. President, we found out that we lost our sovereignty because the Japanese said, ''Go to the WTO,'' instead of really enforcing what we said on the floor of the Senate. They said, ''Oh, no, we're not going to do away with section 301.'' The Japanese have said, ''You have already done away with it when you signed up.''

You get these emerging nations and you see how they vote. Back in April we had these particular human rights violations in the People's Republic of China. We brought it up at the United Nations. The United Nations voted to have a hearing on it. Our friends at the People's Republic went down into Africa; they picked up the emerging nations' votes, and they said human rights was a nonissue. They have not even had a hearing. That is politically how that U.N. crowd works. When are we going to wake up in this land of ours and not understand the fifth column working against the American industrial worker?

So we need more customs agents. And, yes, Mr. President, we need the Dorgan-Hollings measure to cut out these subsidies of tax deferrals for those who are induced with incentives to go abroad and make more money. We need to change our tax laws, a value added tax.

If I manufacturer this desk in the State of South Carolina, I have to pay the income tax, the corporate tax, the sales tax involved, and everything else, all the taxes, and I ship it to Paris, France. If I manufactured this desk in Paris, France, they put on a value added tax of 15 percent, but when it leaves the port of Le Havre to come here to Washington, they deduct the 15 percent. That is a 15 percent disadvantage to a manufacturer in the United States of America, and we need the money.

The Budget Committee, eight of us, bipartisan, in 1987, voted to get on top of this monster with a value added tax allocated to the deficit and the debt. But these pollster-politicians running around, ''I'm against taxes, I'm against taxes, I'm against taxes; I'm going to give you a 15 percent tax cut,'' when we are broke in the Government. Growth, growth, growth—there is no education in the second kick of a mule.

How do you think this got up to a $5.23 trillion debt? We never got to $1 trillion until Ronald Reagan came to town with Kemp-Roth. And he debunked it. Senator Bob Dole debunked it. Howard Baker called it a ''riverboat gamble.'' George Walker Herbert Bush, President Bush, called it ''voodoo.'' But now we have a party running for national office on voodoo. When are we going to learn and sober up?

The Dorgan-Hollings amendment is a wakeup call here to the reality of the greatness of this Nation. Historically, we had this in the very earliest days. David Ricardo in ''The Doctrine of Comparative Advantage.'' They came to Alexander Hamilton and James Madison and Jefferson, because they all joined in with Hamilton. The Brits said, when we won our freedom in this little fledging nation, they said, ''Look, you trade with what you produce best, and we'll trade back with what we produce best''— ''The Doctrine of Comparative Advantage,'' economics 101, David Ricardo.

Alexander Hamilton wrote a little booklet, ''Reports on Manufacturers.'' It is over at the Library of Congress. Do not read the entire booklet, but in one word he told the Brits, ''Bug off.'' He said, ''We are not going to remain your colony and just ship our agricultural products, our iron, our timber, our coal. We are going to be a Nation-State, and we are going to manufacture, we are going to manufacture and produce our own products.''

When they talk of tariffs, the second bill—the first bill had to do with the seal—the second bill that passed this great Congress that we stand in, on July 4, 1789, I say to the Senator from Nebraska, the second bill that we ever passed was a tariff bill of 50 percent on 60 articles going right on down the list. We built the greatness, the economic strength, this economic giant, the United States of America, with protectionism.

We did it with Lincoln when we built the steel mills for the transcontinental railroad. We came to Nebraska under Roosevelt and said, for agriculture, we are going to put in price supports and protectionism, protective quotas that I support under Roosevelt to rebuild from the darkness of the Depression. With Eisenhower, oil import quotas, we have used protectionism. So do not come here and give me ''Smoot-Hawley protectionism. Are you for free trade?'' And everybody running around like children, hollering, ''There's no free lunch. There's no free trade.'' I yield the floor.

Mr. MOYNIHAN. Mr. President, under the amendment of my friend from North Dakota, U.S. corporations or individual investors that own 10 percent or more of the stock of a U.S.-controlled foreign corporation would be taxed currently on the foreign corporation's profits when it sells goods back into the United States. Under present law, such profits are not taxed by the United States at the time earned. Instead, taxation is deferred until the foreign corporation's earnings are repatriated, that is, returned to its U.S. shareholders in the form of dividends or gains on the sale of their stock. In many cases, the sole U.S. shareholder of a foreign corporation is the parent corporation. In other cases, several U.S. corporations or investors own the foreign corporation.

The premise underlying this proposal is that plants are being moved abroad for tax reasons. While this is a fair topic for examination, I do not believe this has been established with any certainty, and before the current rules are changed it must be. Investment abroad that is not tax driven is good for the United States. It promotes exports and enhances the competitiveness of our companies.

The evidence suggests that the decision to locate production abroad primarily depends not on tax considerations, but instead on practical business considerations, such as proximity to raw materials, access to distribution channels, lower wage rates, prospects for growth, regulatory climate and other nontax factors. Taxes are certainly taken into account, but they are not the predominant factor, since the bulk of U.S. direct investment in foreign countries is in countries with effective business tax rates in excess of, or comparable to, the United States.

Over 70 percent of assets held by United States-owned foreign manufacturers are held in high-tax jurisdictions, such as Canada, the United Kingdom, Japan, Germany, France, Italy, Belgium, and Australia. In contrast, the two low-tax jurisdictions most often cited as having runaway plants—Ireland and Singapore—have only 4.2 percent of the total assets held by United States-owned foreign manufacturers. Furthermore, excluding Canada, only 7.2 percent of total sales by United States-owned foreign manufacturers were to the United States market in 1990, with over 60 percent to local markets and the remainder to other foreign countries. Finally, according to the Departments of Treasury and Commerce, less than 15 percent

of total imports from U.S. affiliates came from low-tax countries. Thus, the weight of the evidence indicates that, at most, taxes appear to affect investment decisions only where the investor is relatively indifferent between two locations.

Would this amendment be effective in keeping production in the U.S.? It is hard to imagine that it would alter many decisions to locate plants abroad. Those producing goods abroad for the U.S. market would continue to do so for practical reasons, and simply face higher taxes. For example, the proposal would apply to a U.S.-owned company that grows bananas abroad and imports them into the United States, even though there are virtually no producers of bananas in the United States. As a result, the bill would have a negative impact on many businesses that would not be economically viable in the United States, or for which locating production in the United States would be impractical. At the same time, the vast majority of U.S. businesses with foreign subsidiaries would not be greatly affected by the proposal because their foreign operations do not produce for the U.S. market. Over 90 percent of all sales by United States-owned foreign manufacturers located outside of Canada are to foreign markets.

From the standpoint of competitiveness, other countries typically do not require their taxpayers to pay tax currently on the earnings from operations conducted abroad by a foreign subsidiary. U.S.-owned businesses must compete against foreign-owned businesses that are located in low-tax jurisdictions and are not taxed currently by their home countries. It is unlikely that many of our major trading partners would respond to enactment of this amendment by imposing current taxation on their companies.

Administrability of the amendment of the Senator from North Dakota is also a concern. Under the legislation, U.S. shareholders would be taxed currently not only on the profits from imports into the United States, but on the foreign corporation's income from sales to third parties that import the goods into the United States, if it was reasonable to expect that such property would be imported into the United States, or used as a component in other property which would be imported into the United States.

Staff at the Treasury Department and the Joint Committee on Taxation have raised questions about the administrative feasibility of enforcing the provision in the case of foreign corporations selling outside the United States to a third party importer. It would be very difficult for the IRS to identify those sales to third parties triggering taxation because the products are destined for the U.S. market, particularly given that many taxpayers could be expected to restructure their U.S. sales via third parties in an attempt to avoid the provision. Further, the recordkeeping required of taxpayers could be onerous.

Finally, this proposal conflicts with the intent of the Multilateral Agreement on Investment of the Organisation for Economic Co-operation and Development [OECD]. Since 1991, the United States has been working toward a legally binding comprehensive investment agreement in the OECD. In May 1995, the OECD Council finally agreed to negotiate a Multilateral Agreement on Investment. The objective of the United States in those talks is to reach agreement that will set high standards for liberalizing investment rules and increasing investment protection. The idea is to make foreign investing safer for U.S. companies because U.S. investment overseas promotes exports and enhances the competitiveness of our companies. Foreign subsidiaries of U.S. companies are the primary customers for U.S. exports—over one-fourth of U.S. exports go to them each year. Those exports account for more than 2 million of the 8 million U.S. jobs supported by U.S. exports. The proposal before us goes in exactly the opposite direction of our efforts in the OECD.

I am committed to doing everything possible to ensure that the U.S. economy remains strong, that decent jobs are available to those that seek them, and that American workers dislocated by the increasingly global economy are assisted in finding new opportunities. However, I believe the opening of production facilities abroad is often good news, not bad, and that this amendment would not accomplish its stated purpose.

I hope we will not act improvidently on this important matter, and I therefore urge that this amendment not be adopted.

Mr. HATCH. Mr. President, I rise today in opposition to the amendment from the Senator from North Dakota.

Mr. President, this is another one of those amendments that sounds so easy, so simple, and so straightforward, that it seems that every member of this body should be immediately jumping up on his or her feet and agreeing with what the distinguished Senator from North Dakota is saying. I only wish our world were as simple and the problems so easy to solve as the proponents of this amendment would have us believe.

However, today's world is not very simple, especially when we are discussing the world of international business and the tax law. Unfortunately, the assumptions upon which this amendment are based are just plain wrong and the result will be to punish companies for looking out for the best interests of their employees and stockholders.

First, let me make it clear, Mr. President, that I have no doubt that the Senator from North Dakota and his supporters are very sincere in their beliefs about this issue, and that the amendment is well intentioned. However, based on the real world that we live in, the amendment is both unnecessary and will prove to be counterproductive.

As I understand the amendment, it is based on S. 1597, which the Senator from North Dakota introduced this past March. This bill would deny what my friend from North Dakota calls unwarranted tax breaks to U.S. companies that set up manufacturing operations in a foreign country and export goods from those operations back into the United States.

In the floor statement that accompanied the introduction of S. 1597, the Senator from North Dakota implies that a large number of American companies are abandoning U.S. soil and removing their operations, lock, stock, and barrel, to other locations on the globe where they can find cheaper labor and lower taxes. As a result, goes the argument, American jobs are being lost in the process. And, according to the Senator from North Dakota, to add insult to injury, our tax code is rewarding such behavior with special tax breaks.

S. 1597, and the amendment before us, is designed to end what he calls unwarranted tax breaks and punish those supposedly unscrupulous companies that are allegedly taking unfair advantage of the rules to gain profit for themselves at the expense of American workers.

Well, Mr. President, at first blush, who wouldn't be in favor of cracking down on such awful practices and unfair tax breaks?

The only problem is that the scenario set out by the Senator from North Dakota does not reflect what is going on in the real world. It is an oversimplistic solution to a misidentified problem.

In the world as oversimplified by the proponents of this amendment, U.S. companies are abandoning loyal American workers to save a few dollars an hour with cheap overseas labor in tax haven countries. In the real world, Mr. President, this is simply not the case. At least two-thirds of the investment and sales of foreign subsidiaries of U.S. companies are in countries where the average labor cost is higher than in the United States. Moreover, the average tax rate paid by U.S. multinational companies is lower in the United States than it is outside the United States. More than 75 percent of all imports to the United States from U.S.-owned foreign subsidiaries is from developed nations, where taxes typically are either higher than or similar to the U.S. rate.

While it is true that some U.S. companies have set up manufacturing operations in other countries with lower labor costs, they have generally done so in order to stay competitive with other companies in the same industry that have cheaper labor costs.

We live in a global economy, Mr. President. Many products, especially those in the high technology industries, can be as easily assembled in Malaysia as in California. When U.S. companies have taken their low-skill assembly operations overseas, they have done so as a matter of survival. In

other words, any jobs lost to Americans by a move of an assembly plant overseas would most likely have been lost anyway—and probably then some.

Companies that go out of business because they are no longer competitive pay no wages and create no new jobs and pay no taxes. Companies that can successfully compete in the world marketplace most often expand employment, add security to U.S. workers, and contribute to the U.S. tax base.

In the world as oversimplified by the proponents of this amendment, U.S. companies are moving their manufacturing operations to other countries, only to export the majority of the product back to the United States. In the real world, Mr. President, again, this is simply not the case. In 1993, 66 percent of the sales of U.S. foreign subsidiaries were made to customers in the foreign country, 23 percent were made to customers in other foreign countries, and only 11 percent were exported back to the United States.

These data show that one of major real-world answers as to why U.S. companies set up manufacturing operations overseas is to be closer to their customers. Many customers demand a local presence of their supplier. Moreover, as a practical matter, local conditions often dictate that the U.S. company manufacture locally in order to be able to take advantage of the business opportunity in that country. For example, how could U.S. software manufacturers sell their products abroad without local operations to customize and service the software? We have seen the same thing happen in the United States, where foreign automobile manufacturers have moved their operations here in order to be closer to their markets.

Contrary to what the Senator from North Dakota is asserting, there are often a number of benefits to the domestic job market when a U.S.-based multinational company sets up a subsidiary in a foreign country. The 1991 Economic Report of the President notes that ''. . . U.S. direct investment abroad stimulates U.S. companies to be more competitive internationally, which can generate U.S. exports and jobs. Equally important, U.S. direct investment abroad allows U.S. firms to allocate their resources more efficiently, thus creating healthier domestic operations, which, in turn, tend to create jobs.''

I would also note, Mr. President, that the overseas business operations of U.S.-based multinational companies contributed a record net surplus of $130 billion in 1990 to our balance of payments. This number has very likely gone even higher in the years since 1990. In addition, these U.S.-based multinational companies have been responsible for significant employment in the United States. Much of this employment is generated by the foreign operations of these corporations. For example, in most cases, the research and development work that leads to the assembly operations overseas is performed right here in the United States. Let's look again at the software industry, which is very important to my home state of Utah. Additional sales in foreign countries, generated by subsidiaries of U.S. software companies, lead to increased employment in the United States to support those sales and to continue the research necessary to improve those products.

Now, Mr. President, let's discuss just exactly what this amendment would do. At the heart of the so-called tax break that the Senator from North Dakota is trying to partially eliminate is the long-standing tax principle that says a taxpayer doesn't have to pay tax on income until that income is received. One example of this concept that individuals run into every day is the fact that we do not have to pay taxes on unrealized capital gains on property until we sell that property. For instance, if a taxpayer holds 100 shares of stock that he or she bought 20 years ago at $10 per share, and that stock is now worth $100 per share, our tax code does not tax that individual until he or she actually sells the stock and realizes the gain.

We have a similar principle in place that applies when a U.S. company sets up a subsidiary in another country. Under the tax law, with some exceptions, the U.S. company does not have to pay tax on the earnings of the foreign subsidiary until the money is actually returned to the U.S. parent. This principle is commonly known as deferral because the tax is deferred until the earnings are repatriated to the United States, much the same as the tax is deferred to an individual on a capital gain until the sale is accomplished and the gain is realized.

What the amendment before us would do is to end deferral to the extent that income is earned on goods shipped back into the United States. What, one might ask, is wrong with this? Wouldn't this be effective in preventing U.S. companies from uprooting their domestic manufacturing operations and moving them overseas?

Mr. President, I submit that there are several major problems with this proposal and that it would not be effective. Indeed, I believe this proposal would be counterproductive and result in fewer U.S. jobs. The amendment goes way beyond the problem being described and applies where there is no indication of alleged abuse. For one thing, there is no provision in the amendment to limit the loss of deferral to those situations where actual U.S. employment has been displaced. Indeed, the amendment doesn't even require that there be a showing of increased foreign investment or reduced U.S. employment. Thus, any U.S. company with existing foreign operations could be penalized, even if no U.S. plants closed and even if the U.S. employment actually increased.

In addition, this amendment would add a great deal of complexity to an already mind-numbingly complicated part of the Internal Revenue Code. The determination of ''imported property income'' as required by the amendment would require a whole new set of assumptions and recordkeeping, all of which adds to the huge compliance burden already faced by all taxpayers. Moreover, the Internal Revenue Service would have to add more trained personnel to audit this provision, and this at a time when Congress and the American people are demanding cuts in IRS funding. The provisions in the amendment calling for a new foreign tax credit basket would also add more complexity and unfairness from possible double taxation. The administrative expenses of complying with these provisions could easily outweigh the amount of revenue collected from this amendment.

Finally, Mr. President, this provision is not likely to achieve its goal of retaining U.S. jobs. Many countries with wages lower than those in the United States also have high corporate income tax rates. Loss of deferral in these countries would not result in any extra U.S. tax liability because the U.S. tax would be offset with the foreign tax credit for income taxes paid in the foreign country. Additionally, because this amendment does not affect the major reason that U.S. companies establish foreign subsidiaries, which as I mentioned is to be closer to its customers, this change would only punish companies that try to better compete in a world market. These firms will still take whatever action is necessary to compete globally. But, if the U.S. begins to punish them for being responsive to world competition and for taking advantage of international business opportunities, the result might be that some companies could move all operations out of the United States to reduce the onerous results of this amendment. At the very least, the increased cost of complying with these unnecessary provisions would leave less money available for companies to expand and create more U.S. employment.

In the real world, Mr. President, multinational companies are making business decisions based on a number of economic factors, only one of which is the tax consideration. This amendment tries to simplify a complex world and solve a problem without realizing the real causes of the problem. As a result, the solution doesn't fit and it simply will not work.

As a final note, Mr. President, it is important to note that this amendment does not belong on this bill. As my colleague from North Dakota well knows, this is a tax provision that can only be considered, under the U.S. Constitution, on a revenue measure originating from the House of Representatives. The underlying appropriations bill is not such a measure. Therefore, if the Senate were to make the mistake of passing this measure, the House would undoubtedly exercise its prerogative and send this bill back to the

Senate under the so-called ''blue slip'' procedure. This, of course, would only delay in getting an important appropriations bill passed.

I urge my colleagues to oppose this perhaps well-intentioned but seriously misguided amendment.

Mr. SHELBY. 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. GORTON. 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. GORTON. Mr. President, this amendment is bad policy from top to bottom. If enacted, it would hurt U.S. companies and destroy jobs. It is, I am afraid, motivated more by political considerations than anything else.

Under generally accepted tax principles in the United States and around the world, income is taxed when it is realized by a taxpayer. When income is earned but not received until some future date—say, for example, income in a pension plan or an individual retirement account—then taxation is normally deferred.

Eliminating or even limiting deferrals would put American companies at a competitive disadvantage in the global marketplace. This amendment does not—as it purports to do—eliminate a privilege; rather, it imposes a penalty, and a severe one at that. It will not increase revenues for the U.S. Treasury. It will, however, hurt American companies that are trying both to run their day-to-day operations and to compete with foreign businesses.

What does this amendment do? It assumes that allowing U.S. multinationals to defer taxes on the income of their foreign subsidiaries is a tax break. That is a false assumption, because deferring only means that taxes are not due until the time that income has actually been received, or in the case of multinationals, repatriated back to the U.S. parent company. This amendment not only taxes income before it is realized, it carries with it the potential to tax income that is never realized at all.

Since none of our trading partners subject their companies to such a burden, our companies would suffer. No other country in the world denies deferral on active business income as extensively as the United States, now, with respect to passive income, for example. According to a 1990 white paper submitted by the International Competition Subcommittee of the American Bar Association Section of Taxation to congressional tax writing committees, France, Germany, Japan, The Netherlands, and others, do not tax domestic parent companies on any earnings of their foreign marketing subsidiaries until such earnings are repatriated. The earnings are deferred without additional tax penalties.

No one can doubt the importance of the global economy to American jobs and American economic strength. If we are to provide good jobs for our citizens, it is important that we stay competitive. Already, current tax rules create a disadvantage for U.S. businesses that operate overseas and compete in foreign markets. Recent data demonstrate that U.S. multinationals are already taxed more heavily on their foreign income than on their domestic income. The current U.S. Tax Code has a strong bias against U.S. multinationals. Its sourcing rules and strict limitations on foreign tax credits expose the foreign investments of U.S. companies to double taxation. It also gives less favorable treatment to foreign affiliates by making them ineligible for the R&D tax credit or accelerated depreciation, and denies them the ability to include losses in the U.S. parent's consolidated income tax return. Current law does not, as the sponsors of this amendment assume, reward U.S. corporations with offshore operations.

Clearly, imposing more taxes on American companies weakens U.S. international competitiveness, hurts American companies and American jobs, and gives our foreign competitors a greater advantage—just the opposite of what the amendment's sponsors say they want.

Not only will this amendment increase direct taxes on U.S. companies, it will also increase regulatory costs associated with compliance and enforcement. The proposal will add enormous complexity to the already onerous and complicated U.S. Tax Code in the area of international taxes. The changes will be difficult for businesses to comply with and virtually impossible for the IRS to administer and enforce. For example, a U.S. multinational may manufacture a component—say, a computer chip —that eventually finds its way into a finished product that is ultimately imported into the United States by a foreign company, without the U.S. multinational's knowledge or consent. The IRS, in this case, would have to trace potentially long chains of unrelated parties that may alter a product or incorporate it into another product in order to enforce the requirements of this proposal. Similarly, businesses would have to employ complicated and tedious procedures to determine if their products could potentially ever be imported back into the United States. That, Mr. President, is just one reason that proposals like this need careful study by the Finance Committee, not an instant debate on the floor.

This amendment means more taxes, more regulations, and more power to the IRS—powers which, I can assure my colleague, the country hardly needs.

Today, U.S. companies face intense competition in both domestic and international markets. Nothing can be worse for our companies struggling to compete in the global economy than to burden them with more government regulations and taxes.

There are several mistaken premises in this amendment, and I would like briefly to address some of them.

First of all, the amendment's underlying premise is that when American companies open factories, plants and offices overseas, they reduce American jobs. That's simply not true. U.S. firms establish operations abroad primarily in order to penetrate foreign markets and take advantage of foreign business opportunities. In many cases, U.S. manufacturers cannot sell to foreign customers unless they have local plants in those foreign countries. For example, under the Canadian auto pact, United States companies must manufacture in Canada to export into the Canadian market. Without United States operations in Canada, the United States would lose the current $44 billion of sales in Canada. Were that to happen, the consequences to America would be serious indeed—not only in terms of economic damage, but in terms of lost jobs —American jobs—as well.

Another misperception is that American companies move their operations overseas so that they can procure cheap labor. Again, not so. Most multinational companies' foreign investments are in other industrialized countries where labor costs are often higher than in the United States. In 1993, two-thirds of the assets and sales of United States-controlled foreign corporations were in seven countries: the United Kingdom, Canada, France, Germany, Japan, the Netherlands, and Switzerland. The average annual compensation paid by these corporations in 1993 was $49,005, 15 percent higher than the average $42,606 compensation paid in the United States. U.S. firms do not go abroad for cheap labor, they go abroad because their business demands it. For example, industries that rely on natural resources must develop them in the geographic locations in which those resources are found.

This amendment also assumes that overseas operations cost U.S. jobs. Wrong again. American operations overseas produce American exports. Exports support and create American jobs. Consider this: The Department of Commerce has calculated that every $1 billion dollars in manufactured exports creates—directly—14, 313 manufacturing jobs in the United States Clearly, U.S. companies that have operations overseas are a benefit to, not a detraction from, American jobs and the American economy.

The amendment incorrectly assumes that U.S. companies invest offshore to export back to the U.S. market. But a look at the facts shows the reverse. In 1993, 66 percent of U.S. multinational sales were within the foreign company of incorporation, 23 percent of sales went to other foreign locations, and only 11 percent represented exports to the United States. If anything, multinationals are boosting the U.S. trade

balance. According to 1993 Commerce Department data, U.S. multinationals decrease the trade deficit by $11.5 billion per year.

I must say that it's too bad the sponsors suspect the worst motives in our American companies, rather than supporting them as they look for new opportunities to boost the American economy and create new jobs in the United States.

While few would disagree with the stated goals of this amendment—preventing U.S. job loss and encouraging U.S. competitiveness—it is clear that in practice this amendment would have exactly the opposite effect. Let's call a spade a spade. This is not a proposal to stimulate employment or to strengthen America's position in the international arena. It is a protectionist, antitrade measure that attempts to exploit the fears and insecurities that Americans feel today due to the real degree of economic uncertainty. But the American economy is not being hurt by U.S. trade or by U.S. businesses expanding their presence overseas. Rather, trade and overseas investment strengthen and expand our economy.

When American businesses go overseas, it is a sign of American economic strength and expanding opportunities. It means that American companies are competitive throughout the world. We should be happy to see our companies doing so well, instead of fearing international growth. We are the world's economic superpower, and should be encouraging international development and promoting trade, not discouraging it as this amendment does.

The entire argument of the Senator from South Carolina can be summed up by one of his own lines: ''This country is going out of business.''

If you believe that statement, then support this amendment and every other protectionist idea that comes down the pike. But if you believe, as I do, that we are the most successful and competitive economy in the world and with the most free and fair competition, vote with me and table this amendment.

And one other point in reflection of the Senator from South Carolina: Boeing believes that the Chinese commercial aircraft market over the next 20 years will reach $185 billion. Obviously, it will go to those suppliers who will allow some of the work to be done in China. As Larry Clarkson, Boeing's top official for international development says: ''If we hadn't moved work to China, we wouldn't have gotten orders.''

I think he knows more about Boeing's business than the Senator from South Carolina—and Boeing is now hiring—in the United States.

Mr. HOLLINGS. Mr. President, the people of the Republic of China characterize me as the ''Senator from Boeing.'' I realize that the French airbus was competing with us, and we are proud of Boeing and we are proud of its products. I am a competitor and I want to see the United States win at all costs.

However, when we debated our textile bills and I passed one vetoed by President Carter, two vetoed by President Reagan, one vetoed by President Bush, get them to pass it, keep knocking on the door, I kept watching our colleagues from the State of Washington who opposed us with the free trade, and how wonderful to have trade overseas, which nobody denies. Everybody believes in trade. Instead of abolishing the Commerce Department, I am standing on this side of the aisle trying to defend commerce and to defend the department and trying to defend trade. But what you have to do is emphasize this flow of imports into the United States and find out why.

Let me read from this article one little paragraph about Boeing. In the article, ''The Ex-Im Files,'' by William Grieder. It was previously printed in the RECORD:

> The White House also led cheers for Boeing because Boeing was also stomping its competitors in the Chinese market. In 1994 alone, Boeing sold 21 737s and seven 757s to various Chinese airlines and obtained nearly $1 billion in Ex-Im loans to finance the deals. When President Clinton hailed the news, he did not mention that Boeing had agreed to consign selected elements of its production work to Chinese factories. The state-owned aircraft company at Xian, for instance began making tail sections for the 737, work that is normally done at Boeing's plant in Wichita, KS. The first order for Xian was for 100 sets, but that was just the beginning. In March 1996, a China news agency boasted that Boeing had agreed to buy 1,500 tail sections from Chinese factories, both for the 737 and the 757. The deal was described as ''the biggest contract in the history of China's aviation industry.''

Now, Mr. President, one, that is in violation of the Export-Import Bank law. So it is not partisan guilt or liability or misunderstanding. The President of the United States, hailing it under the Export-Import Bank, is for production in the United States, not to finance production in China. You ask what to do, how to wake them up. ''Free trade, free trade. It is wonderful for trade and you don't lose jobs and it is good for the economy.'' Here are the facts. As I warned 25 years ago, or almost 30 years ago, in that debate, I said, wait until it hits you.

Last year, to Mexico we lost 10,000 textile jobs. We said in the NAFTA debate that we were going to lose them. Now we know from NAFTA, we have gone from a plus balance of $5 billion exports, exports, exports—how about the imports?—to a deficit of $15 billion. And those who oppose us will admit we have lost at least 300,000 jobs.

Point: Boeing is having it happen to them. If you are going to lose your textiles, you are going to lose your flatware, you are going to lose your steel industry, your manufacturers and industrial strength. You are going to lose one thing we are preeminent in, airplane manufacturing, and finance it in violation of the Export-Import Bank. Then if we haven't done anything else, I say to the Senator from North Dakota, we have at least awakened them, given them a wakeup call for what is going on, because it's going to happen in Washington and in Wichita, KS, where they make the wonderful planes we are so proud of. But they are going to be losing the jobs. Airbus is taking over. I opposed the Ex-Im contract with Japan. Wait until the Japanese and Chinese start manufacturing aircraft. Then I want to see this crowd here. We will come in coveralls when we can't afford decent clothing, hollering ''free trade, free trade, free trade.''

This country is going out of business. We need to wake up. These are the kinds of things to debate. Let's take that Dorgan-Hollings amendment and vote it up, and don't say this is an amendment against trade. This is just an amendment to put the foreign manufacturer on the same basis as American manufacturers for American corporations.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. I will not further delay this, with the exception of making two points. I was off the floor. My understanding is that a couple of points were made in opposition to this legislation that I want to respond to. One is that this would prevent an American company from establishing offshore production with which to compete against a foreign company that is producing offshore and selling in some foreign country. This bill doesn't affect that at all. If you are opposed to this bill for that reason, smile; this bill doesn't affect that. This bill only affects U.S. producers who move offshore to produce for the purpose of sending the production back into our country. That is the only purpose.

Second, this would be enormously complex, we are told. A wonderful article was written by Lee Sheppard recently. She says something about that. She wrote:

> Complexity never seems to bother corporate tax managers when it flows in their favor, such as in transfer pricing or the design of nonqualified deferred compensation plans. Surely no one wants to add materially to the complexity of America's already complex foreign tax provisions, though no one is seriously suggesting simplifying them in business's favor. The Dorgan bill proposes a destination-based tax liability; other provisions, like the foreign sales corporation provisions, grant destination-based benefits.

My point is that those who stand up and use the corporate arguments being offered around town in ample quantities are using arguments that largely don't apply to this. So, as I said previously, if you believe our Tax Code ought to be neutral on the question of whether you export American jobs, just to make it neutral, then vote for this amendment. If you believe we should continue doing what we are doing, subsidizing the export of jobs, then vote against the amendment, and then let's

have a further discussion at some later point. I hope Members of the Senate will decide to support this.

With that, I yield the floor.

Mr. ROTH. Mr. President, this tax amendment is not appropriate at this time.

This appropriations bill is not a revenue bill. If this amendment passes, this appropriations bill will be potentially subject to a blue slip by the House. A blue slip would in effect kill this bill and the Senate would have to start anew.

Therefore, a tax amendment at this time would unnecessarily jeopardize the appropriations process. Amending an appropriations bill is not the proper way to make fundamental changes to international tax policy.

The international area is a very complex section of the Tax Code. No one is happy when certain companies move abroad and manufacture products that are sold back to the United States.

At the same time, it is important to understand that American companies are players in the global economy and that expansion abroad means more jobs back home. In fact, by 1990, manufactured exports of American companies with operations overseas created over 5 million jobs in the United States.

If we are to continue to provide good jobs for our citizens, it is important that we stay competitive in this emerging global economy by expanding our presence abroad.

American companies with overseas investments have been waging a hard fight, but a successful one to keep exports flowing from the United States.

American companies operating overseas also help the balance of trade for the United States.

According to the Department of Commerce, in 1993, American companies operating overseas helped reduce our trade deficit by $11.5 billion.

A study by the National Bureau of Economic Research found that manufacturing by foreign affiliates of American companies increases exports from the American parent company located in the United States.

This amendment attacks the tax rule known as deferral and would materially increase the cost to many American companies engaged in business overseas.

This increase in costs will make it more difficult for American companies to compete with foreign manufacturers that are not subject to these additional costs.

This amendment is based on the assumption that if companies don't build plants abroad, they will automatically build plants in the United States. In fact, many companies would probably just decide not to expand at all.

If additional production facilities are not added, American companies would lose economies of scale that help them compete in the global marketplace.

These economies are particularly crucial in the commodities business where price really matters.

American companies would also be hurt in their efforts to expand in foreign markets.

Our companies are motivated to invest abroad in order to penetrate markets otherwise commercially inaccessible to American firms and then expand that market share.

The absence of American companies abroad would limit our ability to sell to foreign customers.

There is a positive relationship between investment abroad and domestic expansion.

Leading American corporations operating in both the United States and abroad have expanded their employment and sales in the United States, their investments in the United States, and their exports from the United States at substantially faster rates than industry generally. During the 1980's, American exporting companies had a better record on employment than the typical large American manufacturing firm.

The contention that American manufacturing companies are harming our economy by shifting jobs abroad and importing cheaper products into the United States simply does not bear up under scrutiny.

Rather, the exact opposite is true. Investment abroad by American exporting companies provides the platform for growth in exports and creates jobs in the United States.

Overall, this amendment would hurt our economy. It would decrease the activities of domestic exporters and decrease jobs in the United States.

This misguided amendment would give foreign-owned companies a huge competitive advantage and help them provide economic and job benefits for their home countries at the expense of the United States.

We do not need to adopt legislation that hurts companies who go abroad for the legitimate purpose of becoming competitive in the international market.

Overall, this area is one of extreme complexity and of greatest importance to our economy and the creation of jobs in America.

The major international tax policy changes which would result from this amendment are within the jurisdiction of the Senate Finance Committee. It would be inappropriate and dangerous for such significant changes to the Tax Code to be made piecemeal on the Senate floor.

As I have stated in the past, the Finance Committee will be holding hearings to look at the international area and the kind of issues that are raised by this amendment.

For these reasons, I must respectfully oppose this amendment.

Mr. SHELBY. Mr. President, the chairman of the Senate Finance Committee is opposed to the amendment of the Senator from North Dakota. In his statement, he raises several important points that I want to share with you right now. The most important is that this amendment, the Dorgan amendment, if accepted, would potentially subject the entire bill, including funding for drug enforcement, law enforcement, to a blue slip. This would effectively kill the entire bill and, with it, funding for critical priorities such as the drug czar, drug enforcement, Customs, border guards, ATF, Secret Service, White House, IRS, civil service pensions, and so forth.

The Senator from North Dakota raises an important issue, and it ought to be debated and considered by the appropriate committee at the appropriate time. I don't believe this is the right time. It is misplaced here and it threatens to jeopardize our entire bill today. I note that the House, for the record, has blue-slipped less blatant attempts to raise revenues and change tax policy. Some of you will recall that 2 years ago the Senate adopted an amendment with regard to taxes on diesel fuel. It passed overwhelmingly here in this body, and it had strong support in the House at that time, including from the then-chairman of the Ways and Means Committee. Yet, because of the constitutional issue, he chose to utilize the blue-slip procedure over there and the Treasury bill was sent back to the Senate. In effect, had the Senate not adopted separate legislation striking that provision, the House would have had to begin the process of drafting and moving the necessary appropriations bill all over again.

I don't believe that is what we want to happen here. I don't believe we can afford such a procedure. Our Nation's law enforcement people, Mr. President, cannot afford such a procedure. Our Nation's drug policy and funding for that policy cannot afford such a procedure. This country's civil servants, who rely on this bill every year to fund their pensions and disabilities, cannot afford such a procedure here. I cannot stress enough this afternoon the important funding in this bill —and most of you are aware of this—which this amendment would jeopardize.

Mr. KERREY. Mr. President, I have cosponsored and voted for this amendment in the past, but the fact this is a tax issue put on an appropriation bill has caused me some concern. The Senator from Alabama, the chairman, is quite right. In this instance, as a consequence of the revenue issue, we risk having this whole thing sent back over to us. Otherwise, I would be supporting the Senator from North Dakota without any reservations. I urge colleagues to consider the procedural issue here and, when Senator SHELBY of Alabama so moves, keep this concern in mind.

Mr. SHELBY. Mr. President, to reassert this amendment raises constitutional questions with regard to raising revenue, which we are all familiar with. For these reasons I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama to lay on the table the amendment of the Senator from North Dakota. On this question, the yeas and nays were ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness in the family.

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

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 282 Leg.]

YEAS—58

Abraham	Frist	Mack
Ashcroft	Glenn	McCain
Baucus	Gorton	Moynihan
Bennett	Gramm	Murkowski
Bond	Grams	Murray
Breaux	Grassley	Nickles
Brown	Gregg	Nunn
Burns	Hatch	Pressler
Chafee	Hatfield	Roth
Coats	Helms	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Jeffords	Snowe
Craig	Johnston	Specter
D'Amato	Kassebaum	Stevens
DeWine	Kempthorne	Thomas
Domenici	Kyl	Thompson
Faircloth	Lieberman	Thurmond
Feinstein	Lott	
Frahm	Lugar	

NAYS—41

Akaka	Feingold	McConnell
Biden	Ford	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Pell
Bradley	Heflin	Reid
Bryan	Hollings	Robb
Bumpers	Inouye	Rockefeller
Byrd	Kennedy	Sarbanes
Campbell	Kerrey	Simon
Conrad	Kerry	Smith
Daschle	Kohl	Warner
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Exon	Levin	

NOT VOTING—1

Pryor

The motion to lay on the table amendment No. 5223 was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. KERREY. I ask unanimous concept to add Senators SNOWE and PRESSLER as cosponsors to Amendment 5232 regarding IRS reorganization.

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

The Senator from Alabama.

AMENDMENT NO. 5206

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

The PRESIDING OFFICER. The pending business is amendment No. 5206, the WYDEN amendment.

Mr. SHELBY. Mr. President, the WYDEN amendment contains direct spending and revenue legislation which would increase the deficit by $85 million for the period 2002 through 2006.

At this point, I raise a point of order, pursuant to section 202 of House Concurrent Resolution 67, the concurrent resolution of the budget for the fiscal year 1996. I raise the budget point of order.

Mr. WYDEN. I move to waive the point of order and ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WYDEN. Mr. President, I ask unanimous consent to speak on my amendment at this time.

The PRESIDING OFFICER. The motion is debatable.

Mr. WYDEN. Mr. President, the Senator from Alabama is raising a point of order on a revenue issue that simply does not apply to this amendment. I believe the Senator from Alabama is talking about a Congressional Budget Office report that was done on the House legislation on this matter, and I would just like to inform my colleagues that this amendment contains a change from the House legislation, a change that was added at the direct request of a number of managed care organizations, that deals with this question of revenue.

If I could briefly engage the Senator from Alabama on this matter? The Senator from Alabama, I know, is trying to juggle a number of matters, but I would like to ask the Senator from Alabama, does he have a Congressional Budget Office report at this time that specifically cites this revenue projection on my amendment which is pending before the Senate?

Mr. SHELBY. If the Senator from Oregon will yield?

Mr. WYDEN. I am happy to yield.

Mr. SHELBY. We have an oral statement from the Budget Committee staff that this violates the concurrent resolution and will cost $85 million. They scored it that way.

Mr. WYDEN. Mr. President, the Senator from Alabama told me that he does not have an official report from the Congressional Budget Office with respect to revenue on it. The Senator has said that the majority staff projects that it will cost $85 million.

Mr. SHELBY. If the Senator from Oregon will yield for a correction?

Mr. WYDEN. I am happy to yield.

Mr. SHELBY. The CBO, not the majority staff, is where this number comes from, $85 million that is a violation of the rule. Not the majority staff but the Congressional Budget Office itself.

Mr. WYDEN. If the chairman of the subcommittee would provide me a copy of that, I would very much like to see that. Because the fact is, and let us go to the discussion of this matter, this has nothing to do with the Federal budget. What I am seeking to do is to make sure that managed care plans, the fastest growing part of American health care today, are not allowed to impose gag rules that impede patients from getting all the information that they need with respect to medical services and medical treatments.

I come, Mr. President, from a part of the country that has pioneered managed care. The Portland metropolitan area that I represented, first in the House and now as a Senator, has the highest concentration of managed care in our country. We have seen good managed care, and there is plenty of it in Oregon.

Unfortunately, there are managed care plans that have cut corners and that have kept a patient from a full range of those who provide necessary services. There are plans in the country where there have been oral communications where a plan says to a particular provider: ''We're watching the number of referrals that you are making out of the network. We don't want you to refer to that particular specialist.''

This is going on in our country. It is not right, and that is what this issue is all about. This is not a budget issue, I say to my colleagues. This is a matter of right and wrong. This is a matter of whether you are going to stand up for consumers, stand on the side of patients, or whether you are going to see those gag rules that keep patients from getting the information that they need and deserve.

Mr. President, the preamble of the Hippocratic oath, which guides so much of American health care, is a statement to physicians: ''First, do no harm.''

The message of these gag restrictions, these gag clauses that we are seeing in managed care plans all across the country is not ''First, do no harm.'' Their message is, ''First, support the bottom line.'' That is the issue that we are debating. That is not good health care. That is certainly not good managed care.

Several months ago, the Washington Post cited a startling example involving the Mid-Atlantic Medical Services health plan, a large Washington metro area provider. This plan wrote a letter to network practitioners informing them that ''effective immediately, all referrals from (the plan) to specialists may be for only one visit.'' And in bold type, the letter stated: ''We are terminating the contracts of physicians and affiliates who fail to meet the performance patterns for their speciality.''

That is the kind of gag rule, that is the kind of constraint that is being imposed on patients in the American health care system today by some managed care plans. Certainly, not all the managed care plans, and it is certainly not representative of what we are seeing in Oregon, but it is happening across the country. We have even seen it in a State like mine that has good managed care, and this is a bad deal for patients all around.

First, patients end up not getting the kind of health care that they need.

Second, the plan may restrict the provider, the physician, from informing

the patient about referral restrictions so that the patient doesn't even know that they are being medically shortchanged via the plan's policy.

So what you have, stemming from the gag clauses, is a situation where our patients are in the dark in the fastest growing sector of American health care. These gag clauses keep the patients from even knowing, from even being in a position to understand that they are being medically shortchanged via a plan's policy.

Let me mention a couple of providers who have brought this to my attention in Oregon.

One orthopedic surgeon faced a situation where his managed care plan demanded he diagnose problems in patients apart from the ones for which they were referred. He, in effect, was told he had to keep his mouth shut and instead re-refer those folks back to their primary care physician.

This physician wrote me: ''This is extremely disappointing to patients, as you might imagine. This requires more visits on their part to their primary care physician and then back to me, which is extremely inefficient.''

Another physician, a family practitioner in a rural part of the State, wrote that antigag legislation was needed because ''when a physician recommends medical treatment for a patient and a plan denies coverage for that treatment, patients and physicians need an effective mechanism to challenge the plan.''

So what we find is that these kinds of communications, communication between a plan and a provider, such as an oral communication, are getting in the way of the doctor-patient relationship, and that is why consumer groups and provider groups all across this country are up in arms and have weighed in on behalf of this particular amendment.

There are some protections. A handful of States do offer some protections for the patient, but they vary widely from State to State. So that is why I bring this matter to the Senate's attention.

Senator KENNEDY joins me in this effort to set a national standard for what has become a national problem, but I would like to emphasize how bipartisan this effort is. Senators need to understand that if they vote against my amendment, they are essentially voting against the amendment that Senator HELMS has also filed. It is a little bit different. It has not been formally addressed in the Senate, but it is essentially what Senator HELMS has sought.

In the House, Dr. GREG GANSKE, a Republican, a physician, has done yeoman work on this matter, with Congressman ED MARKEY of Massachusetts, a Democrat. They have held voluminous hearings in the House where this has been a problem documented on the record.

The Commerce Committee dealt with this issue—I would like all my colleagues to know this, as we move to a vote on this matter—the House Commerce Committee dealt with this on a unanimous basis, on a bipartisan unanimous basis, and I simply want my colleagues to know that while Senator KENNEDY joins me formally in this effort, Senator HELMS has filed what amounts to almost an identical amendment to what I offer today.

Dr. GANSKE and ED MARKEY, on a bipartisan basis in the House, have engineered committee approval of it, so this is not a partisan issue that comes before the Senate today.

This amendment is rifle-shot legislation prohibiting only gag provisions in contracts or in a pattern of oral communications between plans and practitioners which would limit discussion of a patient's physical or mental condition or treatment options.

I want to emphasize that health plans would still be able to protect and enforce provisions involving all other aspects of their relationships with practitioners, including confidentiality and proprietary business information. The reason that is important, Mr. President, is obviously it is not in the interest of the American people or this body to have the U.S. Senate fishing about in the proprietary records of health plans.

What this is all about is making sure that patients get information about health services, about their physical or mental condition, about treatment options. They deserve the right to information about health services and not face these gag clauses that keep them from getting the information that they deserve.

I want my colleagues to know that I have worked hard with leaders in the managed care community, as well as practitioners and consumer advocates in crafting this legislation. The amendment specifies that State laws which meet or exceed the Federal standard set out here would not be preempted by Federal law.

The bill has been endorsed by a wide variety of provider groups, physician groups, as well as by consumer organizations. The endorsements for this particular amendment include the Association of American Physicians and Surgeons, the American Association of Retired Persons, the Center for Patient Advocacy, Citizen Action, the Consumers Union, the American College of Emergency Physicians, and a number of other organizations.

Here is what the Association of American Physicians had to say with respect to this amendment. They said:

> Restrictions on communication with our patients not only undermine quality of care, but are a blatant violation of the Hippocratic oath. Prohibition of gag rules is a crucial step toward protecting patients.

The Center for Patient Advocacy said:

> It has become common for insurers to incorporate clauses or policies into providers' contracts that restrict their ability to communicate with their patients. Such gag clauses seriously threaten the quality of care for American patients.

So what we have, Mr. President, and colleagues, is essentially a pattern across the country with these gag rules that turns the Hippocratic oath on its head. A Hippocratic oath that tells physicians, ''First, do no harm,'' has become all too often, ''First, think about the bottom line.''

So I am very hopeful that on a bipartisan basis the Senate will pass, hopefully without opposition, my amendment. As I say, a vote against my amendment is essentially a vote against what Senator HELMS has filed in this body. It is a vote against what Dr. GANSKE has sought to do in the House. And most importantly, it is a vote against patients and consumers all across the country.

If you vote against this amendment today, which will undoubtedly be the only chance the Senate gets to go on record on it in this session, then you are sending a message to managed care plans across the country that if you want to stiff the patients, if you want to stiff those who are vulnerable and those who need health care in America, it is all right. You can keep from them information about their physical and mental options and alternatives. You can keep information from them about treatment and kinds of services. I cannot believe that is what the U.S. Senate would want to do.

I think what the U.S. Senate would want to do is what Senator HELMS has sought to do, what Dr. GANSKE has sought to do, what Congressman MARKEY and Senator KENNEDY and I have sought to do, and that is to stand up for the rights of the patients.

So I am hopeful that this will be supported widely by Senators today. We should not let these gag rules between plans and an individual physician get in the way of the sacred doctor-patient relationship. These plans are the fastest growing part of American health care today. And we ought to go on record as being on the side of patients, as being on the side of the vast majority of doctors and providers in this country who want their patients to know all their treatment options, all the services that are available to them. I hope that Senators on a bipartisan basis will support this effort.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KENNEDY] is recognized.

Mr. KENNEDY. Mr. President, first of all, I want to commend Senator WYDEN for providing leadership in this very, very important area of health policy. I welcome the opportunity to join with him on an issue that really affects, in a very significant and important way, the quality of health care that is being practiced in this country. I commend him and others who have been involved with this legislation.

I would like to address the Senate just very briefly on this issue and also make a comment about the procedural situation that we find ourselves in at the present time.

As Senator WYDEN has pointed out, one of the most dramatic changes in

the health care system in recent years has been the growth of managed care programs. In many ways, this is a positive development. Managed care offers the opportunity to extend the best medical practices to all medical practice, to emphasize health maintenance and to provide more coordinated care. Numerous studies have found that managed care compares favorably with the fee-for-service medicine on a variety of different quality measures.

Many HMO's have made vigorous efforts to improve the quality of care, to gather and use systematic data to improve clinical decisionmaking and assure an appropriate mix of primary and specialty care. But the same financial incentives that can lead HMO's and other managed care providers to practice more cost-effective medicine also can lead to undertreatment or inappropriate restrictions on specialty care, expensive treatments, and new treatments.

In recent months, the spate of critical articles in the press has suggested that too many managed care plans place the bottom line ahead of their patients' well-being—and are pressuring physicians in their networks to do the same. So these abuses include failure to inform the patients of particular treatment options; excessive barriers to reduce referrals to specialists for evaluation and treatment; unwillingness to order appropriate diagnostic tests; and reluctance to pay for potentially life-saving treatment. In some cases, these failures have had tragic consequences.

In the long run, the most effective means of assuring quality in managed care is for the industry itself to make sure that quality is always a top priority. I am encouraged by the industry's recent development of a philosophy of care that sets out ethical principles for its members, by the growing trend toward accreditation, and by increasingly widespread use of standardized quality assessment measures. But I also believe that basic Federal regulations to assure that every plan meets at least minimum standards is necessary.

So, with this amendment, the Senate has a chance to go firmly on record against a truly flagrant practice—the use of gag rules to keep physicians from informing patients of all their treatment options in making their best professional recommendations.

Gag rules take a number of forms. This amendment targets the most abusive and most inappropriate type of gag rule: gag rules that forbid physicians to discuss all treatment options with the patient and make the best possible professional recommendation, even if that recommendation is for a non-covered service or could be construed to disparage the plan for not covering it.

Our amendment forbids plans from prohibiting or restricting any medical communication with a patient with respect to the patient's physical or mental condition or treatment options. This is a basic rule which everyone endorses in theory but which has been violated in practice. The standards of the Joint Commission on Accreditation of Health Care Organizations requires that ''Physicians cannot be restricted from sharing treatment options with their patients, whether or not the options are covered by the plan.''

Dr. John Ludden of the Harvard Community Health Plan, testifying for the American Association of Health Plans, has said: ''The AAHP firmly believes that there should be open communications between health professionals and their patients about health status, medical conditions, and treatment options.''

Legislation similar to this amendment passed the House Commerce Committee on a unanimous bipartisan vote. President Clinton has strongly endorsed the proposal.

The congressional session is drawing to a close. Today the Senate has the opportunity to act to protect patients across the country from these abusive gag rules, and I urge the Senate to approve the amendment.

Mr. President, I just want to make a very brief comment about this point of order. Mr. President, this making of a point of order is an abuse of the budget system. Basically, what we are talking about, for those that are trying to hide behind the point of order, is that the costs that are affected come from the most egregious abuses in the health care system by systems which are shortchanging and endangering the health of the American people.

You cannot hide behind this procedural vote on this issue, Mr. President. You just cannot hide. This is not about involving additional burdens or costs to the Federal Government. What you are basically talking about is providing protections to the sleaziest operators in this country that are endangering the health of the American people, and every consumer will know it.

Make no mistake about it. Make no mistake about it. We are talking about trying to get the best health care. That means that the best information that the best doctors in this country can provide ought to be provided to patients. Patients deserve to have that information.

We are seeing an abuse of the budgetary system by raising the point of order on this particular measure. Make no mistake about it, every consumer is going to know what this is about. This is not about procedure; this is about substance. This is about substance. You can have a technical point of order, but it is about substance, about quality of health.

We only have the opportunity to offer it on this particular measure. I commend Senator WYDEN for providing the initiative. We all ought to be very clear about what is involved in a technical point of order. It is an abuse of the budget system in every sense of the word. It involves the most important issue regarding health and that is the quality of health for American consumers.

The idea that the Senate, after we have had unanimous and bipartisan support over in the House of Representatives, is going to try and hide under a technical amendment, will be a shameful day here in the U.S. Senate.

Mrs. KASSEBAUM. Mr. President, I say, first, this is not an effort to hide behind a technical point of order. I care just as much as the Senator from Massachusetts or the Senator from Oregon about the quality of health care. We all do in this Chamber. There is a process, unfortunately—or fortunately—under which we operate around. That process requires us to do some things to assure that issues are considered with some thoroughness, and I believe that is appropriate.

I agree in many ways, in all ways, actually, on the principle to which the Senator from Oregon and the Senator from Massachusetts are speaking. Patients should have access to complete and accurate information regarding their health care. None of us here in this Chamber disagree with that concept, or with the concept that doctors should be allowed to share that information with their patients. Patients' communications with their doctor should be protected. I think we would all feel this is a prime concern. It is a vital part of the health care process.

I have a great deal of sympathy for the motivations behind the amendment that is offered by Senators WYDEN and KENNEDY. However, I believe it would simply be irresponsible to approve it in the absence of any review or discussion of its provisions at any level in the U.S. Senate. The legislation upon which the amendment is based was introduced barely a month ago on July 31 and no committee hearings have been held.

I have visited with Senator WYDEN because, as chairman of the Labor and Human Resources Committee, I have wanted to hold hearings on this legislation since we came back from the August recess. It has not been possible to find a time that we were able to put a hearing together. That does not mean that it is not going to happen, and certainly it should be a priority of the next Congress. However, just as so often happens here when we begin to run out of time, we want to add everything that we can to the appropriations bills that are moving.

In this instance, as has been pointed out, a similar proposal was approved by the Commerce Committee in the House of Representatives. It is a bipartisan measure. There is nothing partisan about this. It passed unanimously in committee. It has not been considered by the full House of Representatives. I believe that, when we are looking at aspects of a very important and yet complex piece of legislation, we do have to go through the procedures and processes that are part of our operation here, whether we want to or not.

It certainly is not unprecedented to have extraneous amendments offered at the last minute. However, the Senate's being asked to decide a highly

complex issue without the benefit of any review at all is, I suggest, Mr. President, a mistake. It is a mistake. Our procedures may delay consideration of legislation we support, but it protects us from legislation that we do not support as well. We need to be able to understand what a piece of legislation is all about. For example, we are not sure what CBO's scoring of this amendment is. It might not be important, but it is a requirement we have scoring around here. We have that requirement so we can better understand the budgetary consequences of our actions, and—generally—we are required to provide offsets for spending increases.

As I mentioned earlier and as Senator WYDEN pointed out, the House Commerce Committee has considered this issue and has held extensive hearings. I have visited with Congressman GANSKE myself, and I have high regard for the dedication that he has given to this issue and for the time that he has spent with it. His being a doctor, I have high regard for his understanding of the issue. I have great interest in his work and feel that he is to be commended for moving forward the discussion to the point that it has progressed.

However, I point out that even the authors of the amendment before the Senate acknowledge that the work of the House committee is not the final word, as several provisions of the amendment depart from the language approved by the House committee. The reason that we have committees in the Senate and the reason that each one of us spends, or should spend, so many hours in committee work is to lend some degree of thought and expertise to public policy issues.

It can be very frustrating when legislation does not move forward at the pace we would like to see. Nevertheless, the committee system is one of the processes, and perhaps breaks, that we have here, Mr. President. That system enables us to turn out, one would hope, a finished product where we understand what the language means and which avoids the unintended consequences of the initial language proposed.

In the course of this work, I think we find that very little is as simple as it may seem at first glance. We also find our initial solutions can spawn problems just as serious as those we set out to address. Such solutions are inevitably refined and improved as additional information is gathered.

In an area as complex and dynamic as managed care, we need to give serious thought and deliberation before launching the Federal Government into the middle of private contractual arrangements. The amendment is intended to address an important issue regarding quality health care, and it is an important issue. But good intentions are not sufficient; we need to understand the consequences of the language we use and the actions we take.

In fact, President Clinton himself has acknowledged the need for a closer examination of managed care issues with his recent announcement of his plans to establish the National Commission on Health Care Quality.

As I stated when I began speaking, I am not arguing that this issue should be ignored. In fact, I think it is a very important issue for us to look at and one of the next important steps in any of our health care debates. It is a legitimate concern.

It is for this reason I intend to propose an amendment calling for action in this area early next year after there has been an opportunity to review the full ramifications of the solution proposed by the Senator from Oregon. A vote ''no'' on this motion, Mr. President, does not mean that we do not care. A vote ''no'' is not hiding behind some procedural arrangement. A vote ''no'' is simply saying we have a process that we should make work as intended in order to give us the best end result on an issue that we all care deeply about and that I believe should be of prime concern.

I yield the floor.

Mr. CONRAD. Mr. President, I think this is a fundamental issue and that we ought to address it now.

Mr. President, I come from a long medical tradition on my mother's side of the family. My grandfather and virtually all of his relatives were doctors. My grandfather was a pioneer surgeon in North Dakota and was the chief of staff of our local hospital. In many ways, I grew up in a medical family.

The notion that we would have a gag rule on doctors and what they can tell their patients is anathema to those who are medical professionals. It is not limited to medical professionals. I think it is anathema to any American. The notion that a doctor, by contract, is precluded from sharing certain information with a patient about that patient's illness is unconscionable—unconscionable.

What kind of system do we have when a doctor can be precluded from telling a patient about treatment options, about referral options in America?

Mr. President, I met yesterday with medical professionals from my State. I do not use the English language lightly. I said that I believe these gag rules are immoral, and I do believe it is immoral, Mr. President, to say to a doctor, ''You are restricted and limited in what you can say about what you know about a patient's options.'' You know, it sounds to me like another country and another time. Maybe that would go over in the Soviet Union. Maybe that would have gone over in Germany in the thirties. This is America in the nineties. No doctor should be precluded from discussing with a patient the treatment options of that patient. That is outrageous.

Mr. President, we may not be able to solve this matter completely in the days that remain in this session, but we can start, and we should start, and we have the opportunity in this amendment. This amendment has been carefully crafted. The House has gone over it, the medical community has gone over it, some of the best minds of the U.S. Senate have gone over it, and they have crafted an amendment that is a rifle shot. It says very clearly what cannot be gagged, what communications ought to be able to freely flow between a patient and the person who is responsible for that patient's care.

Mr. President, we ought to pass this amendment. We ought to pass this amendment. I can't think of a single good reason why this amendment ought to be stopped. I can just say that I have discussed this with people in my home State on my most recent trip home. They are just mystified how, in America, you can have a circumstance in which a doctor is precluded and prevented from talking to their patients about treatment options that are available to them. Well, that is just beyond description in terms of the morality of the circumstance.

Mr. President, I want to commend Senator WYDEN for coming forward with this amendment at this time. I would commend anybody on the other side of the aisle—and I would do it publicly—if they came forward with this amendment, because I feel that strongly about it. This is something we ought to pass. It ought to be bipartisan. There ought not to be a whiff of partisanship about it. I thank my colleague from Oregon, Senator WYDEN, for doing, I think, a superb job in bringing this amendment to the attention of the body. This ought to pass 100–0. I don't care about points of order and all the rest. I don't know whether people are hiding behind it or not. Frankly, I just think it is inappropriate in this circumstance to be talking about a point of order with respect to an amendment that is so totally and fully justified.

Again, I want to thank my colleague, Senator WYDEN, for authoring this amendment and bringing it to our attention. I hope this amendment passes 100–0 on the floor of the U.S. Senate. That would send a very good message across this country about what is acceptable and what is not acceptable.

I will just add this final point. If this is the direction that we are going to go in with health care in America, there is going to be an enormous reaction in this country. I predict that today. If this is the direction we are going to go in, in which patients are denied information about their coverage options, then we have big trouble in this country. We can address it right here today and pass this amendment, and we should.

I thank the Chair and yield the floor.

Mr. SHELBY. Mr. President, I will speak to this in a second.

Mr. President, I ask unanimous consent that during the consideration of the committee amendment on page 80 regarding abortion funding there be 1 hour of debate prior to a motion to table, to be equally divided between

Senators NICKLES and BOXER, and that no other action occur prior to the motion to table. This has been cleared with Senator KERREY.

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

Mr. SHELBY. Mr. President, CBO has told staff from both sides of the aisle, Republicans and Democrats, that the scoring of this amendment is the same as the scoring of the Ganske bill in the House, and they will be providing a written confirmation on this scoring to both of our staffs immediately. It could be imminent. We will present it and insert it into the RECORD as soon as we get it from CBO. It is going to be the same thing. CBO says to us that it is going to cost $85 million and it violates the Budget Act.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts, Mr. KENNEDY, is recognized.

Mr. KENNEDY. Mr. President, I will just respond very briefly to two points. One is about the consideration of this amendment. I say to my friend and colleague from Kansas, Senator KASSEBAUM, with all respect, we did not have any hearings on the mental health provision that we just passed here 82 to 15, the Domenici-Wellstone amendment. We didn't have any hearings in our committee on that particular issue. We did not have any on the Lodine patent extension, which was added by some of our majority Members to the Kassebaum-Kennedy bill. That would have been something we should have had a good deal of hearings on. We did not have any on the Mediguide amendment that was added in the agricultural appropriations bill. Hearings would have been useful. Those affect consumer information as well. So the fact of the matter is, on this issue, it has been reviewed in detail in hearings in the House of Representatives. It is a simple concept, and there is absolutely adequate justification.

Finally, Mr. President, on the budget item—and we all have the budget items here—it is my understanding that, for 1997, 1998, 1999, 2000, and 2001, the items which are listed in the budget, that may be the potential cost, can be assumed within the range of differences and estimates within the Budget Committee. What it is not is in the year 2002. Do you know what that figure is that we are going to risk denying American consumers and patients information that is vital to their health? It is $15 million. It is $15 million. Do you know how the Budget Committee gets that? They say, well, when patients actually find out that there is a better treatment for their illness, what they are going to do is get the better treatment for their illness, which means that they may very well get less wages because if they increase the cost of their health insurance, they are going to get less wages. That is the estimate. That is going to be the result—$15 million in the year 2002.

We are being asked now to allow the gag rule on doctors in this country to continue. This is a result of the pressure of the insurance company, and you are trying to tell us that this is a budget item, that this is a matter of budget process and procedure, in order to maintain the integrity of the Federal budget? It is an excuse, and it is an abuse of the budget process. It is the worst kind of abuse, because by denying this kind of information to patients, what we are doing is using the budget process as a way to provide an out for the sleaziest operators and at the same time, endangering the health of the American people. That is absolutely wrong. It was never intended in any debate or discussion of the Budget rules. This is a matter of substance.

I look forward to supporting the Wyden amendment and, again, I commend him for his leadership in bringing this extremely important measure to the Senate floor.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, first, I express my thanks to Senator KENNEDY. He has done yeoman work on so many health issues over the years. He has just been so helpful to me as a new Member of the Senate. I thank him for all of his help and that of his staff in preparing this amendment.

I think it is clear, Mr. President, that this amendment is not some sort of exotic animal that has just wandered onto the floor of the U.S. Senate to be considered, as if the Members have no awareness of what this issue is all about.

This issue has been the subject of extensive hearings in the House of Representatives. This issue has been all over the news media across the country. Suffice it to say that virtually every Member of this body has heard from constituents and from providers at home about this particular issue. I know that virtually every time I am home—I come from a part of the country which has some of the very best managed care in the Nation—that I hear from patients and consumers about this particular issue.

It really comes down to a question of whether we are going to keep faith with the Hippocratic oath of doing no harm to patients, making sure they have information about the various treatments and services that are essential to them, or to turn that Hippocratic oath on its head and in effect say the first obligations are to the bottom line.

This amendment is rifle-shot legislation. It prohibits only gag provisions in contracts that relate to patient care. It goes only to the question of whether or not patients are going to be able to get full and complete information about their physical and mental condition and about the treatment options that are available to them. It is not going to interfere with proprietary matters. It is not going to allow fishing expeditions into proprietary business information that ought to be the property of the health maintenance organizations. It goes just to the question of whether patients have a right to know.

Some may say now is not the time; that maybe next session it can be taken up. I would ask that one not substitute this kind of discussion of maybe tomorrow or maybe next year for what is simple justice and common sense for medical patients in the fastest growing sector of American health care. This has not been a partisan issue. Dr. GANSKE, a Republican, a physician on the House side, has done superb work along with Congressman MARKEY, a Democrat.

I have noted that Senator HELMS has filed an amendment which is very similar to the one that I will be seeking a vote on in a few moments. But there is a question, it seems to me, of consumer justice, of the patient's right to know, and we should not ask those patients to wait any longer given the documented record of abuses and problems.

We know that our health care system involving billions and billions of dollars is now being driven by managed care. One plan after another in the U.S. Senate has looked to managed care as the centerpiece of American health care as we look into the next century.

My view is—I come from a part of the country where there are many good managed care plans—that managed care will play a big role, a significant role in delivering quality care in a cost-effective way to the patients and consumers of our country. But let us not let a small number of plans—plans that have been cutting corners and have been found to be cutting corners from hearings that have been held in the Capitol—in effect continue those consumer abuses that take a toll on patients across this country.

This is not a vote about an arcane kind of issue with respect to the budget. This is a question of justice for patients, of the patient's right to know, and of patients needing information about the various treatment options available to them.

I hope my colleagues will in the spirit that this has been addressed in the House pass this with a bipartisan and significant vote. That is the way it was tackled in the House Commerce Committee. I hope we will send a message today to the vast majority of patients, doctors, and others who offer good medical care that we are on your side, that we are going to isolate those gag rules, that we are going to say that is not what we want American health care to look like in the 21st century, and that we would vote today to ban these insidious, unconscionable gag rules that restrict the right of medical patients in our country to know about essential services.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. The yeas and nays have already been ordered, the Chair notes.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I wish to speak briefly in order to mention to the Senator from Oregon that he has talked a couple of times about the language of the Senator from North Carolina, Senator HELMS. I just visited with Senator HELMS to ask him what he thought of the provision before us. He pointed out that his language is much more narrowly drawn. It applies only to the Federal Employees Health Benefits Plan and includes some specific criteria. He has some difficulty believing that we should expand it further without understanding more of the ramifications.

I, like everyone else, have great sympathy for what Senator WYDEN has been wanting to accomplish, and what Congressman GANSKE wants to do in the House. I just have to say, however, it may not be as easily done as we would like to believe that it could be. That is all the more reason, I think, that we ought to at least have a hearing in the Senate and take the legislation through the committee.

As I said, and as Senator KENNEDY pointed out, we have considered some major legislation which has not gone through the full committee process. But, in general, those have been instances in which we have had some fairly extensive debate.

This proposal came to us without advance warning and without benefit of prior discussion in the committee or in the Senate. We are simply not prepared to look at language regarding contractual arrangements in the private sector and make wise decisions about it overnight.

I yield the floor.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, we have debated this for quite awhile today, and also, as some of you recall, fairly extensively last night.

Mr. President, this is not a Treasury appropriations issue that is before us. This debate has addressed the issue, and adopted an amendment. The amendment would cause the committee to find $85 million in the conference to stay within our allocation. We would have to take funds from the accounts that I spoke about earlier. The bill funds law enforcement, the IRS, and other basic Government functions, such as the Secret Service, and GSA. This bill does not come close to the President's budget request. The administration would like more money in this bill for law enforcement and others, not less.

This amendment would further reduce those programs, if it were adopted, $85 million. The Senator's amendment may be a worthy one, and probably is a worthy one, but the committee has an obligation, I believe, to fund the basic Government functions before the committee that we have jurisdiction over, and the Wyden amendment undermines the committee's ability to do so.

I hope that the Senate will not waive the Budget Act.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, the Senator from Indiana asked me if he could speak. We are moving to a vote. He has a clarification question. I was seeking the floor to give him an opportunity to be recognized.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. COATS. Mr. President, I thank the Senator from Nebraska for yielding for the purposes of a question.

I would like to ask the sponsor of the amendment, Senator WYDEN from Oregon, a question and see if I can get a clarification. I have just been advised that the amendment that he has offered preempts current State law; our current law. Is that correct?

Mr. WYDEN. No, that is not correct. In fact, we specifically protect the rights of States to go further.

Mr. COATS. What if States decide to go a little more narrow?

Mr. WYDEN. This is in fact a national standard. Yes, we do say—because managed care plans, many of them, operate in more than one State, we have said, you bet, we have a national problem. It is a national standard. But there are a small number of States that have dealt with this in a thoughtful kind of way. We specifically protect those States.

Mr. COATS. That is my dilemma because Indiana has, in my opinion, dealt with it in a thoughtful way. In some instances, the statute that we have is broader than the amendment offered by the Senator from Oregon and therefore I would think would be acceptable. But in other instances it is narrower. In other words, it is crafted to how Indiana best sees the need to provide information to consumers to protect them.

So that I assume then the answer is that that portion of the Indiana consumer protection and consumer information statute, which does not conform to the amendment, is preempted.

Mr. WYDEN. Well, the parts that protect the patient and protect Indiana physicians, those parts are in fact protected under my amendment. But if there are parts of the Indiana statute that do not adequately protect Indiana physicians and do not adequately protect Indiana consumers, yes, there would be a Federal standard.

Mr. COATS. If the Senator will yield further, that was not directly my question. Indiana has made a determination through its legislature, through its Governor, through consultation with consumer groups, patient groups, provider groups, about the best means of providing information and protecting consumers. And so my question is, does the Senator's amendment preempt those decisions on the part of Indiana citizens and the Indiana legislature that do not happen to conform, that would be construed by the Senator as being more narrow? In other words, they might not meet all of the Senator's criteria but they certainly meet the criteria that the people in our State believe appropriate to provide protection to patients.

Mr. WYDEN. If the Senator will let me respond, as the Senator knows—and both of us are veterans of the House Commerce Committee—not very much goes through the House Commerce Committee unanimously. Dr. GANSKE is not known as a poster child for the anti-States rights movement. This is a bill that has been worked on so as to be sensitive to the rights of States. What it does essentially is bring the same kind of consumer protections at the Federal level that we do in a number of Medicare areas. The Senator and I worked, for example, in the House on Medicare risk contracts and the like. This does say that on certain matters up to what amounts to a floor of consumer protection there ought to be a national standard. And that is how we deal with it here. That is how Dr. GANSKE dealt with it in the House.

Mr. COATS. I think I have the Senator's answer. The Senator's amendment does preempt those portions of Indiana law that do not conform with his definition of a floor or minimum standard. I believe our State has taken adequate steps to provide protections and information for consumers and therefore I will have to oppose the amendment. The Senator answered my question. I do not need to know the history of what happened in the committee or whether Mr. GANSKE is right or wrong. I am just looking out for my State of Indiana which made a determination of what is best for our consumers, and we are very happy in Indiana. I cannot support an amendment that preempts what we have done.

Mr. WYDEN. If the Senator will let me respond once more, I cannot imagine that Indiana State law allows these plans to gag Indiana doctors. I have not reviewed the Indiana law, but I just cannot believe that Indiana law does permit these kinds of gag rules. That is all we do in this legislation. If the Senator is looking for a way to vote against what physician groups and patients all across this country have been calling for, so be it. I know the Senator has done a lot of good work in health care. But I cannot believe that Indiana law is coming out in favor of these kinds of gag provisions. All we are seeking to do in this legislation is prevent them as well.

Mr. COATS. That is my last word here. I know that the Senator is very familiar with what the State of Oregon has done. The constituents of Oregon have elected him because they feel he knows what is going on in that State. It does not sound to me as if the Senator from Oregon knows what the State of Indiana has done. They elected this Senator because they know I know

what is going on in that State. So I think it is presumptuous for the Senator from Oregon to say what Indiana has done is incorrect when he does not even know what it is.

All I am saying is I want to protect Indiana's right to make a determination of what is in the best interests of their citizens, and the Senator has answered my question. He preempts that part of our law which does not conform to what he thinks is right, but obviously it has to reflect what we in Indiana think is right. So I thank the Senator for his responses.

Mrs. BOXER. Will the Senator yield to me for a question?

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. KERREY. Mr. President, we have an hour of deliberation following this vote on an abortion amendment and Members on both sides that are anxious for that vote to occur have asked me to expedite it in order to be able to do other things. And so I think we have debated this. I will be pleased to allow it to go on if I have something additionally constructive, but I think people pretty well have this thing laid down.

Mr. President, I have not made a statement on this. I hope that Members actually will vote to waive in this case. We are trying to move in the direction of managed care, particularly those of us who are trying to work both sides of the aisle and get some agreement on providing incentives in Medicare to control costs, to increase choice, and allow people to purchase into managed care. The CBO does not calculate any savings that occur as a consequence of people liking managed care as a result of knowing that they are going to get all the information to purchase it and reduce taxpayer exposure as a consequence. All they do is calculate some marginal increase in costs that might occur as a result of more expensive treatments being done. They offer no savings as a result of people saying we now like managed care better because of what occurs.

This is eventually going to become law. Later on, we are going to pass an amendment with a big vote that gives Federal employees the same right. They are going to have the same right that the Senator from Oregon is now asking for all other people, especially for Medicare patients that are out there who are trying to ascertain whether or not they want to purchase into a managed care environment. So I think especially for budget reasons, CBO, with all due respect, has not calculated the increased savings that will occur as a consequence of seniors in particular saying we now have more confidence in managed care as a result of getting all the information.

The PRESIDING OFFICER. The question now is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness in the family.

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

The yeas and nays resulted—yeas 51, nays 48, as follows:

[Rollcall Vote No. 283 Leg.]

YEAS—51

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Grassley	Murray
Bradley	Harkin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Reid
Bumpers	Johnston	Robb
Byrd	Kennedy	Rockefeller
Campbell	Kerrey	Sarbanes
Conrad	Kerry	Simon
Daschle	Kohl	Smith
Dodd	Kyl	Snowe
Dorgan	Lautenberg	Specter
Exon	Leahy	Wellstone
Feingold	Levin	Wyden

NAYS—48

Abraham	Frahm	Lugar
Ashcroft	Frist	Mack
Bennett	Gorton	McCain
Bond	Gramm	McConnell
Brown	Grams	Murkowski
Burns	Gregg	Nickles
Chafee	Hatch	Pressler
Coats	Hatfield	Roth
Cochran	Heflin	Santorum
Cohen	Helms	Shelby
Coverdell	Hutchison	Simpson
Craig	Inhofe	Stevens
D'Amato	Jeffords	Thomas
DeWine	Kassebaum	Thompson
Domenici	Kempthorne	Thurmond
Faircloth	Lott	Warner

NOT VOTING—1

Pryor

The PRESIDING OFFICER. On this vote the ayes are 51, the nays are 48. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is sustained.

Mr. SHELBY. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

AMENDMENT NO. 5235 TO COMMITTEE AMENDMENT ON PAGE 16, LINE 16

(Purpose: To express the sense of the Senate regarding communications between physicians and their patients)

Mrs. KASSEBAUM. Mr. President, I send to the desk an amendment to the committee amendment and ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM] proposes an amendment numbered 5235 to committee amendment on page 16, line 16.

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

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

The amendment is as follows:

At the end of the committee amendment, insert the following new section:

SEC. . PROTECTION OF PATIENT COMMUNICATIONS.

(a) FINDINGS.—Congress finds that—

(1) the health care market is dynamic, and the rapid changes seen in recent years can be expected to continue;

(2) the transformation of the health care market has promoted the development of innovative new treatments and more efficient delivery systems, but has also raised new and complex health policy challenges, touching on issues such as access, affordability, cost containment, and quality;

(3) appropriately addressing these challenges and the trade-offs they involve will require thoughtful and deliberate consideration by lawmakers, providers, consumers, and third-party payers; and

(4) the Patient Communications Protection Act of 1996 (S. 2005, 104th Congress) was first introduced in the Senate on July 31, 1996, and has not been subject to hearings or other review by the Senate or any of its committees.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committee on Labor and Human Resources of the Senate, taking into account any relevant findings of the National Commission on Health Care Quality and other public and private entities with expertise in quality health care service delivery, should act expeditiously in the first session of the 105th Congress to schedule hearings and executive session consideration of legislation designed to ensure that patients be given access to all relevant information concerning their health care so as to permit such patients, in consultation with their physicians, to make appropriate decisions regarding their health care, and that the Senate should promptly consider that legislation.

Mrs. KASSEBAUM. Mr. President, this amendment is very brief, if I may just explain it. It expresses the sense of the Senate regarding communications between physicians and their patients. It addresses the same issue that we have just been debating. I think we have had a good and extensive debate. My concern with the amendment on which we just voted was that its provisions had not been fully considered and had not been the subject of any hearings in the Senate. We needed to approach the issue, I thought, in a more cautious way—even though there was strong support for the concept behind that amendment.

My amendment is just saying that:

It is the sense of the Senate that the Committee on Labor and Human Resources of the Senate, taking into account any relevant findings of the National Commission on Health Care Quality and other public and private entities with expertise and quality health care service delivery, should act expeditiously in the first session of the 105th Congress to schedule hearings and executive session consideration of legislation designed to ensure that patients be given access to all relevant information concerning their health care so as to permit such patients, in consultation with their physicians, to make appropriate decisions regarding their health care, and that the Senate should promptly consider that legislation.

This amendment is consistent with the intent of the legislation offered by the Senator from Oregon and the Senator from Massachusetts, but puts the

Senate on record as supporting the use of the standard and proper procedures that I think are needed to give this issue the full and careful consideration it deserves.

Since we have had, I think, a full debate, I ask for the yeas and nays and for the immediate consideration of this measure.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I have not seen the sense of the Senate, offered by Senator KASSEBAUM, but I would like to discuss this further with her. I also might say that as a new Member of the Senate, she has been especially helpful to me. We have worked on a variety of things, Food and Drug Administration issues and the like. I want her to understand that it has not been particularly pleasant to spend the afternoon taking different positions with somebody I admire. I want her to understand that.

Again, I have not seen a copy of the sense of the Senate offered by the chair of the committee. She seeks to offer a study of this issue involving gag rules on medical patients; is that correct?

We have my amendment which passed 51 to 48, but did not get 60 votes, on a proposal that keeps these health maintenance plans from imposing gag rules that keep their patients from getting a full range of information about medical services and treatments and their health care options.

My amendment does not deal with the abortion issue. Perhaps some may have thought it did. It simply deals with all of those physical and mental health services and the treatment options that patients need to make decisions.

The Senate passed my amendment 51 to 48. Of course, it needed 60 votes. I gather now that the Chair of the committee seeks a study of this particular issue. I yield to her to find out whether this, in fact, is a study, or is this legislation with some teeth in it that actually does ban these gag rules, these insidious, offensive, anticonsumer gag rules that keep patients from knowing about their rights?

Mrs. KASSEBAUM. Mr. President, no, this is not another study. It is a sense-of-the-Senate resolution. So it does not have statutory authority as the language of the Senator from Oregon would have had.

However, it does not call for another study. It simply says that the Senate should take into account any relevant findings of the National Commission on Health Care Quality which President Clinton has said he would appoint and other public and private entities with expertise in this issue and in the quality of health care service delivery. We would consider the views of those entities at a hearing before the Labor and Human Resources Committee, the committee of jurisdiction over this legislation.

I do not think another study is important so much as gaining understanding through a hearing about what facts are known and what points of view would be expressed from different aspects of the health care service delivery industry, and then acting expeditiously.

So I assume the bill of the Senator from Oregon would be the vehicle in the next Congress. Hopefully, the bill would be introduced right at the beginning of the Congress, so that there would be time to look at it. I think that the interest in this issue is indicative of the fact there is going to be a great deal of interest in legislation regarding this subject.

So I am not calling for a study. My amendment says we should act expeditiously, but we should review all of the pertinent information that is available.

Mr. WYDEN. Mr. President and colleagues, I hope that it is understood that while I think that the Chair of the committee means well and is sincere in this effort, I think that the sense of the Senate that she offers today is very risky business.

This is September of 1996. The Senator from Kansas essentially is saying September, October, November, December, January, February, as the next Senate gets into business, that sometime 6 to 8 months from now we can talk again about the rights of patients in the fastest growing sector of American health care. I think this is risky business.

It is one thing to study an issue when it is abstract, when it may not have direct and immediate consequences, but what the Senator from Kansas is saying is that when you have patients being hurt today, being subjected to risk today when they do not have access to all the information about the physical and mental health services that may be available to them when they need that information to make decisions about their treatment, the Senator from Kansas is saying they cannot have it. I know that the Senator from Kansas does not intend it that way—putting patients at risk.

It means that today in Oregon and in Kansas and all across the country where there are gag rules that keep patients from knowing of their rights, they will not be able to have that information. It is not available to them. The U.S. Senate is saying, instead of voting for legislation or allowing me to get 60 votes on my amendment, what we will do is not give those patients the rights they need, not make sure that they can know of all the physical and mental health services that they deserve, and instead tell them that sometime next year, sometime in the future, we will go on.

I think it is a mistake. It puts patients at risk. This Member of the U.S. Senate is not willing to play that kind of Russian roulette with the well-being of patients in the fastest growing sector of American health care.

I am happy to yield to the Senator.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I suggest that we have been in the 104th Congress for 2 years. This legislation was introduced in the House some time ago. It would have been useful to us here in the U.S. Senate if this legislation had been before us prior to July 31. We would then have had time to hold committee hearings, which I think would have enabled us to make some corrections or additions or changes and to understand better the consequences of all the steps toward the goals we do support. I think it is not fair to say all of a sudden that, because a bill introduced right before the August recess has not yet been considered, that means it is something we do not care about. There was time in which the process could have moved forward, had the bill been introduced earlier.

Mr. WYDEN. Mr. President and colleagues, there is no question in my mind about the sincerity and good will of the Senator from Kansas. She, along with Senator KENNEDY, have done, I think, an especially valuable service this session with the insurance involving portability. For the first time in America, because of the work of the Senator from Kansas, we are going to make sure that workers are not going to be locked into their jobs. They are going to have a chance to enjoy the American dream because of their hard work. No one questions the sincerity and the desire of the Senator from Kansas to tackle these very real and very human kinds of problems that affect so many of our families.

I feel very strongly—and looking at the sense of the Senate, it calls for consulting public and private entities with expertise and quality health care service delivery. The fact is that the House, in hearings that were public, shown on C–SPAN and the like, did exactly that. They had extensive discussions with the very people that this sense-of-the-Senate resolution suggests we talk with.

It would be one thing if there had been no discussions with these distinguished people in the private sector. Those discussions have taken place. They have been held. That is why Dr. GANSKE, a Republican, and Congressman MARKEY, a Democrat, came together and got a unanimous vote to go forward and protect the rights of health care patients in the fastest growing part of American health care.

We have done, it seems to me, the essence of this sense-of-the-Senate resolution, No. 1.

No. 2, I think it puts patients at risk because it allows gag rules to go forward unimpeded in the months after this Congress adjourns.

I hope my colleagues and the Senate understand just how pernicious these

gag rules are. What these gag rules are all about is that a plan may say to a physician, ''You are making too many referrals outside the network, outside the health maintenance plan.'' The plan may say, ''I do not want to have a referral to an ophthalmologist or a cardiologist or another specialist.'' These are very anticonsumer provisions that are becoming a part of American health care. They have been documented. They are a matter of public record. I just think it is very risky business to say that instead of protecting the rights of the patients, instead of protecting the rights of the consumer, what we will do is study it a bit and talk to some of the same people that we already talked to, rather than protecting those rights of the patients.

So this Senator believes that we should not have another study, should not have yet another analysis. If I could just briefly engage the chair of the committee, Senator KASSEBAUM, who I know is having some discussions on several matters. But I wanted to see if it might be possible to have the distinguished chair of the committee lay aside her sense-of-the-Senate resolution at this time, and perhaps we can have some more discussion toward seeing if, on a bipartisan basis, we can come up with some piece of legislation that has some teeth in it before we conclude with this bill, and that we recognize that a majority of Senators voted to put some real teeth into this issue. It wasn't 60; it was 51. But a majority of Senators said that they didn't think these gag clauses were in the interest of American patients. They said this was anticonsumer. I would like to see—like we have done with FDA and other matters—whether the distinguished chair of the committee and I could work a bit further on this between now and the end of the day and perhaps come back to the Senate with a bipartisan proposal that really would provide a measure of relief to patients at this time.

Now, to do that, the Senator from Kansas would have to lay aside her sense-of-the-Senate proposal. I just ask if she would be willing to do that at this point, and during the interim, I ask that she and I and Senator KENNEDY and our respective staffs, on a bipartisan basis, see if we can come up with a bipartisan proposal that would really have teeth in it and protect the rights of the patients.

I yield to the Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I have no objection to setting aside the underlying committee amendment, if that is the wish of the Senator. I thought, actually, we could voice vote the sense of the Senate. There are many other amendments that will require lengthy debate. If we want to set aside the entire amendment, that is fine. I am happy to do so, so the debate can proceed on other amendments.

Mr. WYDEN. If I might say further, I was asking the chair of the committee to lay aside, for the moment, her sense-of-the-Senate resolution so that, hopefully, the next time this comes up in the Senate—hopefully, later today—we would have a bipartisan proposal that would have some real teeth in it that would protect the rights of patients. Is that acceptable to the chair of the committee?

Mrs. KASSEBAUM. Mr. President, no. As I stated, I am happy to lay aside the underlying amendment. Otherwise, my sense of the Senate is open to being amended. I feel that would not be a good position in which to be placed at this point. I am happy to do so and proceed with other amendments to the bill and see what we can work out. That is the position I take.

Mr. WYDEN. Reluctantly, I will have to oppose the sense-of-the-Senate resolution. I want to take a few more minutes to tell the Senate why I am going to oppose the sense-of-the-Senate resolution.

You pass the sense-of-the-Senate resolution and you are playing Russian roulette with consumers in our health care system. We have patients and consumers who are being denied the information they need with respect to medical services for their physical and mental problems and the treatment options that are available to them. You pass this sense-of-the-Senate resolution and what you say to those patients, in the fastest growing sector of American health care, is, ''We are not on your side. We don't want you to have any rights now. We are not going to do anything about these pernicious, offensive gag rules that exist today. Instead, what we will do is go out and talk to a whole bunch of the same people that the U.S. Congress has already talked to.''

I think that is unfortunate. I think it is risky business. I think that when you have patients who are in jeopardy—and make no mistake about it, that is what happens when you have these gag rules. These patients are in jeopardy. They are not being told what they need to know as it relates to essential health services and the information they need.

I will tell you, I am just absolutely baffled at how the U.S. Senate can say, at a time when patients hunger for information about health care services, at a time when they want to get it on the Internet, at a time when they can go to special programs offered by health care providers, just to know about new treatments and options, I can't understand how the U.S. Senate would then say that we are going to stiff those patients, we are not going to give them the information they need, we are not going to tell them what they need to know to make the essential decisions about the treatment and the services that they think are best for them.

So I think that this sense-of-the-Senate resolution puts patients at risk. It means that we are not going to get any help for patients who need it now, who can't wait 6, 8, 10 months, or whenever it might be until the Senate might take this up again. It is not completely clear to me what the timetable of this might possibly be. But I think that this sense-of-the-Senate resolution puts patients at risk. I think it jeopardizes the well-being of vulnerable people. I think it is the antithesis of sensible health care policy, which ought to be built on the patient's right to know—the right to know everything, not just those things that might be in a planned financial interest. I just can't believe that this Senate wants to wrap up the discussion of this topic by telling patients that we are going to be on the side of the gag rules, we are going to be on the side of those who want to keep you from having information. But that is what this sense-of-the-Senate resolution does.

Unfortunately, it says we won't protect patients now. We are not going to stand up for them when they face these gag rules that limit their right to know. I want it understood that this Senator is going to oppose this sense-of-the-Senate resolution, because it puts patients at risk. It sends the message—and perhaps some may desire to do this—that the U.S. Senate is doing something to help patients when, in fact, it is not. The earlier amendment, the amendment that banned these gag clauses, helped patients. It helped them now, because it made sure that they could have access to all the information they need to make informed and thoughtful choices.

I can tell my colleagues that I come from a part of the country that has managed care, that has had managed care perhaps longer than any other. We pioneered it. We have good managed care. We still have some of these abuses. But I can assure you that your communities and your States have a whole lot more of these problems than we do.

I think it is going to be very, very hard to go home and explain to patients, explain to doctors—because doctors have endorsed this effort to eliminate the gag rules—how it is in the public interest. I cannot possibly believe that you can stand up at a community meeting of physicians, patients, or citizens and say we are not going to give you the information you need about medical services and medical treatments. But instead of giving you the information that you need we are going to have a gag rule, and you can't find out about your rights.

Mrs. BOXER. Will the Senator yield to me for a question?

Mr. WYDEN. I will, and I want to yield to Senator KERREY who has been helping me for the better part of 24 hours.

Mrs. BOXER. I will be very brief. I wonder if the Senator knows that before he happily came to this body we made an incredible contribution to the whole country when we passed a Sense of the Senate on this subject. That happened to be a Boxer amendment that was endorsed by Senator KENNEDY

which put the Senate on record as saying that patients have a right to know the treatment options that are available to them. It was very straight forward. Unfortunately, what happened as a result of some of the games that are played around here is that Sense of the Senate was dropped from the conference after everybody voted for it.

I think the time has come to do what the Senator from Oregon has suggested, and I think the fact that the Senator from Oregon got 51 votes shows that the Senate is ready to move forward on his amendment and not study this to death. Because frankly, if you study this to death people are going to die. We heard stories in California where people did not know their treatment options, and tragedies flowed from that.

I want to underscore what the Senator is saying. I say to my friend from Oregon that I am glad that he is being tough on this. I think there are a lot of people around here that want to vote for meaningless things so they can go home and say, ''Yes, I didn't vote for the Wyden amendment but I voted for the sense of the Senate.'' And I think what the Senator is doing by being, I would say, very strong although very respectful and very aware of the way he has presented. He is saying that the time for these meaningless studies has come and gone, and we need to get to the business of saving lives.

I wanted to thank the Senator. I again repeat my question: Was the Senator aware that we did go on record several months ago on this issue?

Mr. WYDEN. I very much appreciate the Senator from California making me aware of this. I was not. It just seems to me, as the Senator has indicated, that it is time to act. Before I came to the Congress and served in the House where we served together, I was head of a senior citizens group, a great panel. I had not run for public office before. I had never been involved in public office. When we started that senior citizens group we said we are going to focus on the good ideas that help people. We do not care whether they are Democrat. We do not care whether they are Republican. We are just going to focus on the ideas that help people. I think that is what Dr. GANSKE did when he took this up in the House, a Republican physician, who said that what we need to do is help people. We certainly are not helping people by having these gag rules that keep people from knowing about their rights much.

So the House, as we have discussed, and in the committee on a unanimous basis, said we are going to stand up for the patients, we are going to stand up for the providers, the vast majority of doctors who are honest and ethical, and want to tell their patients about their rights. And it made great bipartisan progress.

That is what I want to do here. I know the Senator from Nebraska has been trying to help me for the better part of 24 hours. I want to yield to him.

Mr. KERREY. Mr. President, I wanted to ask the Senator from Oregon if he would be willing to allow the underlying amendment to be set aside so we can proceed to the next item of business under the unanimous consent agreement and come back to the amendment. We have an hour agreement for the next amendment, and we can come back to it.

Mr. WYDEN. The Senator from Nebraska has been very helpful. I appreciate it. That is acceptable to me.

Mr. SHELBY. Parliamentary inquiry. We set aside the committee amendment, and then the Kassebaum amendment which is the second degree, then we go under the UC to the pending committee amendment, as I understand it. Is it the committee amendment, and then the Kassebaum amendment in the second degree. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. SHELBY. If we set aside the committee amendment and the Kassebaum second degree, at the end of the hour of debate, which we have already gotten a UC on, we would automatically come back to the committee amendment and the Kassebaum amendment. Is that correct?

The PRESIDING OFFICER. That is correct. Once the next committee amendment is disposed of, then we would return to the underlying committee amendment which also has the Kassebaum amendment on it.

Mr. SHELBY. I ask unanimous consent to set aside the committee amendment and the second-degree amendment to it, the Kassebaum amendment, so we can go forward.

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

EXCEPTED COMMITTEE AMENDMENT BEGINNING ON PAGE 80, LINE 20 THROUGH PAGE 81, LINE 4

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The bill clerk read as follows:

Beginning on page 80, strike line 20 through page 81, line 4.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Who yields time?

Mrs. BOXER. I wonder if we could hear what the unanimous consent exactly was.

The PRESIDING OFFICER. The unanimous-consent agreement would be to set aside the underlying committee amendment, which is the second committee amendment which also contains the Kassebaum second-degree amendment. We would then go to the third committee amendment. With that amendment, 30 minutes are under the control of the Senator from California, and 30 minutes under the control of the Senator from Oklahoma at which time the motion to table would be in order.

Mrs. BOXER. Mr. President, I think it would be appropriate for the opposing side, the side that wishes to strike the committee language, to go first. Clearly the Senator from California and the Senator from Nebraska are very pleased with the action of the committee and support the committee. I think it is most appropriate for those wishing to strike the committee language to proceed at this time. Then we can respond.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I yield myself such time as I need.

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

Mr. DEWINE. Mr. President, let me first say that this very same issue was debated by this body last year in our consideration of the Treasury-Postal Service appropriations bill.

Mr. President, at that time this body voted 50 to 44 to accept the very language that the amendment before us asked us to strike. So this Senate has already voted in this same context to restrict Federal funds for abortion, specifically to restrict the use of Federal funds for abortion coverage of the Federal health care plans to cases of rape, incest, or the life of the mother.

Mr. President, I wanted that noted out front so that we all realize that we are not covering any new ground. This is something that should not take, frankly, very much of the Senate's time.

Mr. President, the issue of abortion is an important matter of conscience to millions of Americans. We tried to promote our views in the democratic arena. We seek to embody these views in our Nation's laws. As someone who is pro-life I worked, obviously, to promote the value of and protect the innocent human life. But, Mr. President, the discussion of this amendment is much more narrow. The discussion of this amendment does not need to reach that moral level of debate. The key question in regard to this amendment that we have to answer simply is this: Should taxpayers pay for these abortions?

Again, I emphasize the Senate spoke last year by a vote of 50 to 44 and said no.

I believe that we should not ask the taxpayers to promote a policy of abortion on demand. This amendment that I am going to move to table after we conclude our debate would strike the House language on this subject and would change current law. Our position, my position is to retain current law, to retain what the Senate did last year by a vote of 50 to 44, and to retain the current House language. I believe we should retain this language that permits Federal employee health plans to cover abortion only in the cases of rape, incest, and threats to the life of the mother. In essence, this is a Hyde amendment-type debate.

The vast majority of Americans, 69 percent, in a 1992 ABC-Washington Post poll said they opposed taxpayer

funding for abortions for low-income individuals.

If that many people oppose subsidizing abortions for poor people, I think there would be even more opposition to subsidizing abortions for higher income Government workers. The reality is that in every single poll I have ever seen done, the vast majority of Americans, whatever their position on the issue of abortion, say no taxpayers funding.

We should make no mistake about it. This is a taxpayers subsidy. In 1995, the Federal Government paid an average of 74 percent of the cost of a Federal employee's health premium. That is taxpayer money. I suggest it is wrong. I think we should leave the taxpayers out of the whole debate and out of the whole issue. Therefore, I believe we should support the House language, that we should support current law, and that would mean tabling this amendment.

In summary, then, this matter has been debated time and time again on this floor. The issue is a narrow one, a very narrow one, and it is simply this: Should taxpayers' dollars, all taxpayers in this country, be taken by the Federal Government and used to subsidize and fund abortions? Current law says no. Current law limits abortion availability in Federal employee health care plans to cases of rape, incest, and to save the life of the mother. That is current law. That is what the Senate voted for last year. That is the House position, as well.

I might add that when we went through this debate last year, ultimately the House acquiesced in the Senate's three exceptions. These were our exceptions from the Senate. They acquiesced, and that is where we are today. My motion to table would simply restore current law.

At this point, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I yield myself 7 minutes.

The issue as presented by my friend and colleague from Ohio is quite different, in my view, from the way he put it forward to the American people. To me, the question is clear: Should women Federal employees or their dependents be treated the same as other women in the work force or should they be singled out, punished, have their rights taken away from them and be treated differently?

We get into a lot of debate in the Senate on very important issues. None could be more important than this, regardless of the way you view the issue on abortion. And we know in the Republican platform, the platform committee adopted a platform which would criminalize abortion, urging adoption of a constitutional amendment which would deny women the right to choose even in matters of rape or incest, and we know that many here who speak out on this issue and that is really their whole desire.

The fact is, abortion is legal in this great land.

My friend and colleague says we are trying to stop abortion on demand. There is no such thing as abortion on demand in this country. There is a Supreme Court case called Roe versus Wade. Yes, a woman has the right to make this personal, private decision without a U.S. Senator telling her what to do in the first 3 months of her pregnancy. She has the right to make that decision with her doctor and her God without the Senator from Ohio or another State who holds an opposite view essentially saying, no, we do not think that is right.

She can make that choice under Roe versus Wade. After that, the State has an interest, and rules apply to that abortion. So there is no such thing as abortion on demand.

The bottom line is, this is a tough, personal, private matter, and I really think it is about time we trusted women to make that choice. Why should we say that a woman who happens to work for the Federal Government or her dependents should not have this right?

My friend says we disposed of this matter on a vote before. Yes, we did. As a matter of fact, in 1993, in this Senate, before my friend got here, we restored the rights of women in the Federal Government to be treated equally. I really do not think women are asking for much here other than to have equal treatment, to be respected for the choices that they make, and, unfortunately, what this amendment will do by disagreeing with the committee of the Senate is to tell a woman who happens to work for her Government, she cannot use her own insurance to exercise a perfectly legal right.

My friends in the Senate, I have to say, if there was an amendment to stop a man who happens to work in the Federal Government from getting a perfectly legal medical procedure, one that might protect his health, there would be an uproar around here. They would say, how could you do that to the men of this country? Why not treat the men who work for the Federal Government the same way we treat men who work in the private sector?

The answer, in this particular case, with this particular amendment, is you cannot win your point with the American people. You do not have the votes in this country to put Government in the middle of this personal, private decision. And so what do you do? Every chance you get, I say to my colleagues on the other side of this issue, you chip away and you chip away and you chip away at the right of women to choose.

If you are a woman today, what this Congress has done in its extremism, I say, is to tell a woman who is willing to die for her country by serving in the military that she cannot go to a hospital, a military hospital, and have a safe and legal abortion which could potentially save her life—that right has been taken away. This Congress has been chipping away at a woman's right to choose.

I am so proud of this committee which took a stand against the extremism of the House of Representatives and restored the rights of women who are Federal employees to use their own insurance for which they pay a percentage, to exercise a perfectly legal right.

Mr. President, I should like to reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. I yield myself 1 minute.

Let me just briefly respond. This is not an issue of equal treatment. This is not an issue of that at all. It does not tell anyone what to do. I think we need to keep our eye on the ball and discuss not the whole issue of abortion here today. I think it is important we discuss what is in front of us. What is in front of us is a very narrow issue, and that simply is, are we going to use Federal tax dollars to subsidize, pay for abortions?

The vast majority of the American people say, no, we see absolutely no reason to do this. On an issue as contentious as this is and where there are good people on both sides of the battle, why in the world we would say, this Congress would say we are going to take Federal tax dollars to subsidize abortions makes absolutely no sense.

Let me at this point yield to my colleague from Indiana 10 minutes.

Mr. COATS. Less than that, 5 minutes.

Mr. DEWINE. I yield 5 minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized for up to 5 minutes.

Mr. COATS. Mr. President, the Senator from Ohio essentially made the points I was going to make in response to the Senator from California, who I think has mischaracterized the issue before us. The issue before us has nothing to do with a woman's right to have an abortion. It has nothing to do with an amendment that, in her words, denies the choice of women, takes away a woman's right to choose. It is not an amendment to stop anyone from getting a perfectly legal procedure accomplished. So I think it is important for our colleagues to understand what the amendment does and what it does not do.

This is not a debate on whether or not a woman has a right to an abortion. I have suggested for a number of years, ever since I have been in the Senate, that we ought to have that debate. We have had that debate on occasion. But this is not the debate we are having today. The debate we are having today is on the amendment offered by the Senator from Ohio, which simply restores to the Senate bill the language that was incorporated in the

House, that says, except in the cases where the life of the mother is in jeopardy or in cases of rape or incest, the taxpayer will not be asked to fund abortions chosen by a woman under the Federal Employees Health Benefits plan.

There are a number of perfectly legal procedures, medical procedures, that are not covered by the health insurance plan. Not every health insurance plan covers every procedure. I do not know what percent of private insurance policies cover the cost of abortion, but that is not an issue either. The question is whether or not the Federal Employees Health Benefits plan, which every Federal employee participates in, will cover abortion. There are, as I said, a number of procedures that are not covered. That is a matter of determination by the organization that provides the insurance. We have the ability to select from a number of different insurance plans. But the issue is whether or not the taxpayer will be asked to pay for it.

This is not just another medical procedure. This is a procedure that is extraordinarily controversial, where American opinion is divided, where taxpayers, for religious reasons, moral conscience reasons, and other reasons feel they should not have to use their tax dollars to pay for something they believe fundamentally violates their religious beliefs, their moral convictions.

This is a debate we have had now for 20 years, and pretty consistently over the last 20 years, with a couple of exceptions, the Congress, whether it has been a Democrat-controlled Congress or a Republican-controlled Congress, has pretty consistently supported the proposition that taxpayers should not be coerced into paying for a procedure which many of them feel violates some of their most deeply held beliefs. That has been, as I said, supported by both Democrats and Republicans. Democrats controlled the House throughout the decade of the 1980's and the early 1990's, and the Hyde amendment, which is essentially what the Senator from Ohio was offering, was supported by both parties. It has been supported here in the U.S. Senate. It says that, except in those instances of rape, incest, and protecting the life of the mother, we will not ask the taxpayer to pay for it.

Since the Federal Government subsidizes our insurance costs—up to about 74 percent, I think is the latest figure—clearly, the cost of an abortion would be subsidized and paid for, at least three-fourths of it would be subsidized and paid for, by the Federal taxpayer. That is why the amendment is being offered.

So I think it is important we focus on the amendment that is here. We can reserve time—I am sure both sides would be willing to accommodate it at some point—to discuss the larger issue of abortion: the meaning of life, when life begins, what restrictions if any should be placed on abortions, the whole idea of Roe versus Wade, the Supreme Court decision. Those are all issues that are legitimate issues but have nothing to do with this amendment.

So let us make sure that we focus on what the amendment seeks to do and what the amendment does not seek to do. I have more I can say in this regard, but I think in the interests of time here, since my 5 minutes is up, I will cease at this point and then we will talk about it, but let us keep the discussion focused on what the amendment is all about.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I will take 1 minute and then I will yield 5 minutes to one of the leaders on this issue, Senator MIKULSKI. Let me just respond briefly.

To hear Senators say this has nothing to do with a woman's right to choose, makes me think sometime that we are in never-never land around here. Of course it has something to do with a woman's right to choose. You are telling more than a million women, more than 1 million women, who happen to work for the Federal Government or rely on the FEHBP for health insurance that they should be treated differently when it comes to their right to choose. They work hard. They ought to be trusted. So, it is all fine to stand here and say it is being mischaracterized, it has nothing to do with the right to choose, but if you are a Federal employee and, let us say, you earn $20,000 a year and you pay for a percentage of your health insurance and you cannot get an abortion with that health insurance, even if your doctor says you might be paralyzed for life—because there is no exception for that—I assure you we are talking reality. We are not talking something that does not really exist. This is a real threat to a woman's right to choose if she is a Federal employee.

Mr. COATS. Will the Senator yield on that point for a question?

Mrs. BOXER. I cannot yield on my time, but if you use your time I will be glad to, because I do not have enough time.

Mr. DEWINE. I yield my colleague 1 minute.

Mr. COATS. I understand. We will use our time. I would like to ask a question.

The Senator from California said we are denying women who work for the Federal Government the same rights that all other women have.

Are you saying that every insurance policy in America has coverage for abortion and therefore every other woman in America has the right to have an abortion paid for under her insurance policy? Or, are there different policies, some that offer it, some that do not offer it?

Mrs. BOXER. The vast majority of plans do offer abortion, and in the private sector most women have the opportunity to find a plan that would, in fact, cover that if they so chose. Whereas in this particular amendment we are saying no one, no one who works for the Federal Government, through the Federal Employees Health Benefits plan, can get such a policy. We are restricting the freedom of the women who work for the Federal Government.

Mr. COATS. We checked with Planned Parenthood and asked them that question. They disagreed with what you just said. They said there is no way, they do not have specific information about the availability of abortion coverage, how many insurance policies cover it, how many do not.

The point is, it is not an accurate statement to say we are denying women who work for the Federal Government the opportunity that all women have. That is not an accurate statement.

Mrs. BOXER. Maybe my friend would appreciate we know that 78 million women——

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. BOXER. On my time, if I might respond, we know for sure that 78 million women in the private sector do affirmatively have this choice. So we have 78 million women that we know of who have this choice but the 1.2 million women who work for the Federal Government or are dependents of Federal employees do not have the choice and cannot have the choice if the Senators on that side of the aisle prevail.

Mr. President, I yield 5 minutes to our leader on this committee, along with Senator KERREY, Senator MIKULSKI.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 5 minutes.

Ms. MIKULSKI. Mr. President, I rise in very strong support of the committee amendment and in opposition to the Nickles amendment.

As a member of the Senate Appropriations Committee and a member of the Subcommittee on Treasury and Postal Services, we made very clear in the committee the dominant view in the committee is that we wanted the women of the United States of America to be able to have abortions where medically appropriate in their health insurance legislation. This bill was reported by the Senate Appropriations Committee, and it would enable Federal employees whose health insurance is provided under the Federal Employees Health Benefits plan to receive coverage for abortion services, subject to all the traditional laws of the land.

The Nickles amendment would reinstate the language from the House bill which prohibits coverage for abortion except in the case of life endangerment, rape, or incest. It would continue a ban which has prevented Federal employees from receiving the health care service which is widely, if not totally, available for private sector employees.

We think limiting it to life of the mother, rape, or incest is medically

dangerous. We believe the decision should be made by the mother, with the consulting physician, using whatever is her religious conviction to be able to proceed with something that is deemed by the physician as medically appropriate. We leave that decision to be made not on the floor of the Congress but in a doctor's office.

The 104th Congress has been a tough one to support a woman's right to choose in that most private of matters not to have a child. Bill after bill after bill after bill, we have faced votes on women's reproductive rights.

In the 104th Congress, between the House and the Senate, this Congress has voted 51 times on this issue. The 104th Congress has been unprecedented in its assault also on Federal employees—their pay, their benefits and their livelihoods. What we have with this amendment is a vote on abortion and also on the basic benefit package for Federal employees.

I represent over 280,000 Federal employees in the State of Maryland, the Social Security Administration that makes sure the checks go out on time, the National Institutes of Health that right now are doing research to ensure the saving of lives.

We want the very people who are able to do research on fertility and reproduction to be able to have access to what is medically necessary in terms of the relationship of abortion.

Federal employees have faced assault after assault in these last 2 years. They face tremendous employment insecurity, downsizing, and so on. I view this amendment as yet another assault on these public servants. It goes directly after the benefits of Federal employees.

Health insurance is part of the compensation package to which they are entitled. The cost of insurance coverage is shared by the Federal Government and by the employee. I know that the proponents of continuing the ban on abortion coverage for Federal employees say they are only trying to prevent taxpayer funding of abortion, but that is not what this debate is about. This is about prohibiting the compensation package of Federal employees from being used for a legal and sometimes vital medical service. Health insurance is part of the Federal employee's pay. The decisions related to health care should be made between the patient and the physician.

If we were to extend the logic of those who favor the ban, we might next prohibit Federal employees from using their own paychecks to pay for an abortion. No one is seriously suggesting that Federal employees ought not to have the right to do what they want with their own money. We should not be also placing unfair restrictions on the type of health insurance that Federal employees can purchase under their own Federal Employees Health Benefits plan.

Over 1.2 million women of reproductive age depend on the FEHB for their medical care. We know that access to reproductive health services is essential to women's health. We know that restrictions that make it more difficult for women to obtain early abortions where medically appropriate increase the likelihood that women will put their health at risk by being forced to continue a high-risk pregnancy. If we continue to ban the abortion services and leave only these very narrow exemptions, these 1.2 million women of reproductive health age who depend on FEHB will not have access to abortion even when their health is seriously threatened. We are going to be replacing the informed judgment of medical practitioners with that of politicians.

Let me conclude by reiterating that decisions on abortion should be made by the woman in close consultation with her physician. Only a woman and her physician can weigh her unique circumstances and make the decision as to what is medically necessary and medically appropriate. It is wrong for Congress to try to issue a blanket prohibition.

I will vote ''no'' on Nickles and up on the committee amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, I yield myself such time as I may consume.

Very briefly, let me say, again, this is not a debate about abortion. This is not a debate to determine what a person can do or cannot do. That is not what is at issue here. What is at issue here is what will be covered. What is at issue is whether or not Federal tax dollars taken from all Americans, many of whom find this procedure to be abhorrent, whether or not we will involuntarily take their money to pay for abortions.

Congress has voted time and time again not to do that. The vast majority of the American people in every public opinion poll anyone has seen indicate they do not want that done. It is a very, very narrow issue.

Let me read the current law. Our position is the current law simply should be sustained:

> No funds appropriated by this act shall be available to pay for an abortion or administrative expenses in connection with any health plan under the Federal Employees Health Benefits program which provides any benefits or coverage for abortions. The provision of this section shall not apply where the life of the mother will be in danger if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

Mr. President, let me yield to my colleague from Oklahoma.

Mrs. BOXER. Will the Senator yield for a question? I will be happy to do it on my time.

Mr. DEWINE. On your time, fine.

Mrs. BOXER. My colleague keeps reiterating, as do my other colleagues on the other side, that this is about Federal funds and people oppose spending Federal funds.

Would my friend support an amendment that said that women Federal employees who do, in fact, exercise their right to choose and use their insurance could be reimbursed for the portion of the premium which they paid themselves which, in this case, is about 28 percent? Would my colleague work with me on such an approach so at least they can get reimbursed for the portion of their share of the premium?

Mr. DEWINE. I am not sure how that will function, how that will work or how to mechanically get that done. The bottom line is, in fact, you can buy riders, you can, in fact, buy separate policies.

All we are saying is, when the latest study shows 74 percent of the premiums are paid by other taxpayers, it is a legitimate issue.

Mrs. BOXER. I say thank you to my friend and take back my time. I think this points out for all the American people to see that this is not about Federal funds, because I just made a very reasonable proposal that since women pay approximately 28 percent of their premiums out of their own pocket, why not allow them to get this coverage and reimburse them for 28 percent of the cost of the procedure? My friend says he doesn't know how it would work. We figure out a lot tougher things around here.

Mr. President, I yield 5 minutes to my friend——

The PRESIDING OFFICER. The Senator from Ohio had not relinquished the floor. He responded to a question from the Senator from California.

Mrs. BOXER. I am sorry. I reserve the remainder of my time.

Mr. DEWINE. I yield to my colleague from Indiana.

Mr. COATS. Mr. President, I would like to address the question just asked by the Senator from California.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. I say to the Senator from California, who asked would we be willing to accept an amendment which would allow reimbursement for an abortion for that portion of the premium which is paid for by the Federal employee, again, I think the Senator misses the point here.

From one standpoint, she is saying these women have no other place to go, they can't get an abortion. One-fourth the premium is $62, if it is a $250 abortion. I have been told that is the going rate for an abortion. So are you telling me that an employee of the Federal Government who has a job, a full-time job, who is working for the Federal Government is unable to come up with $62 in order to pay for an abortion?

Mrs. BOXER. May I respond on my friend's time? I will be brief.

Mr. COATS. I would like you to respond on my time, but you did not let me respond on your time.

Mrs. BOXER. I will tell you what I will do for my friend, I will respond on my time.

Mr. COATS. That is what you asked me to do. That is appropriate.

Mrs. BOXER. The Senator is right. I should respond to him on my own time. He is perfectly correct.

I say to my friend from Indiana, he says I miss the point. I say, those on the other side of the aisle, who are trying to deny Federal employees their equal rights, miss the point. If your argument is that taxpayers do not want their funds used, I am giving you a way out of this, in fairness. If my friend thinks $62 is not a lot of money, let me point out to him a fact. Twenty-five percent of the Federal employees earn less than $25,000, and 18,000 Federal employees are at or below the Federal poverty level.

I say to my friend, $62 is a lot of money for those people. But let us face the fact, you do not even want to go that far and allow them to get that reimbursement. My question, I think, really smoked out the true attitude on the other side of the aisle. This is not about Federal taxpayers' dollars; this is about chipping away at a woman's right to choose. It is very clear. You know, at the convention in San Diego, we saw what the goal is. This is chipping away wherever you can.

I yield 5 minutes to my friend from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Ms. MOSELEY-BRAUN. Thank you very much, Mr. President. I thank the Senator from California.

In spite of the fact that the majority of the American people embrace the freedom of reproductive choice, the efforts to use Government intervention as a bar to the right to choose continues. Every year that I have been in the Congress, and 9 years before that, we have had to consider whether or not female Federal employees should be able to choose a health plan that includes abortion as part of its reproductive health services.

We have not been considering whether or not these women have the right to abortion. The Supreme Court affirmed they do over 20 years ago. This issue, the one we are considering, is whether or not we should prevent their insurance from covering the procedure.

In reality, we are considering whether or not we should put barriers in the way of our own employees exercising their constitutionally protected rights. I do not—and this is a matter of public record—I do not personally favor abortion. My own religious beliefs hold life dear, and I would prefer that every potential child have a chance to be born.

I do, however, believe fundamentally in the right of every woman to make her own private decision concerning her pregnancy. I cannot fathom telling my employees, or any employee in the Federal Government, that they cannot fully exercise their constitutionally protected right to choose because Congress was playing politics with their health insurance plans.

We are debating whether or not Congress will, for yet another year, deny Federal employees a benefit available to most women who work in the private sector. It is common practice in the health insurance industry for private health care plans to cover complete reproductive services, including pregnancy, childbirth, and abortion. This is because most women want the right to choose. It is also because it is better medicine, as Senator MIKULSKI pointed out in her statement.

In addition, this motion would restrict access to earned benefits. I think this is a very important point. Federal employees pay a portion of the cost of their health care benefits. A Federal employee chooses a Federal health benefits package and then pays a monthly fee to their chosen health care plan. Employees are free to choose from some 342 plans, 178 of which would not cover abortion even if they could. The employee chooses a plan and then pays for part of it.

The balance of the premium is an earned benefit, which is compensation. It is part of their pay, their compensation. Let me repeat for those who may not understand this point. It is not a gift from the Federal Government to its employees. It is earned by those employees, including women employees.

Approximately 9 million Federal employees, their dependents, and Federal retirees depend on Federal benefits for their health insurance. This includes 1.2 million women of reproductive age who rely on the Federal Employee Health Benefits program. The restrictions that this amendment would renew would prevent 1.2 million women from receiving the full reproductive health services that their doctors might want to provide for them.

Since 1983, Mr. President, Congress has changed the rules in this area not once, not twice, but four times. We have literally been playing political ping pong with women's reproductive health. I urge my colleagues to just put this issue to rest and allow women full access to health benefits and full access to the constitutionally protected right to choose.

Most women who choose to have an abortion do not use their insurance coverage to pay for it. Most women want to keep the matter private. But even if most women do not use the benefits, there is a matter of principle that the benefits should not be denied to them. We should remove the intrusion of politics from earned Federal employee benefits and from the private health decisions of our employees. This Congress should not continue to play politics with women's lives and women's health.

In conclusion, Mr. President, I would say, as I mentioned in another debate, for those who urge smaller Government, I would point out that here is another instance in which those who tell us that the issue and the objective is smaller Government, only say so when it does not relate to people's personal liberty and their private lives. This is yet another intrusion in the private lives and private liberties of women, in terms of the exercise of their Federally constitutionally protected rights. I suggest that this amendment ought to be denied. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DEWINE. Mr. President, I yield to my colleague from Oklahoma 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. NICKLES. Mr. President, first, let me compliment my colleague from Ohio and also my colleague from Indiana for their statements. Let me kind of try to put this in perspective. Senator DEWINE raised a concern about a committee amendment. At some point he will have a motion to strike the committee amendment or to table the committee amendment.

What is he doing? What does this mean? Well, last year the House and the Senate agreed to language that said we are not going to use Federal taxpayers' money to include abortion as a fringe benefit in health care plans except in cases of rape and incest and to protect the life of the mother.

One of my colleagues mentioned, well, we should be consistent. That was the policy of the Federal Government, frankly, from 1984 to 1993, until Bill Clinton became President. He changed it. That lasted in 1994 and 1995. We changed it last year. We had a vote. We actually had a kind of unusual session. We had a Saturday session. We had three votes on it and basically ended up with the policy that the Senator from Ohio is trying to maintain.

What is that policy? That policy is the same thing that was in the House language, that being that Federal taxpayers' moneys will not be used to provide abortions for Federal employees unless necessary to protect the life of the mother or in cases of rape or incest. That was last year's policy. That is what the House is trying to maintain. That is what the Senator from Ohio and Indiana and myself are trying to maintain, to continue last year's policy.

The committee had an amendment to strike the House language. That would open it up and that would allow Federal employees to receive taxpayer subsidies to pay for abortion. We did not agree with that last year. We did not agree with it for 10 years, 1984 through 1993. Bill Clinton wanted to change it. We changed that back last year. We are trying to maintain last year's policy. We had two or three votes on it, as I mentioned, in an unusual Saturday session.

I remember my colleague from Ohio stayed here. He had a very important family meeting in Ohio, and he stayed here to vote on this because he felt that it was important. I will never forget that, because we literally are talking about, do we want abortion to be a

fringe benefit in health care plans? Some people say, well, you are attacking a woman's right to choose. We are saying, no, it should not be a standard fringe benefit.

Abortion is not another standard health procedure. It happens to be taking the life of an innocent, unborn child. Do we really want the Federal Government to subsidize that? A lot of people think, well, maybe that should be a woman's right, but we should not be subsidizing it. If this amendment does not pass, we are going to be subsidizing it. Taxpayers pay for about three-fourths of it.

So when I think of that and I think of what kind of protections we give to unborn endangered species, thousands of endangered species—we have significant protections. As a matter of fact, if you destroy their unborn, you can be subjected to prison, you can be subjected to $50,000 fines—but not for unborn children. We are not even trying to elevate unborn children to the protected status of endangered species; but we are trying to say: Taxpayers, you should not have to subsidize the destruction of innocent, unborn human beings.

That is what the DeWine amendment or the DeWine resolution is, to strike the committee language. I believe the Senator from Ohio is exactly right. Abortion should not be a fringe benefit. It should not be included as a standard option. If Federal employees want to purchase it, they certainly can. The cost is minimal. It is $250 or $300.

We should not include it as a standard fringe benefit and say, look, if the Federal Government does it, why should not all health care plans in America? Not all health care plans do. A lot of health care plans do not. We should not have an item in our standard health care package for Federal employees that actually results in the destruction of an innocent human being.

I compliment my colleague from Ohio. I hope our colleagues will support that and remember how they voted last year when we had an extraordinary Saturday session and we adopted the present policy. The present policy being, again, that for Federal employees, we will not include abortion as a standard fringe benefit unless it is necessary to save the life of the mother or in cases of rape and incest.

I thank my colleague. I yield the floor.

Mrs. BOXER. Mr. President, might I say that the more I listen to this debate the more I compliment my friends, the Senator from Nebraska, Senator KERREY, and the Senator from Maryland, Senator MIKULSKI, who argued this eloquently in the committee—to treat Federal employees the same way, the way more than 75 million American women are treated in the private work force.

We hear from the Senators from Oklahoma, Ohio and Indiana saying this has nothing to do with the right to choose, yet we hear a speech about destroying an innocent life. Let me say this is very much about the right to choose and the right of a woman to make a private personal decision with her own physician, to be able to use her insurance that she pays for, and yet when I offer to my friends to talk about a way to at least reimburse her for the portion that she pays out of her own pocket, he says no, there are excuses and reasons why we could not do that.

This is, frankly, an attack and assault on a woman's right to choose. It is aimed at Federal employees. My friends would love to aim it at every woman in America. They cannot do it. They do not have the votes to do it. So they chip away.

I yield 4 minutes to the Senator from Rhode Island, Senator CHAFEE.

The PRESIDING OFFICER (Mr. SMITH). The Senator from Rhode Island is recognized for 4 minutes.

Mr. CHAFEE. Mr. President, I will take a few minutes to speak in favor of the committee amendment. What this committee amendment would do is allow the Federal employees health program to resume coverage for abortion services. Unfortunately, and I believe it was unfortunate, last year, Congress voted to prohibit the Federal employees health program from covering abortions for our female employees and our female dependents.

If this committee amendment were not adopted—in other words, if it were rejected —we will be responsible for continuing a lower standard of health insurance for our female employees than they could get if they worked in the private sector. In the private sector you can get this. What this says is you cannot offer this service.

Now, there is nothing that says these programs have to include coverage for abortion services. Not at all. Indeed, before that amendment last year was passed, out of the 345 health plans that are all put under the Federal Employees Health Benefits program, 345 of them—about half; 178—offered some form of abortion coverage. In other words, a woman could choose this if she wanted; if she wanted a plan that did not cover it, fine, she could choose that. But it seems to me terribly unfair for us to say, no, no, none of those programs can offer this benefit to women who might want to have it. Indeed, if they are in the private sector, they could get it.

Now, some say this is a gift of the Federal Government to these women. No, it is a benefit. It is a benefit that comes with the health package that our Federal Government offers. It is like saying that a woman could not use her private funds, her earnings, her salary, her wages from the Federal Government to obtain an abortion. Nobody is suggesting that, because the Constitution says the woman has a right to go out and buy this procedure—it is a legal procedure, a medical procedure—and the right is held up by the Supreme Court.

Mr. President, I think what is being attempted here is a very, very, unfair move against employees of the Federal Government.

Last, here is a notice that came out last year after this prohibition was passed in the Congress.

> Dear Blue-Cross and Blue-Shield benefit plan member:
>
> On November 19, 1995, public law [so and so] was enacted which limits the Federal Employees Health Benefit plans coverage of legal abortions.

And then it says to the whole of the plan that they no longer can cover that. You are out of luck. If you are in the private sector, as I said, you can get this, but you cannot get it any longer if you are a Federal employee. There are 345 plans and none of them can be permitted to offer it. I think it is very, very unfortunate, Mr. President.

I hope the attempt to defeat the amendment is not successful.

Mrs. MURRAY. Mr. President, I rise today in opposition to the motion by the Senator from Ohio, and in support of full access to reproductive health care, including abortion services, for civil servants.

Last year, as my colleagues know, this Congress denied women who are civil servants from participating in health insurance plans which cover abortion services. This overturned previous policy, which allowed these women—like millions of women employed in the private sector—access to complete reproductive health care.

Mr. President, major health insurers such as Blue Cross/Blue Shield provide this coverage for women in private sector jobs across the country. It is approved of by a majority of the American public. By denying the same options for Federal employees, we set a different standard for millions of women. Nine million Americans are covered by the Federal Health Benefits Program, and none of them should be denied access to complete reproductive health care services. It sends the message that public servants do not have the same rights as private sector workers, and that is wrong.

Civil servants are no different that any other American. They are regular people: secretaries, engineers, maintenance workers, and caseworkers. Why should they be treated any differently than other workers? They pay for their premiums and deductibles like everyone else, and they should be allowed the same options as other women in this country. Civil servants are being asked to do tougher and tougher jobs with the downsizing of our Federal government—and are stepping up to the task. They should not be required to make further sacrifices simply because they are an easy target for those in Congress who would outlaw abortions all together.

Mr. President, we have all heard the stories of women who were forced into very difficult situations as soon as this policy was enacted this year. We heard

about Susan Alexander who wanted to have the child she was carrying, but found out gross fetal deformities made her child's development ''incompatible'' with life, and threatened her life as well. Her doctors all recommended terminating her pregnancy for medical reasons. Unfortunately, she and her husband were shocked to find that her insurance policy no longer covered what turned out to be a very complicated and expensive procedure, performed to protect her life.

Mr. President, we know there are other women out there like Susan Alexander who have been directly affected by the decision made in this body last year. We know that to continue this policy will have a serious and tangible impact on women's health. Therefore, it is irresponsible to continue to deny women access to a full range of health care services because Congress has turned the health care choices of women into a political football.

Make no mistake about it, we are once again confronted with an attempt to deny women the rights they now hold. Women have the legal right of choice in this country, and the majority in this country support that right. This policy is micro-management of the worst kind, and it is wrong. The U.S. Congress should not be making reproductive health choices for Federal workers. Nor should it discriminate against Federal workers who choose to have an abortion.

By denying civil servants health coverage for abortion services, Congress does just that. It continues to force Federal employees and their families to purchase separate insurance to cover reproductive health services. It continues to add financial considerations to a very time-sensitive, personal decision. And, above all, it reinforces the message to civil servants that the same rules do not apply to them. Their health is subject to the political winds of Congress.

Mr. President, this is not reasonable to expect of people who are dedicated to serving the public good. I commend Senator BOXER for her vigilance and dedication on behalf of women everywhere, and thank her for her leadership in protecting the rights of civil servants. Once again, I urge my colleagues to reject this motion.

Mr. ROBB. Mr. President, I rise today to support the committee amendment which would strike House provisions prohibiting the Federal Employee Health Benefits Program from providing coverage for abortion services.

The vast majority of private health plans provide coverage for abortion services. The House bill is telling Federal employees that, because of who their employer is, they shouldn't have the ability to choose a health plan which covers this legal medical procedure.

An employee who opposes abortions can choose a health care plan which does not cover the service, which I understand was almost half of all FEHBP plans prior to last year's prohibition. I don't believe, however, that it is appropriate for us to preclude employees who want this coverage from choosing it.

For this reason, I urge my colleagues to support the committee amendment and vote against tabling this proposal.

Ms. SNOWE. Mr. President, I rise in strong opposition to this effort to reinstate the ban on abortions in Federal employee health benefits plans. It is yet another ripple in a steady stream of attacks on women's reproductive rights and health.

This debate is painfully familiar. One year ago, the Senator from Oklahoma, Senator NICKLES, offered an amendment, which—regrettably—passed this body and changed the status-quo of health care for Federal employees and their dependents in America. It represented a giant step backward for the rights and health of women who are covered by the Federal Employees Health Benefits Plan [FEHBP]. It prohibited the FEHBP from covering abortions—except when the woman's life is in danger or in cases of rape or incest.

As the result of these restrictions, Federal employees and their dependents enrolled in FEHBP's who need abortions must pay for them out of their own pocket, except in cases of rape, incest, or to save the life of the mother. This may result in significant hardship to a woman and her family, especially because many Federal employees have incomes at or below the poverty level, which is $12,980 for a family of three.

In fact, 25 percent of all Federal employees earn less than $25,000—with nearly 18,000 Federal employees having incomes below or just slightly above the Federal poverty level. And while the average cost of an early abortion performed in a clinic is $250, the cost rises to $1,760 if performed on an outpatient basis in a hospital.

This means that some Federal employees may be forced to decide between paying for an abortion and buying food for their children or paying rent. Others may be forced to carry their unintended pregnancies to term. It is shameful that our Federal employees have such terrible options.

Denying abortion coverage to Federal employees may also endanger a woman's health. Restrictions that delay an abortion make it more likely that a woman will continue a potentially health-threatening pregnancy to term, or undergo abortion procedures later in a pregnancy when they are far more risky to a woman's health.

Just because we have the power of the purse in Congress does not mean we should have the power to penalize women in public service by denying them their reproductive freedoms or threatening their health.

There are currently 1.2 million women of reproductive age who rely on their Federal health plan for their medical care—and that's 1.2 million American women who would be summarily stripped of their constitutionally guaranteed right to choose because they or a family member work for the Federal Government.

Federal employees should have no fewer rights than any other American worker who earns a health care benefit as part of their compensation package.

Some argue that the Federal Government has a right to dictate which medical services will be covered under the FEHBP. They argue that Federal tax dollars should not pay for abortions.

That's what some would like this debate to be about—taxpayer funding for abortion. But that's simply not the case. In fact, that argument is a red herring.

Taxpayers would not fund abortions covered by Federal health plans. Far from it. The Federal Government, like millions of private employers across the country, contributes a portion of its employee's insurance premiums, and the employee pays the rest. Thus, FEHBP coverage is not pocket money for Federal employees. It is not an allowance or a Federal handout. It is direct compensation earned by Federal employees. And I would like to note that CBO has determined that coverage of abortions—a legal medical procedure—does not add to the cost of the premium.

This anti-choice restriction on Federal employees health benefits arbitrarily and unjustifiably reduces their total compensation package. The fact is, any service not covered by their health insurance which they must pay for out-of-pocket amounts to a pay cut in their hard-earned wages. It is not for Congress to determine how those hard-earned wages should or should not be spent. Wages and benefits belong to the employees.

According to the Office of Personnel Management, which oversees the FEHBP, between 1993 and 1995, 178 of the 345 FEHB plans provided abortion coverage. Of the ''Big Five'' health plans offered to Federal employees, four of the five offered abortion coverage. This range of options allows employees who object to abortions to choose any one of the hundreds of Federal health plans that would not cover the procedure.

Today, 78 million women in America have abortion coverage in the private sector. Two-thirds of private fee-for-service plans provide the full range of reproductive health services, including abortions. And 70 percent of health maintenance organizations [HMO's] provide abortion coverage.

Finally, a majority of people in America believe that abortion should be safe, legal and rare. These Americans do not distinguish between women who work in the private sector and women who work for the Federal Government.

A person's ability to exercise a constitutional right should not be determined by an employer—even when the

employer is the Federal Government. What we can and must do today is ensure that we do not maintain the existing two-tiered system of rights for our citizens—one for women who work for or are insured by the Federal Government, and another for those women who work in the private sector. We must not allow such discrimination to continue. And we must stop sending a signal to our Federal employees and their female dependents that we do not value their health or their reproductive rights. I urge my colleagues to join me in voting to oppose this motion to table the committee amendment.

Mr. KERRY. Mr. President, today once again the radical right has come to this Senate floor to impose their will against the wishes of a vast majority of Americans. They have come forth again to add an amendment to the Treasury, Postal Service, and general Government appropriations bill that would limit reproductive health services for 1.2 million female Federal employees.

The Treasury-postal bill provides the funding for the Federal Employees Health Benefits Program [FEHBP], our network of insurance plans that cover approximately 9 million Federal employees and their dependents. Today, there are approximately 1.2 million women of reproductive age who rely on the FEHBP for their medical care.

Mr. President, in the United States we have a Constitution that guarantees an extensive list of freedoms upon which the Government cannot infringe. Perhaps the sponsors of this amendment do not understand the issue at hand. The Supreme Court ruled in Roe versus Wade that abortions are constitutional. It is completely legal for a woman who wants to have an abortion to obtain the services of a doctor who is willing to provide an abortion. Congress should not have the ability to decree to a woman that she cannot obtain an insurance policy that covers abortion, which is a fully legal procedure. This is not the role of Congress. We have no right to impose ourselves and our sense of morality in this way upon the women who work for the Federal Government.

Failing to make abortion illegal, antichoice Members of Congress are trying to make this right more difficult to exercise. Singling out abortion for exclusion from health care plans that cover other reproductive health care is harmful to women's health and discriminates against women in public service.

In 1993 and 1994, Congress voted to permit Federal employees, like workers in the private sector, to choose a health care plan that covered a full range of reproductive health services, including abortion. It is my belief that health insurance is part of an employees' earned compensation. As is common in private industry, costs for insurance coverage for Federal employees are shared by the employer and the employee. This is similar to the private sector where approximately two-thirds of private fee-for-service plans and 70 percent of health maintenance organizations provide abortion coverage.

Despite these facts, last year Congress stripped Federal employees of this right. This year, some Members are again attempting to restrict women's access to reproductive health services. Mr. President, this is not right. It is a troublesome manifestation of the Congress' well-known plantation mentality.

Mr. President, this amendment is unjustly restrictive and discriminatory. Passage of this amendment assigns an inferior status to women working in the Federal Government. It is time to stop these attempts to chip away at a woman's legal right to choose. I urge my colleagues to vote against this amendment.

Mr. DEWINE. Mr. President, would the Chair advise Members how much time remains?

The PRESIDING OFFICER. The Senator from Ohio has 8 minutes and 18 seconds under his control, and Senator BOXER has 4 minutes under her control.

Mr. DEWINE. Mr. President, let me yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DEWINE. Mr. President, we are concluding this debate and we will shortly be voting on my motion to table the amendment.

Again, I think it is important that we keep our eye focused on the ball. We can come down here in the well of the Senate and discuss for hours the issue of abortion. That is not what this debate really is about. What this debate is about is a very narrow issue, a very narrow question, which is simply this: Should this body go against the will of the American people? The vast majority of the American people, even those who really have mixed feelings on the abortion issue, the vast majority of the American people say, no, I do not want my tax dollars being used for abortion. That is what this is because 74 percent of the premium of the Federal employee is paid for by taxpayers; roughly three-fourths of the premium is paid for by taxpayers.

This is a horribly contentious issue, an issue that divides families. It is an issue that friends do not want to talk about. It is an issue, quite frankly, that the Federal taxpayers have said time and time again that they do not want to be involved in, they do not want to fund.

We are not debating a woman's right to choose today. We are not debating that. We are not debating what a person can do. We are simply debating whether taxpayers are going to pay for this very, very, controversial procedure. That is what we really are talking about.

I yield to my colleague from Indiana.

Mr. COATS. Mr. President, just to summarize so Members know exactly what it is we are voting on. This is not, despite what has been said, this is not an issue over whether or not a woman has the right to choose to have an abortion. We do not change any constitutional rulings. We do not change anything in that regard.

This is simply an issue as to whether the taxpayer will be forced to pay for an abortion of a Federal employee's demand for an abortion. Mr. President, 70 percent or more of the citizens of the United States, whether they are pro-life, pro-choice, or neutral on the question, have consistently stated in polls and surveys that, regardless of their position, more than 70 percent have said no in an issue that is this controversial, which violates the conscience and religious beliefs of many people, or that is simply a taxpayer issue. We do not believe the taxpayer should be forced to pay for the abortion of someone else.

This goes one step further because it limits it to just Federal employees. The Senator from Ohio wants to retain the policy that has effectively been in practice, totally, almost consistently for more than 20 years, consistently supported by both Democrats and Republicans, whether Democrats have been in control of the Congress or whether Republicans have been in control of the Congress.

So I hope my colleagues will vote to maintain the current law—the current law being that we will not force taxpayers to pay for the abortions of Federal employees. And we do allow exceptions to that rule: If the life of the mother is in jeopardy or in cases of rape or incest.

I think that is a reasonable policy, and it has been consistently supported. I hope we retain that law.

Mr. DEWINE. Mr. President, I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, I have 4 minutes left, is that correct?

The PRESIDING OFFICER. Yes.

Mrs. BOXER. And the other side has how much?

The PRESIDING OFFICER. They have 4 minutes 23 seconds.

Mrs. BOXER. I will yield the remainder of the time to Senator KERREY, who has really worked hard in the committee to do the right thing, to give Federal employees equal treatment with the 75 million other women that have that choice in the private sector.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, first of all, all Members have made up their minds on this issue. So it is not a question of trying to persuade anybody one way or the other. It is trying to say to the American people, those of us who intend to vote for allowing Federal employee health programs—as in this bill, their insurance money—to be used to pay for reproductive services, including legal abortions.

I have a great deal of respect for the Senator from Ohio, the Senator from

Indiana, the occupant of the chair, and others who hold a different view. But when they come and say this is about using taxpayer money to pay for abortions, really, the only way you can prevent taxpayer money from being used for abortions by Federal employees would be to actually come in and prohibit their salaries to be used in any way at all for abortion, because their salaries are paid for with taxpayer money.

If my salary is paid for with taxpayer money, if I am already provided a subsidy in my salary, what good does it do to say that they can't have health insurance programs do it? We have two-thirds of the health insurance programs in the United States and 70 percent of the HMO's in the United States already providing reproductive services, as well as legal abortions.

You are not really preventing taxpayer money from being used, not at all. If their salary is used to pay for abortion, that is taxpayer money. What you are doing is—you think that is what you are accomplishing, but you are not. What you are doing, in fact, is changing the rules and saying to women who are Federal employees that you are going to be treated differently than 70 percent of the other employees that are out in the work force.

There are 9 million Federal employees, approximately 1.2 million women of reproductive age, who rely on the Federal Employee Health Benefits program for medical coverage. Until November 19, 1995, Federal employees—like workers in the private sector—were permitted to choose a health care plan that covered a full range of reproductive health benefit services. So I say to citizens out there, who say, "gee, I think we ought to restrict use of the Federal Employee Health Benefits Program for something that I don't want to pay for," that is not what you get done. All you are saying is they can't use health care benefits; you are not saying they can't use salary, which is taxpayer money as well.

In 1993 and 1994, Congress voted to permit Federal employees to choose the health care plan that covered abortion. And from 1983 until that time, Congress prohibited the Federal Employee Health Benefits Program from covering abortion services, except in cases where the woman's life was in danger.

Mr. President, one of the problems here—especially for lower income Federal employees, of whom we have a considerable number—is if you examine what the American Medical Association has said in this case. They have indicated, and they say it with evidence to back up the claim, that restrictions such as this—that deter and delay women from making a legal choice—make it more likely that women will continue a potential health-threatening pregnancy to term or undergo abortion procedures that would endanger their health. That is what the medical community has said that has examined this.

So I hope the citizens that are listening to this argument will understand that this is really not about using taxpayer money. You would have to restrict the use of salaries in order to accomplish that objective.

The PRESIDING OFFICER. The time of the Senator has expired. All time of Senator BOXER has expired.

Who yields time?

Mr. DEWINE. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 4 minutes 22 seconds.

Mr. DEWINE. I yield myself the balance of that time. In just a moment—4 minutes, roughly—I will make a motion to table this amendment. Let me, again, walk the Members through the procedure of exactly where we are.

The DeWine-Nickles motion to table will result in the following. This is what it means. First, that the status quo will remain. The law—as previously passed by this Congress, by this Senate, by the House, and signed into law by President Clinton—will remain the same. This vote, a vote to table, is consistent with what the Senate did a little over a year ago, by a vote of 50 to 44.

Again, Mr. President, we need to focus on the narrow issue before us. It is so easy for us—because we all have strong feelings about the issue—to get engaged in a debate about a woman's right to choose, pro-life issues, and even engaged in a debate about all kinds of different things connected with the abortion issue. That's not what we are here today to debate.

We are here to debate a very narrow question: Should current law prevail, which restricts from Federal coverage, health insurance coverage of Federal employees, one procedure—the abortion procedure—and allows it only in the case of rape, incest, or to save the life of the mother? That is the issue. The issue is fundamentally, with all due respect to my colleague from Nebraska, whether or not taxpayers are going to subsidize this at the rate of 74 percent. That is really what the issue is all about.

The vast majority of the American people, time and time and time again, have said "no." The country is very divided on the abortion issue, but it is overwhelmingly against using Federal tax dollars for abortions.

Again, the motion to table will simply preserve the status quo, will reaffirm what the Senate did a year ago. Frankly, it is consistent with what the law was from 1984 to 1993. It was only changed when President Clinton took office, for 2 years, and that law then was changed. So really going back to 1984, until the current time, this motion to table is consistent with what the law has been during that period of time, with the exception of 2 years.

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware [Mr. ROTH] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent due to family illness.

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

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 284 Leg.]

YEAS—53

Abraham	Faircloth	Lott
Ashcroft	Ford	Lugar
Bennett	Frahm	Mack
Biden	Frist	McCain
Bond	Gorton	McConnell
Breaux	Gramm	Murkowski
Brown	Grams	Nickles
Burns	Grassley	Nunn
Coats	Gregg	Pressler
Cochran	Hatch	Reid
Conrad	Hatfield	Santorum
Coverdell	Heflin	Shelby
Craig	Helms	Smith
D'Amato	Hutchison	Thomas
DeWine	Inhofe	Thompson
Domenici	Johnston	Thurmond
Dorgan	Kempthorne	Warner
Exon	Kyl	

NAYS—45

Akaka	Glenn	Mikulski
Baucus	Graham	Moseley-Braun
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Bradley	Inouye	Pell
Bryan	Jeffords	Robb
Bumpers	Kassebaum	Rockefeller
Byrd	Kennedy	Sarbanes
Campbell	Kerrey	Simon
Chafee	Kerry	Simpson
Cohen	Kohl	Snowe
Daschle	Lautenberg	Specter
Dodd	Leahy	Stevens
Feingold	Levin	Wellstone
Feinstein	Lieberman	Wyden

NOT VOTING—2

Pryor	Roth

So the motion to lay on the table the committee amendment beginning on page 80, line 20 through page 81, line 4 was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I make a point of order the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate will come to order.

The question recurs on the second committee amendment to which is pending amendment No. 5235, offered by Mrs. KASSEBAUM, the Senator from Kansas.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I ask unanimous consent the Senator from

Arizona be permitted to speak for 5 minutes as in morning business, and the Senator from Nebraska for 5 minutes immediately thereafter.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arizona is recognized for 5 minutes.

Mr. GRAMM. Could we have order, Mr. President.

The PRESIDING OFFICER. The Senate will come to order so the Senator from Arizona can be heard.

The Senator from Arizona.

UNITED STATES MILITARY ACTION AGAINST IRAQ

Mr. MCCAIN. Mr. President, this morning we learned that Iraq fired a surface-to-air missile at American F–16's patrolling the no-fly zone over what has now become an imaginary Kurdish safe haven in northern Iraq. This latest challenge to the safety of American pilots and to the credibility of American security guarantees in the Persian Gulf region comes on the heels of Saddam Hussein's rejection of United States warnings not to repair his air defense systems damaged by our cruise missile strikes in southern Iraq.

The necessity of further United States military action against Iraq is now obvious. And by his actions, Saddam Hussein has made the strongest argument for a disproportionate U.S. response of considerably greater military significance than our military action last week.

Furthermore, Saddam's aggressive challenges to the United States, and his success in reasserting his control in northern Iraq as his troops and the troops of his new Kurdish allies, the KDP, completed their conquest of the region on Monday, reveal the critical importance of curbing the Clinton administration's tendencies to rhetorical inconsistency in defining its objectives, disingenuous explanations of its policy choices, and exaggerated claims of success.

Our strikes last week were in response to Iraq's conquest, in alliance with the KDP, of the Kurdish city of Irbil. But by striking targets in the south, the administration chose not a disproportionate response to Iraqi aggression, but a minimal response that was disconnected from the offense it was ostensibly intended to punish. As one administration official put it: ''* * * We know that we did the right thing in terms of stopping Saddam Hussein in whatever thoughts he might about moving south and in letting him know that when he abuses his people or threatens the region, that we will be there. * * * we really whacked him.''

Evident in that statement are the three harmful administration tendencies cited above. Our stated purpose to stop Saddam's abuse of his people was quickly overridden by, in the words of another administration official, the judgment that ''we should not be involved in the civil war in the north.'' And while administration officials at first suggested that our strikes in southern Iraq would affect Iraq's action in the north, they now emphasize that the strikes were intended only to serve our strategic interest in restricting Saddam's ability to threaten his neighbors from the south.

It is clear now that the erosion of coalition unity, evident in Turkey and Saudi Arabia's refusal to allow United States warplanes to undertake offensive operations from bases in those countries, had a far more important influence on our choice of targets and the level of force used than administration officials have admitted.

Most importantly, the President's claims that our strikes were successful in achieving their objectives are belied by the events of this week. By what measurement can we assert that Saddam has been persuaded to treat his people humanely; that he has been compelled to abide by U.N. resolutions and the terms of the cease-fire agreement; that the containment of Iraq has been further advanced; and that the United States and our allies are strategically better off since we fired 44 cruise missiles at Iraqi air defense systems in the south?

Since those strikes, Saddam's Kurdish allies have achieved a complete victory in the north, and Saddam has regained control of an area from which he has been excluded for several years. Kurdish refugees are again flooding across the border. Saddam, in utter contempt for U.S. warnings, has begun repairing the radar sites we struck last week. He, at least temporarily, split the Desert Storm coalition. And in violation of the cease-fire agreement and U.N. Security Council resolutions, he has fired missiles at U.S. planes patrolling an internationally established no-fly zone. As successes go, this one leaves much to be desired.

Clearly, Iraq's attempted downing of American planes requires a military response from us. I have little doubt that the President will order a response. Given that Iraq's action represents a challenge not just to the United States, but to the international coalition responsible for enforcing the no-fly zone, I would expect that we will have greater cooperation from our allies than we experienced last week. Thus our ability to take the disproportionate, truly punishing action which is clearly called for under the circumstances should not be limited by the consequences of our failure to maintain coalition unity.

Decisions about the dimensions of our response are, of course, the President's to make. I pray that he will choose wisely.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

THE COMPREHENSIVE TEST BAN TREATY

Mr. EXON. Although there are many important things the U.S. Senate is in the process of doing right now, I want to pause for just a moment, if I might, to bring to my colleagues attention that yesterday, history was made at the U.N. General Assembly. After nearly 3 years of intense negotiations at the 61. Nation Conference on Disarmament, the world community reached an agreement on a treaty to ban nuclear weapons testing. This Comprehensive Test Ban Treaty, strongly supported by all five declared nuclear states, was overwhelmingly adopted by the U.N. General Assembly on a vote of 158 to 3 with 5 abstentions, clearing the way for world's nations—actual and potential nuclear states alike—to sign the agreement later this month.

After over 40 years of nuclear weapons testing and more than 2,000 detonations, this valuable tool in stemming nuclear weapons proliferation is finally within reach. In order for the treaty to enter into force, each of the world's 44 nations identified as possessing nuclear weapons or the research capability necessary to develop them must sign the comprehensive test ban agreement. As my colleagues are aware, India has led a high-profile campaign to prevent this from happening and frustrate the will of the world community to close the nuclear weapons Pandora's box. This temporary setback should not diminish, however, the significance of yesterday's truly historic vote. I am confident that India will see the wisdom of halting the spread of nuclear weapons and sign the Comprehensive Test Ban Treaty before too long. In the meantime, mankind can celebrate the fact that for the first time in history, the world's superpowers have agreed to end the testing of nuclear weapons forever.

Many of our allies played critical roles over the past 3 years in making passage of the Comprehensive Test Ban Treaty a reality. But I wish to take this opportunity to praise President Bill Clinton for his leadership on the issue of the Test Ban Treaty and nuclear weapons proliferation. The United States has been a world leader in halting the spread of nuclear weapons technology during the tenure of the Clinton administration. The earlier extension of the Nuclear Non-Proliferation Treaty and now the completion of the Comprehensive Test Ban Treaty are important milestones in the history of arms control, and the President deserves a great deal of credit in making it happen.

In addition to lauding President Clinton's dedication to this important aspect of our national security, I wish to praise the efforts of Secretary of State Warren Christopher, Arms Control and Disarmament Agency head John Holum, and U.S. negotiator to the conference on disarmament Stephen Ledogar.

I wish also to single out the tireless dedication of Senator MARK HATFIELD to the cause of a verifiable Comprehensive Test Ban Treaty. As my colleagues know, Senator HATFIELD will be leaving the U.S. Senate at the conclusion

of this session, ending 30 years of distinguished service to his country. I can think of no more fitting way to highlight the last few months of his career than yesterday's treaty approval. Four years ago, I joined him and former majority leader George Mitchell in authoring a law phasing out American nuclear weapons testing and jump-starting international negotiations designed to achieve a permanent test ban. It is, therefore, with a great deal of pride that I herald the action of the General Assembly and look forward to the treaty signing ceremony later this month. I remind the Senate, with Senator Mitchell gone and Senator HATFIELD and myself leaving come January, the continued leadership in this area falls to Senator LEVIN and others to take up the challenge.

Mr. President, I thank the Senate and I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired. Who seeks recognition?

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill

Mr. KERREY. Mr. President, I ask unanimous consent that the pending amendment be laid aside just for the consideration of an amendment offered by the distinguished Senator from Virginia, Senator WARNER.

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

AMENDMENT NO. 5240

Mr. WARNER. Mr. President, I thank the distinguished managers of the bill, and I thank my two colleagues who, for various reasons, at this point in time have an interest in the floor procedure and have permitted me, as a matter of Senatorial courtesy, to proceed with the following amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 5240. On page 53, beginning on line 23, strike ''and in compliance with the reprogramming guidelines of the appropriate Committee of the House and Senate.''

Mr. WARNER. Mr. President, first of all, I would like to commend the Appropriations Committee, subcommittee Chairman SHELBY and Senator KERREY for their efforts in including funding for security requirements in both the new construction and repair and alterations categories for the Federal buildings program of the General Services Administration in the fiscal year 1997 Treasury, postal appropriations bill.

The current security environment is uncertain and variable. Unforeseen circumstances, and events can radically change the requirements for security expenditures in real time and at a moment's notice as witnessed by recent tragic events in our Nation.

Current language in the Senate appropriations bill requires compliance with formal reprogramming processes in order to use funds for security purposes. While this requirement is an appropriate check on security expenditures, and I commend my colleagues for their swift action in this area in the past, I remain concerned that during a congressional recess, a delay in the implementation of reprogramming measures for security could impede actions necessary for the immediate protection of our Federal work force.

My amendment would allow GSA to use any funds previously appropriated for repairs and alterations and building operations and rental space to meet minimum standards for security upon notification of the Appropriations Committee of the House and Senate that such a determination had been made.

I would also request that should my amendment be agreed to, clarifying report language be added stating the following:

The Committee has included requested funding for security as a line item in both New Construction and Repairs and Alterations in addition to amounts requested in Basic Repairs. A provision authorizing the use of other repair funds has also been included to ensure that the GSA can respond quickly to safety and security requirements as they are identified. Safety and security concerns are to be addressed as a top priority in using capital funds provided in the bill.

As the chairman of the Subcommittee on Transportation and Infrastructure, with oversight responsibility over the General Services Administration, I have been pleased with GSA's actions to date in meeting an enhanced level of security at GSA controlled buildings and facilities. I would like to commend the Appropriations Committee for actions taken following the Oklahoma City bombing in the fiscal year 1995 legislation, continuing reprogramming efforts approved by both the authorizers and appropriators in fiscal year 1996, and now in the Treasury, postal appropriations bill that we have before us for fiscal year 1997.

I think that all of my colleagues would agree that in light of the new threatening environment we are under, resulting from incidents of domestic terrorism like the Oklahoma City bombing, providing a safe and secure environment for our Federal work forces and visitors to our Federal buildings should be the highest priority.

That is the intention of this amendment. I am pleased to learn from the distinguished manager, the Senator from Nebraska, it appears it is acceptable. And Senator SHELBY has, likewise, indicated that.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, both Senator SHELBY and I have looked at this amendment. We agree it is a good amendment. We appreciate the Senator from Virginia bringing it to our attention, and we are willing to accept it.

Mr. WARNER. Mr. President, I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5240) was agreed to.

Mr. WARNER. Thank you, Mr. President.

I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. 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.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the pending committee amendment, and the Kassebaum amendment thereto, be laid aside in status quo. In explanation of that unanimous consent request, Senator KASSEBAUM is, I believe, in a meeting having to do with the FDA reform. There has been a lot of discussion back and forth about how to handle these two amendments. The Senator from Oregon is here and is continuing to pursue his desire in this effort. He has been willing to have these set aside for now so we can take up other issues, and amendments can perhaps be agreed to, and perhaps other amendments can be debated and voted on, if necessary. We will continue to work to see how we can resolve that. I make that unanimous consent request.

Mr. WYDEN. Reserving the right to object, and I do not intend to object, I just want it understood that I have spent the last couple of hours trying to work, in a bipartisan way, to address this, to address the budgetary concerns. I want the majority leader, Senator LOTT, to understand that I have no interest in prolonging this. I do want to protect the rights of these vulnerable patients and get that done today. But I have no desire to prolong this.

Mr. President, we are going to continue, as the majority leader requested,

to work to try to fashion something that is acceptable. We thought we had something a minute ago, but, apparently, we have some more work to do.

With that, I withdraw my reservation. I appreciate the majority leader trying to help us by setting that aside.

Mr. LOTT. Mr. President, was that request agreed to?

The PRESIDING OFFICER. I thought the Senator from Alabama was rising to speak on the request.

Is there objection to the request?

Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I ask unanimous consent that the pending amendment be laid aside.

The PRESIDING OFFICER. That has been done.

AMENDMENT NO. 5224

(Purpose: To limit the use of funds to provide for Federal agencies to furnish commercially available property or services to other Federal agencies)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] proposes an amendment numbered 5224.

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

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

The amendment is as follows:

At the end of title VI add the following:

SEC. 646. (a) Except as provided in subsection (b), none of the funds appropriated by this or any other Act may be used by the Office of Management and Budget, or any other agency, to publish, promulgate, or enforce any policy, regulation, or circular, or any rule or authority in any other form, that would permit any Federal agency to provide a commercially available property or service to any other department or agency of government unless the policy, regulation, circular, or other rule or authority meets the requirements prescribed under subsection (b).

(b)(1) Not later than 120 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall prescribe regulations applicable to any policy regulation, circular, or other rule or authority referred to in subsection (a).

(2) The requirements prescribed under paragraph (1) shall include the following:

(A) A requirement for a comparison between the cost of providing the property or service concerned through the agency concerned and the cost of providing such property or service through the private sector.

(B) A requirement for cost and performance benchmarks relating to the property or service provided relative to comparable services provided by other government agencies and contractors in order to permit effective oversight of the cost and provision of such property or service by the agency concerned or the Office of Management and Budget.

AMENDMENT NO. 5224, AS MODIFIED

Mr. THOMAS. Mr. President, I send a modification of the amendment to the desk.

The PRESIDING OFFICER. The Senator has that right.

The amendment is so modified.

The amendment (No. 5224), as modified, is as follows:

At the end of title VI add the following:

SEC. 646. (a) Except as provided in subsection (b), none of the funds appropriated by this or any other Act may be used by the Office of Management and Budget, or any other agency, to publish, promulgate, or enforce any policy, regulation, or circular, or any rule or authority in any other form, that would permit any Federal agency to provide a commercially available property or service to any other department or agency of government unless the policy, regulation, circular, or other rule or authority meets the requirements prescribed under subsection (b).

(b)(1) Not later than 120 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall prescribe regulations applicable to any policy regulation, circular, or other rule or authority referred to in subsection (a).

(2) The requirements prescribed under paragraph (1) shall include the following:

(A) A requirement for a comparison between the cost of providing the property or service concerned through the agency concerned and the cost of providing such property or service through the private sector.

(B) A requirement for cost and performance benchmarks relating to the property or service provided relative to comparable services provided by other government agencies and contractors in order to permit effective oversight of the cost and provision of such property or service by the agency concerned or the Office of Management and Budget.

(C) The regulation would not apply to contingency operations associated with a national emergency.

Mr. THOMAS. Mr. President, I want to explain the amendment, if I may, and then ask that we have a vote on it. It has to do with the Federal Government's policy of more than 40 years that the Government should not compete with the private sector in areas in which the private sector can legitimately function. In fact, the Government should rely on the private sector to supply commercially available goods and services.

However, this policy is too often ignored. For example, the Defense Science Board calculates that out of 850,000 full-time positions needed to provide commercial services for the military, 640,000 are held by Federal employees rather than private sector personnel.

I want to go back and talk about commercial services, however, because the modification that I sent to the desk exempts emergencies and exempts factors that are not routinely commercial completely from the bill. There is a new administration policy that prompts this particular amendment.

OMB has come out with a policy that grandfathers existing Interservice Support Agreements from cost-comparison requirements. In other words, it says if you have had this kind of Interservice Support Agreement, it is not even necessary to inquire as to what the cost would be if, indeed, there would be savings in the private sector.

The Interservice Support Agreements permit one Federal agency to provide goods or services to another agency. This new policy gives agencies until October 1, 1997, to go out and recruit business from other agencies, without performing any cost analysis.

The administration implicitly argues that this entrepreneurial approach to Government will save the taxpayers money—and they don't even know what the cost comparisons are. Some examples of existing ISSAs are: Aerial photography, mapping services, laboratory services, printing services. Other specific examples are: A U.S. Geological Survey was hired by the Bureau of Reclamation to participate in the High Plains Groundwater Recharge Program. The project took twice as long and cost three times as much as the private sector standard.

In Jacksonville, FL, the Navy Public Works Division recently completed a state-of-the-art environmental lab to provide routine hazardous waste characterization. These services are already available from the private sector, and the Navy intends to offer these services now to other Government agencies.

Mr. President, this is not the concept that most of us have for Government. It is common sense, I think, that activities that are integral to Government, activities for emergencies, for defense, activities such as plane wrecks and all these things, those things, of course, are excluded under the bill. But when we are talking about routine services that can be provided commercially in the private sector, then they should be.

There are a few examples of direct Government competition with the private sector. So there is a new policy that encourages the Federal Government to compete with the private sector. I think that is philosophically wrong. Certainly, it hurts small business. There isn't even competition for projects —no public solicitation—the private sector never knows if there is a need that they could fulfill.

We did this, by the way, in the Wyoming legislature when I was there. We had a bill that said that in those areas where the function can be commercially carried out, there ought not to be competition by the Government, that there ought to be at least an analysis of the cost, and a fair analysis, so these things can be done, to the extent that it is possible, to save the taxpayers money and do it in the private sector. Numerous studies have shown that outsourcing can save the Government $9 billion to $10 billion annually.

Further, it seems to me that this process of having extra commercial activities carried on by Government agencies circumvents the appropriations process. If an agency is able to do the work for another agency, it is likely to have more resources and employees than it really needs to fulfill its primary mission. It may be wasting taxpayers' resources and may need to be cut back. If an agency appropriations is cut and it recruits business, it is circumventing the appropriations

process. The amendment that we have simply indicates that none of the dollars in this particular appropriations can be used unless, and the rule says:

A requirement for a comparison between the cost of providing the property or service concerned through the agency concerned and the cost of providing such property or service through the private sector.

It is very simple. It simply says that you have to take a look at letting the private sector do this and get the cost of that before one agency provides it to the Government sector for another agency.

I emphasize that we have been doing it for 40 years. This is a new OMB policy. It is a rule for the supplemental handbook. By the way, as to the handbook itself, I think we are going to hear—and we have heard from one agency, the Defense Department specifically—''Well, we will be curtailed on a number of these essential support emergency activities.''

Let me give you the modification first of all. It makes it clear that the amendment does not apply to national security. Furthermore, this OMB rule has an exemption. Nothing in this amendment would change advanced planning for contingencies; therefore, contingencies or emergencies, such as the Value Jet crash in the Everglades. There are two protections from that kind of thing. One is the rule itself, and the other as the amendment to this bill.

So it just seems to me that if you believe in the idea that the Government ought to be contained to those things that are uniquely Government activities and that beyond that we ought to go to the private sector, we have a broader bill that we have had for some time. We intended to have hearings on it. The hearings have been postponed twice—once at the request of the minority. So we have been prepared to have hearings on the broader bill. This one simply deals with the newest OMB supplemental handbook proposition. It says that you have to continue to do what you have been doing; and that is consider the cost of doing it in the private sector.

It is hard for me to imagine that anyone can object to the difficulty of doing things that can be done in the private sector, and doing them in the private sector if they are going to save us money. The idea that you can't do it in an emergency is not a valid one. It is not valid because of the handbook exemption. It is not valid because of the modification that we have put on the bill. This kind of thing, of course, simply expands Government.

I mentioned that we introduced S. 1724, the Freedom From Government Competition Act. It causes the Government to go outside. It causes OMB to study those things that are inherently governmental functions.

Senator STEVENS plans to hold a hearing on this bill in September. The Small Business Committee in the House has already held several hearings. But this is a smaller issue. While I am delighted that Senator STEVENS will be holding hearings on the broader bill, there is really no reason for small businesses to be caught under this Clinton administration ISSA policy, the Interservice Support Agreement policy. The amendment is very simple. It merely reaffirms existing law. It would prohibit the appropriation of funds of one agency to provide commercially available goods and services for another agency unless the cost comparison is done and more oversight is conducted on the agreement to provide more information about what we are doing. The amendment will create private-sector jobs, which is what we talk about all the time on both sides of the aisle. It will help small businesses. It will save taxpayer dollars and make Government smaller and more efficient.

Mr. President, the bottom line is we want Government to cost less. This is a way to do that.

So I urge my colleagues to support this amendment. It is a commonsense amendment, a good-government amendment, and a pro taxpayer reform amendment.

Mr. President, I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I would like to call up amendment No. 5237 and offer it as a second-degree amendment to the pending committee amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMS. Mr. President, this is a simple and straightforward amendment.

Mr. GLENN. I object.

The PRESIDING OFFICER. If the Senator will suspend. Is there objection?

Mr. GLENN. Mr. President, I object, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Minnesota has the floor. Is there objection to the unanimous-consent request?

Mr. GLENN. Yes. There is objection.

The PRESIDING OFFICER. Objection is heard.

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

The PRESIDING OFFICER. The Senator from Minnesota has the floor. The objection is heard. The Senator from Minnesota has the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GLENN. 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. GLENN. Mr. President, I must oppose the amendment offered by my colleague from Wyoming, Senator THOMAS. The amendment would require cost comparisons and cost and performance benchmarks before any Federal agency can provide any other Federal agency with property or services.

I am a very strong supporter of increasing the efficiency of Government. Much of my effort over the last few years has been devoted to exactly that—passing the Chief Financial Officer Act, expanding inspectors general, and with the new procurement legislation we passed that was the work of not only the White House in the last administration but this administration and our Governmental Affairs Committee, as well as people in the Pentagon. So we have a track record of working in these areas of increasing the efficiency of Government and along with it of having a greater reliance on the private sector which we have provided in some of the new procurement legislation for providing goods and services to the Government.

In spite of that, I have difficulty supporting this amendment. Its impact, I do not think, has been completely reviewed and I think it is unnecessary and perhaps too broad. Let me go into some of that in a little more detail.

First, I must oppose the amendment because a floor amendment on an appropriations bill does not provide an adequate opportunity in which to consider this far-reaching proposal, and it is, indeed, a far-reaching proposal. The Governmental Affairs Committee, as I think the proponent has already mentioned, actually has a hearing scheduled for next week, September 19, on Senator THOMAS' related bill, S. 1724. I know we have had several hearings put off, and I understand that, and I understand the frustrations of people when they do not get appropriate hearings in committee to go ahead and opt for direct floor action. But consideration in committee will consider that legislation that also addresses Government and private sector issues. Consideration by the committee with substantive jurisdiction is needed before this proposal should be considered on the Senate floor. To bring the amendment to the floor when the sponsor has a hearing in only 1 week before the appropriate committee I do not feel is the best way to proceed, the best informed way to proceed on this issue.

Second, it is my feeling, having been into some of these things over the last several years, the amendment is unnecessary. The economy act at section 1535 of title XXXI of the United States Code already requires that an agency head determine that goods or services cannot be provided as conveniently or cheaply by a commercial enterprise before going to another agency for those goods or services. The cost and performance requirement of the present amendment would on their face have basically the same result as the economy act.

The relation of the amendment to the current law is exactly the sort of

issue that should be discussed at a committee hearing. I think we also need to examine the relation of the OMB regulations required by the amendment to OMB's circular A–76 that currently governs agency cost comparisons with private sector goods and services. To accept an amendment in the Chamber that on its face largely duplicates existing law and regulation is not the best way to proceed.

This overlap also concerns me with regard to the franchise fund pilots created by the Government Management Reform Act, GMRA, of 1994, which is Public Law 103–356. That act was a bipartisan effort of the Governmental Affairs Committee, and it passed unanimously in the Senate. The GMRA, the Government Management Reform Act, franchise fund pilots open up competition between agency service providers and the private sector for common administrative services. This program uses basic market force principles to search for better, quicker, and cheaper services. OMB is currently overseeing this program, and we should not enact new legislation that would affect it until we hear from OMB as to how this competition project is working.

My third objection to the amendment is that it is too broad. For example, in its original version it had no exemption for national security emergencies or danger to public health or safety.

Let me say right there that we had a letter from the Under Secretary of the Navy, John Hamre, who is working in these areas of better efficiency over in the Defense Department, and he felt it really gave a lot of trouble in this particular area.

I ask unanimous consent that his letter be printed in the RECORD.

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

UNDER SECRETARY OF DEFENSE,
Washington DC, September 11, 1996.

Hon. RICHARD C. SHELBY,
Chairman, Subcommittee on Treasury, Postal Service and General Government, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I have just learned of an amendment that Senator Thomas is proposing to offer on the Appropriations Bill for the Treasury, Postal Service and General Government. The amendment would require that before one federal agency can provide a service to another agency a cost comparison for providing the service would have to be made between the private sector and the government agency.

I recognize that the motivations behind this amendment are very worthwhile. We should use the private sector as much as possible for providing services; however, the unintended consequences of this amendment would be devastating to many of the cross agency operations that are now being conducted.

In its current form, this amendment could cost lives and delay essential support that has to occur immediately in time of emergency. Had this amendment been in place in the past, the Department of Defense (DOD) could not have transported equipment and material immediately for such catastrophes as Hurricane Andrew, the Oklahoma City bombing, the search for survivors and aircraft parts following the explosion of TWA 800, and numerous earthquake, fire and flood demands that are placed on the Department. These are extensive inter-agency arrangements for DOD support in times of emergency that are totally undermined by this amendment.

I strongly urge you to defer action on the amendment being offered by Senator Thomas until you have had an opportunity to hold a hearing on the implications of the amendment. This proposal while well intended, has far reaching consequences which must be studied and understood.

JOHN J. HAMRE.

Mr. GLENN. I understand though that this will be modified to accommodate that problem. I have not seen the modification yet specifically, but I understand that Senator THOMAS has modified his amendment to address concerns raised by the Department of Defense concerning national emergencies and that was one of the problems. I understand the amendment will provide an exemption for national security contingencies. Maybe that will solve the problem, maybe it will not, but that is a concern about the amendment, and I think the scope of it is still unclear.

If enacted into law in its original version, the amendment would appear to prohibit, for instance, some other things, and I do not know whether these are covered under contingencies or not. It would appear to prohibit the CIA from contracting with NSA or DIA, the National Security Agency or the Defense Intelligence Agency, for classified goods or services—for example, a spy satellite or equipment—without performing cost comparisons and benchmarks. While OMB might try to provide for such exemptions in the regulations required by the amendment, the amendment, as I understood it, provides no limitations on its comprehensive scope.

I am also concerned about the amendment's references to ''enforcing any policy or any authority in any other form.'' I put that in quotes, concerned about the amendment's reference to ''enforcing any policy or any authority in any other form.''

I am not certain what this might include. It could be interpreted to cover the budget. It would seem even to cover apportionment of funds. After all, when OMB apportions funds, it conveys an authority to outlay funds. How would this impact on interagency activities? I am not sure. Maybe it would be good. Maybe it would be bad. But these terms do concern me. I do not believe we should enact into law such an overarching requirement, a very major piece of legislation, without careful consideration of its scope and necessary exemptions.

The broad language of the amendment might also cover FFRDC's. Many times agencies contract with another agency such as DOE for goods or services to be provided by FFRDC, and this arrangement would seem to be covered by the amendment. I do not believe the Senate has sufficiently considered this proposal in order to subject the National Labs, the Center for Naval Analysis, and other FFRDC's with the blanket requirements of this amendment, and they would be affected by it. They could not help but be affected by it.

Finally, I am concerned that there could be other situations that this amendment would needlessly burden with reporting and study requirements. There could be instances in which an agency contracts for goods or services that another agency procures from other sources, even the private sector. There are also revolving funds and many interagency reimbursable activities that would appear to be covered by the amendment. And to subject all such activities to the terms of this amendment, without certainty about the impact, concerns me very much.

Again, the sponsors of the amendment may hope that OMB will provide the right exemptions for the right cases. But the text of the amendment is very, very comprehensive. Again, this is just another reason why I think we should not enact into law legislative language of such broad scope—not today, anyway.

Next week, OMB's Deputy Director for Management, John Koskinen, will testify before the Governmental Affairs Committee on various OMB and other agency initiatives to increase agency reliance on the private sector. That is one of the subjects of the hearing, and to create incentives for agencies to search for more economical ways to procure goods and services. That hearing will be very informative as to this debate. It should include this amendment, and that is where I think we should consider this amendment, not here on the appropriations legislation.

So I think I do not see any problem with recommending to my colleagues, with something of this broad a scope—and this is not an insignificant amendment, this is a major step in whatever direction it would be leading and is very, very far-reaching—I think, to wait 1 week until the head of OMB can give his testimony and give his opinion on this and indicate to us how this would operate at the executive branch level. It seems to me, that is not a delay that is intolerable.

For these reasons, I urge my colleagues to oppose the amendment. I think it is very far-reaching. It is not an innocuous little amendment; it is one that is very far-reaching, and after we know the scope of it better, it might be something I could well support. But I would like to have Mr. Koskinen's testimony on it and have it before the committee so we could explore, in a little bit more detail, the ramifications of this or the implications of it before we vote on it in an appropriations bill acting on the floor today.

Mr. President, for all those reasons, I oppose the legislation and hope my colleagues support that position. I yield the floor.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Wyoming.

Mr. THOMAS. Mr. President, I appreciate the comments of my colleague from Ohio. Let me see if I cannot respond to some of them.

First of all, they talk about a hearing. We have delayed hearings twice now. We have asked for hearings, had them set up, they have been delayed—once at Senator GLENN's request. I think it is time we move forward with this proposition.

It is a narrow amendment. It is not a broad amendment. It is not a wide-reaching amendment. As a matter of fact, it deals only with circular No. A–76 and the language there where OMB has said, effective October 1997, ''The cost comparison requirements of this supplemental handbook will not apply to existing or renewed ISSA or consolidation of commercial services.''

This is not the broad bill that we have asked for a hearing on. It is not nearly as broad as I think it ought to be to effect this idea that we ought to be doing these things in the private sector. This notion that somehow we are going to get more efficiency out of doing it out of Government is one, I think, we have gotten long past. So we will be doing that, and we will be going further. This one only has to do with the changes that have been made by OMB.

The idea, of course, that it will affect the letter that the Senator read from the Department of Defense probably is not applicable in the first place. However, we have, in order to make sure that is not the case, amended and changed—modified the amendment with the language that ''the regulations would not apply to contingency operations associated with a national emergency.'' Clearly, I think that does that.

I want to interject here to ask unanimous consent that Senator STEVENS, the chairman of the Governmental Affairs Committee, and Senator FRAHM be added as cosponsors to this amendment.

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

Mr. THOMAS. The idea that is far-sweeping and far-ranging is that this has been in place for all these years until now. OMB simply changed it. It puts it back where it was, before OMB changed this. So the idea that it is an unknown is simply not true. It is simply not the case. It simply says to OMB, you cannot enforce these new rules that you put out that have changed what we have been doing now forever. So that is really what it amounts to.

I think it is very important that we move on these. We have had some other debates today about whether there have been hearings or whether there have not been hearings. It depends on which side you are on as to whether that is important. But the fact is, this is a relatively minor change and one that simply puts us back to where it is. If, in the hearings that subsequently occur, there is evidence that the OMB change is appropriate, then I urge the committee to authorize, in committee, them to do that. In the meantime, I think we ought not remove the requirements, the simple requirements that if you are going to offer a service to another agency—not services for yourself, offer them for another agency, which is a growing tendency within Government—that, first of all, you have to consider the outrageous notion of seeing if there is an alternative that is less expensive. That is really not very difficult. It is really not a new idea. Most people who do significant work contracting try to get more than one idea of what it costs. That is what we are talking about here.

As a matter of fact, I mentioned the idea that the statute on efficiency continues to exist. The problem is OMB is not abiding by it. That is the problem. It does continue to exist. It does say, yet, in the statute, that we ought to be doing this stuff in the private sector. The problem is, it is not being adhered to. The procurement act provides that an agency ''can provide another agency with goods and services if the goods and services cannot be provided by contract as conveniently or cheaply as a commercial enterprise.'' That is the law, but the rule negates that. That is what we are talking about. It is not a widespread change, not an unknown. It simply says we ought to go by what it says in the economy act, and not change it by OMB.

So, I suppose if we are going to deal with a broader bill, which I hope we do—I hope we make some conversions more to private sector use—then I agree we ought to take a look at it in the committee. This part of it, however, simply says, live under the law. It simply says, do not change the law. Go ahead and ask that, when you want to provide services to another agency, that the private sector ought to be examined first to see if, indeed, that is a more efficient and more effective way to provide those services.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment, there is not a sufficient second.

Mr. THOMAS. We will ask when there are more people here.

Mr. LOTT. Mr. President, will the distinguished Senator from Wyoming yield?

Mr. THOMAS. Yes, I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, after consultation with the Democratic leader and with the hope we can get a finite list and begin to work through these amendments, as we have done over the past couple of weeks, so we can get an agreement on amendments that we must, in fact, have votes on, I ask unanimous consent that the following be the only first-degree amendments remaining in order to the Treasury-Postal Service appropriations bill; that they be subject to second-degree amendments which are relevant to the first-degree amendment; that they may be offered in the first degree or in the second degree to a committee amendment; that the committee amendments be subject to second-degree amendments which are either on the list or relevant to an amendment on the list, if that amendment has been offered to the committee amendment; that no motions to recommit be in order and that upon the disposition of these amendments and the committee amendments the bill be read for a third time.

Mr. President, I submit for the RECORD the list. It is at the desk. The distinguished Democratic leader has a copy of this list.

The list is as follows:

REPUBLICAN AMENDMENTS TO H.R. 3756, THE TREASURY-POSTAL APPROPRIATIONS BILL

Abraham—Relevant.
Shelby—Managers amendments.
Shelby—Authority for GSA to work with Smithsonian to determine office space.
Stevens—Relevant.
Stevens—(1) Allow ACIR to use non-appropriated funds; (2) IRS commission.
Stevens—(1) Kodiak, Alaska Port of Entry Designation; (2) FOIA/privacy.
Grassley—Add $28 million to USCS; REDUCE TSM.
Inhofe—Strike Section 404(FPS position repeal).
Thomas—Inter-service Support Agreement.
Hatfield—Localflex pilot program.
Hatfield—Provide $1,450,000 for renovation of Pioneer Courthouse in Portland, Oregon.
Faircloth—(1) Prohibit IRS from using color printing except when describing tax law changes; (2) Social Security Administration.
Helms—Health care provider incentive plans.
Brown—Financial Management Bill.
Grams—Improve IRS telephone service.
Hutchison—Border Stations.
Kassebaum—(1) Job Training; (2) Relevant.
Lott—(1) Education; Relevant.
Lott—(1) Terrorism; Relevant.
Lott—(1) Drugs; Relevant.
Lott—(1) IRS; Relevant.
Nickles—re: Welfare.
Nickles—Workers rights.
Nickles—Presidential imunities.
Nickles—Relevant.
Hatch—Relevant.
Hatch—Relevant.
McCain—HIDTA Funding.
McCain—Federal overtime pay.
McCain—Udall Foundation.
McCain—Relevant.
Jeffords—Relevant.
Domenici—Relevant.
Ashcroft—Working flexibility.
Ashcroft—Relevant.
Thomas—Limit fund for Fed. Agencies to furnish commercially available services to other Fed. Agencies.
Coverdell—Relevant.
Coverdell—Relevant.
Gramm—Border stations.
Thompson—GSA telephone pilot project.
D'Amato—TWA crash.
D'Amato—Commemorative coin.
Warner—GSA building security.
Inhofe—Sec. 404.
Lott—Relevant.
Lott—Relevant.

TPO AMENDMENTS

Biden—(1) Drugs; (2) Drugs.

Bingaman—Energy savings.
Boxer—(1) Junk guns; (2) Pensions.
Bryan—(1) COLA for judges; (2) White House Travel (w/Levin/Reid); (3) Congressional pension.
Byrd—(1) Telecommuting center/W.VA; (2) Relevant.
Daschle—(1) Congressional employees health insurance; (2) Education; (3) Arson & Explosive repository; (4) Relevant; (5) Relevant; (6) Presidential immunities; (7) Welfare.
Dorgan—Indian Housing.
Feingold—Committee amdt p 129.
Feinstein—(1) Hate crimes (w/Wyden); (2) Relevant; (3) Tagents.
Graham—(1) Medicare receipts using emergency care; (2) Welfare formula fairness.
Hollings—Death benefits.
Kennedy—(1) Physicians gag (w/Wyden); (2) Education; (3) Workers protection; (4) Legal services.
Kerrey—(1) Managers package; (2) IRS review; (3) Relevant.
Kerry-Feinstein—(1) Relevant; (2) Tagents.
Kohl—Gun free school zones.
Lautenberg—Domestic abusers guns.
Levin—(1) White House travel (w/Reid); (2) SoS U.S./Japan auto.
Moseley-Braun—Age discrimination.
Reid—(1) White House Travel (w/Levin); (2) Judges' pay.
Simon—(1) Desalinization; (2) Pension auditing.
Wyden—Physician's gag (W/Kennedy).

Mr. LOTT. Mr. President, I would like to say right here that if there are any additions made to this list, it will be only after consultation and agreement between the two leaders.

That is the request.

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

Mr. LOTT. Mr. President, I thank the leader for his cooperation. It is a rather lengthy list, unfortunately, but now we have, at least, a list we can work on. Hopefully, we will both be able to work through getting these amendments removed if they are not really relevant to this bill.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, let me just say, the majority leader and I have had the opportunity in the last couple hours to talk to our Members and to urge their cooperation in coming forth with prospective amendments. I would emphasize that they are prospective. I hope that in many cases Senators would not feel compelled to offer them. Our hope is that we can resolve this bill some time in the not-too-distant future.

I hope that all of our colleagues can work with us to limit the list of amendments, to limit the debate on the amendments, once they are called up, and to see if we cannot complete our work. I have asked Members of our leadership to work with our caucus in order to put this list together now in a realistic fashion. And I hope that only in those cases where Senators truly felt that it was essential that the amendment be offered on this bill, that it be done so.

So I am urging cooperation, in concert with the majority leader, in the hope that we can come to some completion successfully on this bill some time in the not-too-distant future.

Mr. LOTT. Mr. President, did we get unanimous consent agreement on that?

The PRESIDING OFFICER. Yes.

UNANIMOUS CONSENT AGREEMENT—H.R. 3662

Mr. LOTT. Mr. President, I have another one. Showing full faith and effort to be accommodating to the Senators, and to get agreements that they really desire, I ask unanimous consent that during the Senate's consideration of the Interior appropriations bill, that it not be in order to consider any amendment relative to Ward Valley prior to Tuesday, September 17, 1996. This has been requested by the Senator from California, Senator BOXER. We would like to accommodate that request.

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

Mr. LOTT. Mr. President, I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

Mr. THOMAS. I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk continued to call the roll.

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

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

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

AMENDMENT NO. 5224, AS MODIFIED

Mr. GLENN. Mr. President, it is my understanding we will each use about 5 minutes, and then I think the two leaders want to propose a unanimous-consent request after that. So if we can proceed on that basis, would that be satisfactory with my colleague?

Mr. THOMAS. That is fine.

Mr. GLENN. I ask unanimous consent that we have 5 minutes on a side to wrap this up, and then we will probably go to a vote after that.

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

Mr. GLENN. Mr. President, I want to respond briefly to the comments my colleague made a moment ago. This is a broad act. He said the Economy Act of 1982 is really not working and that is one reason we are putting this in. I don't like putting other legislation that might not work on top of legislation he says is already not working. Let's make work the legislation that is in law now. I am all for that.

Basically, it does what we are proposing here. In fact, I have a copy of that Economy Act of 1982 here, and one of the things provided under section 1335 under ''agency agreements,'' part 4 of paragraph (A) says: ''The head of the agency decides ordered goods or services cannot be provided as conveniently or cheaply by a commercial enterprise already required.''

I agree that should be lived up to. So then we come in with the legislation that my colleague and friend, Senator THOMAS, says is not as broad as I am interpreting it to be, and yet the words in it say that ''except as provided in subsection (B)''—which I will get to in a moment—''none of the funds appropriated under any other act may be used by OMB or any other agency to publish, promulgate or enforce any policy, regulation, circular or any rule or authority in any other form that would permit any Federal agency to provide a commercially available property or service to any other Department of Government unless the policy, regulation, circular or other rule meets the requirements in subsection (B).''

Subsection (B) says 120 days after this OMB will prescribe regulations as required, subject to the following, which shall include the following: A requirement for comparison between the costs of providing the property or service concerned through the agency concerned and the cost of providing such property or service through the private sector.

That is a mammoth requirement for any law or regulation to come out under. The (B) part of that, which is the last part, is a requirement for cost and performance benchmarks relating to the property or service provided relative to comparable services provided by other Government agencies and contractors permitting the oversight of this—and so on—agency concerned with the Office of Management and Budget.

That is a very, very broad-reaching, extremely broad-reaching, amendment.

I would say it is true, it is already covered under the Economy Act of 1982, as I quoted just a moment ago, and the best thing I would advise is we bring this to the attention of Mr. Koskinen, who is going to appear before the committee next week, that we ask his opinion about how broad-gauged this is and why he is not already enforcing the Economy Act of 1982. That is the way to proceed, as I see it, in good Government, not just to automatically pass something that does the same thing that is not being adhered to in earlier legislation.

Mr. President, I suggest we have that as our method of procedure. I am all for efficiency in Government, but I am not just for passing one law and covering up deficiencies in carrying out a law that is already on the books and should be adhered to.

I reserve the remainder of my time. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 1½ minutes remaining.

Mr. DASCHLE. Mr. President, I think for the interest of Senators, as I understand it, we are about to have a vote. Does the Senator from Wyoming know approximately what length of additional time he will need to complete his remarks?

Mr. THOMAS. I believe I probably have about 2 minutes, and Senator GLENN has 1½ minutes. So I would guess less than 5 minutes.

Mr. DASCHLE. Mr. President, I ask unanimous consent, assuming that is agreeable to the majority leader, to have the vote on the amendment offered by the Senator from Wyoming no later than 6:20.

Mr. THOMAS. It is fine with me.

Mr. GLENN. That will be fine.

Mr. LOTT. Mr. President, if that request was not made, I enter that request now. I ask unanimous consent that we have that vote not later than 6:20, and before if all time is yielded back.

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

The PRESIDING OFFICER. The Senator from Wyoming has 2 minutes 5 seconds remaining.

Mr. THOMAS. Mr. President, I would agree with the Senator if what he is saying were the case, and I think it is not. We have indicated that the statute requires under the Efficiency Act what we are asking here: that there be this effort to communicate in the private sector and measure that cost.

The problem is this one right here. This is March 1996, called the ''Revised Supplemental Handbook, Performance of Commercial Activities, Executive Office of the President, Office of Management and Budget.'' It says:

> The cost comparison requirements of this supplemental handbook will not apply to existing or renewed ISSA's or the consolidation of commercial services.

So it is not just a function of the law not being lived up to but, in fact, is a change that has been put in place by OMB. So that is what we are seeking to do. We are not seeking to change the law. We are not seeking to change the basic operation of this statute, but we are saying that there are changes made by Executive order which remove that requirement that those activities that are being carried on by one agency for another, not the activities for themselves, one agency for another, that the requirement continue to exist as it has in the past, that we see if there are commercial activities available at a lesser, more efficient cost.

This is simply an effort to put back in place the requirement that has been in place for a very long time, that for the activities that are acquired from another agency within Government, that there be an effort to determine if it can be done more cheaply, more efficiently in the private sector.

This is not a new idea. This is an idea that now exists in law but has been taken out of the law by OMB. This would put it back. It is not broad. I hope very much that the Senator from Ohio, and his committee, will take a look at this whole broad thing. But in the meantime, I think we need to return where we were so that private industry can be part of this idea.

We have used it for a very long time. It has to do with being more efficient. It has to do with good Government. It has to do with strengthening the private sector. I certainly urge my colleagues to vote aye.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I yield back the balance of my time, and assume my colleague does.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERRY. Mr. President, I ask unanimous consent to add Senator MCCONNELL as a cosponsor to amendment No. 5232.

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

The question occurs on agreeing to amendment No. 5224, as modified, offered by the Senator from Wyoming. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Delaware [Mr. ROTH] is necessarily absent.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of family illness.

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

The result was announced—yeas 59, nays 39, as follows:

[Rollcall Vote No. 285 Leg.]

YEAS—59

Abraham	Faircloth	Lott
Ashcroft	Feinstein	Lugar
Baucus	Frahm	Mack
Bennett	Frist	McCain
Biden	Gorton	McConnell
Bond	Graham	Murkowski
Bradley	Gramm	Nickles
Breaux	Grams	Pressler
Brown	Grassley	Santorum
Burns	Gregg	Shelby
Campbell	Hatch	Simpson
Chafee	Hatfield	Smith
Coats	Helms	Snowe
Cochran	Hutchison	Specter
Cohen	Inhofe	Stevens
Coverdell	Jeffords	Thomas
Craig	Kassebaum	Thompson
D'Amato	Kempthorne	Thurmond
DeWine	Kohl	Warner
Domenici	Kyl	

NAYS—39

Akaka	Bumpers	Dodd
Bingaman	Byrd	Dorgan
Boxer	Conrad	Exon
Bryan	Daschle	Feingold
Ford	Kerry	Nunn
Glenn	Lautenberg	Pell
Harkin	Leahy	Reid
Heflin	Levin	Robb
Hollings	Lieberman	Rockefeller
Inouye	Mikulski	Sarbanes
Johnston	Moseley-Braun	Simon
Kennedy	Moynihan	Wellstone
Kerrey	Murray	Wyden

NOT VOTING—2

Pryor	Roth

The amendment (No. 5224), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SHELBY. 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. SHELBY. 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. SHELBY. I ask unanimous consent that the pending committee amendments be temporarily laid aside.

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

AMENDMENTS NOS. 5249 THROUGH AMENDMENT NO. 5255, EN BLOC

Mr. SHELBY. Mr. President, I send a group of amendments, en bloc, to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Alabama [Mr. SHELBY] proposes amendments, en bloc, numbered 5249 through amendment No. 5255.

Mr. SHELBY. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 5249

(Purpose: To provide for the Advisory Commission on Intergovernmental Affairs to continue operations)

Page 93 after line 19 insert the following new section:

SEC. . Notwithstanding the provision under the heading ''ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS'' under title IV of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (Public Law 104–52; 109 Stat. 480), the Advisory Commission on Intergovernmental Relations may continue in existence during fiscal year 1997 and each fiscal year thereafter.

AMENDMENT NO. 5250

(Purpose: To strike section 404)

On page 60, line 19 strike all through line 21.

AMENDMENT NO. 5251

(Purpose: To provide for an audit by Inspector Generals of administratively uncontrollable overtime practices, to revise guidelines for such practices, and for other purposes)

At the appropriate place in the bill, insert the following new section:

SEC. . (a) No later than 45 days after the date of the enactment of this Act, the Inspector General of each Federal department or agency that uses administratively uncontrollable overtime in the pay of any employee shall—

(1) conduct an audit on the use of administratively uncontrollable overtime by employees of such department or agency, which shall include—

(A) an examination of the policies, extent, costs, and other relevant aspects of the use of administratively uncontrollable overtime at the department or agency; and

(B) a determination of whether the eligibility criteria of the department or agency and payment of administratively uncontrollable overtime comply with Federal statutory and regulatory requirements; and

(2) submit a report of the findings and conclusions of such audit to—

(A) the Office of Personnel Management;

(B) the Governmental Affairs Committee of the Senate; and

(C) the Government Reform and Oversight Committee of the House of Representatives.

(b) No later than 30 days after the submission of the report under subsection (a), the Office of Personnel Management shall issue revised guidelines to all Federal departments and agencies that—

(1) limit the use of administratively uncontrollable overtime to employees meeting the statutory intent of section 5545(c)(2) of title 5, United States Code; and

(2) expressly prohibit the use of administratively uncontrollable overtime for—

(A) customary or routine work duties; and

(B) work duties that are primarily administrative in nature, or occur in noncompelling circumstances.

Mr. MCCAIN. Mr. President, this amendment will address the abuses of Administratively Uncontrolled Overtime—AUO—throughout the Federal Government.

The costs to taxpayers of AUO misuse, estimated at $323 million at a single Federal agency since 1990, are significant. With improper oversight, AUO is likely to be costing the Treasury tens of millions of dollars a year. This amendment will empower the Office of Personnel Management [OPM] to stop these abuses.

First, it directs the Inspector General [IG] of each agency that utilizes AUO to audit its use and cost. The findings of these audits must be reported to the Congress and the Office of Personnel Management within 45 days.

Second, OPM shall review these IG audits, and issue revised guidelines to the respective agencies to limit the use of AUO to its statutory intent. These strengthened guidelines shall prohibit the use of AUO for routine or inappropriate work duties.

The amendment directs OPM to issue these new guidelines, to prevent the ongoing misuse of AUO, within 30 days of receiving the Inspector General audits.

For my colleagues who, like myself, have not been acutely aware of the details and minutiae of Federal overtime policies, let me briefly describe AUO and how it can readily be fixed on behalf of taxpayers in this appropriations bill.

''Administratively Uncontrolled Overtime'' was authorized by Congress to pay overtime to law enforcement officers for vital investigative duties that require them to work irregular and unscheduled hours—pursuing suspects, undercover work, special investigative operations, et cetera. That makes sense. Agency regulations stipulate that AUO should be reserved for work duties that are ''compelling'' and where it would be negligent for officers to stop their enforcement actions.

What has been going on, however, for too many of the 6,300 employees receiving AUO, is that it has turned into a unjustified salary and retirement supplement for the most routine work duties imaginable. And that makes no sense whatsoever for taxpayers.

I'd like to describe the abuses of AUO that occurred in a single Federal agency in my State, as revealed by a selfless Federal employee who stood much to lose by uncovering this waste.

One Immigration and Naturalization Service [INS] officer in Arizona reported that every single officer and supervisor at his facility was receiving the maximum AUO possible, despite the fact that ''In two years . . . not one legitimately qualifying AUO hour has been worked in my department.''

Mr. President, somehow those duties don't sound like ''hot pursuit'' to me. They certainly are necessary, but they do not meet the statutory criteria for AUO. This is not an isolated problem of mere local concern. Both the Inspector General and the INS's top policymakers have recognized this ongoing abuse of AUO.

The INS investigated the use of AUO at a detention facility in Arizona and found that: ''None of the work performed [in Florence] met the criteria for AUO, because the overtime hours could be administratively controlled.''

The Inspector General at the Department of Justice then further investigated this INS facility, and the IG's findings provide the perfect rationale for this amendment. The IG stated that ''[W]e encountered no information [at the INS detention center] to demonstrate efforts to follow up on or implement'' the INS's own recommendations.

The IG recommended that ''The issue of AUO needs to be systematically addressed.'' That is exactly what this amendment would accomplish.

I would like to add that ''Citizens Against Government Waste'' have endorsed this amendment, and I urge my colleagues to support it.

I ask unanimous consent that some accompanying material be printed in the RECORD.

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

[From the Washington Post, Sept. 11, 1996]

INS ACCUSED OF TOLERATING CITIZENSHIP TESTING FRAUD

(By William Branigin)

The Immigration and Naturalization Service came under fire yesterday from congressional Republicans over allegations of fraud in the testing of new citizenship applicants and the payment of millions of dollars in overtime to federal law enforcement officers.

In a hearing of the House Government Reform and Oversight subcommittee on national security Republican members assailed what they described as a ''controversial Clinton administration program,'' called Citizenship USA, that has streamlined naturalization procedures and helped produce record numbers of new citizens this year.

Rep. Mark Edward Souder (R–Ind.) charged that a program in which the INS licenses private organizations to test applicants on U.S. civics and English proficiency has led to ''serious instances of testing fraud in the citizenship process.'' He said the INS ''has done a very poor job of * * * cracking down on testing fraud'' and suggested that the Clinton administration is pushing naturalization as part of a plan to enlist large numbers of new Democratic voters in time for the November elections.

T. Alexander Aleinikoff, executive associate commissioner of the INS for programs, rejected those charges. He said the agency has tightened monitoring of the privatized testing, which began under the previous Republican administration, and defended the Citizenship USA program as a needed response to an upsurge of applicants that threatened to overwhelm the naturalization system.

While Republicans see politics behind the processing of this year's record 1 million-plus citizenship applicants, administration officials regard the subcommittee's investigation itself as politically motivated.

Among the witnesses at yesterday's hearing was Jewell Elghazali, who formerly worked in Dallas for Naturalization Assistance Services, Inc., one of six entities authorized by INS to test immigrants on civics and English as part of the naturalization process.

''There is a lot of fraud going on'' in the programs, she testified. When she alerted a superior in the company to indications of cheating on tests administered by affiliates, she was fired, she said.

Elghazali said that in grading tests during her five months at the firm, she found numerous cases in which the written answers of different applicants were in the same handwriting and responses to multi-choice questions—including wrong answers—were identical. She said that in many cases, applicants who had passed the test could not speak English when they called to inquire about the results. Some Spanish speakers became irate when there was no one in the office who could respond to them in their native language, she said.

Paul W. Roberts, the chief executive officer of Naturalization Assistance Services, told the subcommittee that the firm has ''acted swiftly to revoke all licensees discovered engaging in improprieties.'' He said the for-profit company has shut down 43 of its test sites as a result of its own monitoring and argued that, in any case, passing the standardized test does not automatically guarantee citizenship for an applicant, who must still pass an interview with an INS examiner.

INS Commissioner Doris M. Meissner acknowledged that ''there have been problems'' with the company, which has been warned that it faces suspension unless cleared by an INS review. ''If we need to suspend them, we will,'' she said. But she insisted that ''there is no validity to the notion that people are becoming citizens today who would not have 10 years ago'' because of a lowering of standards. She said citizenship requirements have remained unchanged.

In a separate news conference yesterday, Sen. John McCain (R–Ariz.) called for a congressional investigation into alleged abuses

by the INS and other government agencies of a type of overtime pay. He cited a report by a watchdog group, Citizens Against Government Waste, that the INS has spent $323 million on ''administratively uncontrollable overtime'' since 1990, much of it in violation of regulations.

The overtime pay, amounting to as much as 25 percent of many employees' salaries, has become an ''entitlement program'' that wastes tens of millions of dollars a year, the watchdog group charged.

While the overtime is supposed to compensate law enforcement officers for working long hours on investigations or surveillance, it has been used routinely to pay for mundane duties such as delivering mail, guarding prisoners during meal times and substituting for absent employees, the citizens group charged. Besides the INS, ''administratively uncontrollable overtime'' has been used in the departments of justice, defense, interior and agriculture, the group said.

Meissner said that in principle, the overtime category ''is a very good deal for the taxpayers.'' But she conceded that there has been a tendency to misuse it as ''an ongoing bonus'' and vowed renewed efforts to ensure it is properly managed.

[From the Tribune, Sept. 2, 1996]

INS TO REVIEW OVERTIME POLICIES AFTER CHARGES OF ABUSE

(By the Associated Press)

FLORENCE.—The Immigration and Naturalization Service will review its policies for filing overtime after government and civic groups showed it improperly spent millions of dollars on overtime.

The agency's decision followed criticism by U.S. Sen. John McCain and a citizens watchdog group, which released a report last week estimating that the INS office here spent $60 million on overtime last year alone.

The extra payments allow officers to pad their pensions and up their salaries by as much as 25 percent, according to the Citizens Against Government Waste.

At issue is special pay called Administratively Uncontrollable Overtime (AUO). The fund was created to compensate federal officers for duties that require irregular hours, such as surveillance or undercover work.

Federal rules say such overtime can be used only for ''uncontrollable'' overtime—work that can't be regulated or routinely scheduled by supervisors.

According to government reports, the INS managers in Florence are using the fund for day-to-day duties, such as delivering mail, guarding prisoners during meals, going to court and filling in for absent employees.

Documents obtained by The Arizona Republic show a 1995 INS probe and another in April 1996 by the Justice Department's Office of the Inspector General concluded the practice being abused.

''None of the work performed in Florence met the criteria for AUO because the overtime hours could be administratively controlled,'' the 1995 INS report said.

Virginia Kice, spokeswoman for the INS Western Region, said the agency is aware of the concerns and is conducting a review of the policy.

''We want to be sure that whatever we do is not only appropriate, that it's prudent, it's responsible and it won't have a negative impact on our enforcement operation,'' she said.

According to John Raidt, McCain's legislative director, such abuse is likely rampant in government agencies. The special overtime is available for employees of at least four agencies: the Justice Department, which includes INS; the Defense Department; the Department of Interior; and the Department of Agriculture.

McCain plans to amend a Senate appropriations bill to place tighter restrictions on such overtime and will ask for hearings this fall before the Senate Governmental Affairs Committee, Raidt said.

Critics say INS supervisors have an incentive to keep paying the special overtime. If managers supervise employees who qualify for the extra pay, then the managers also qualify for the money, according to federal guidelines.

Amendment No. 5252

At the appropriate place, insert the following:

SEC. . Notwithstanding section 8116 of title 5, United States Code, and in addition to any payment made under 5 U.S.C. 8101 et seq., beginning in fiscal year 1997 and thereafter, the head of any department or agency is authorized to pay from appropriations made available to the department or agency a death gratuity to the personal representative (as that term is defined by applicable law) of a civilian employee of that department or agency whose death resulted from an injury sustained in the line of duty on or after August 2, 1990: *Provided*, That payments made pursuant to this section, in combination with the payments made pursuant to sections 8133(f) and 8134(a) of such title 5 and section 312 of Public Law 103–332 (108 Stat. 2537), may not exceed a total of $10,000 per employee.

Mr. HOLLINGS. Mr. President, my amendment is quite simple. It increases the reimbursement for funeral and burial costs and specific related expenses to $10,000 for Federal civilian employees who die as result of injuries sustained in the performance of duty. This amendment would apply to the dedicated civil servants who were tragically killed in the line of duty while accompanying Commerce Secretary Ron Brown on his trade mission to Bosnia and Croatia. And it would apply to the survivors of those Federal civilian employees who died during the bombing of the Murrah Building in Oklahoma City.

Under current law, Federal civilian employees who die in the performance of duty receive only a $1,000 reimbursement for funeral and burial costs, and related expenses. This amount was set in 1960, and it has not been adjusted since that time.

This is not the case for military personnel. In 1990, at the beginning of the gulf war, Congress increased death-related benefits for the survivors of the military personnel killed in the line of duty. Military survivors are currently provided slightly more than $10,000 for funeral and burial costs.

My amendment recognizes that civilian employees are no less dedicated and they are all too often called upon to make the ultimate sacrifice in the service of the United States. Further, I should note that this amendment does not require additional appropriations. It provides the discretion to agency heads to pay these increased benefits from existing appropriations.

Mr. President, in short, this amendment provides for equity and updates current law. This is a good amendment that I believe all my colleagues should support.

I urge its adoption.

AMENDMENT NO. 5253

(Purpose: To provide for training of explosive detection canines)

At the appropriate place in the bill insert the following new section:

SEC. . EXPLOSIVES DETECTION CANINE PROGRAM.

(a) AUTHORIZATION.—

(1) The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by federal agencies, or other agencies providing explosives detection services at airports in the United States.

(2) The Secretary of the Treasury shall establish an explosives detection canine training program for the training of canines for explosives detection at airports in the United States.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

AMENDMENT NO. 5254

At the appropriate place in the bill, insert the following:

SEC. . DESIGNATION OF MARK O. HATFIELD UNITED STATES COURTHOUSE.

The United States Courthouse under construction at 1030 Southwest 3d Avenue in Portland, Oregon, shall be known and designated as the ''Mark O. Hatfield United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the courthouse referred to in section 1 shall be deemed to be a reference to the ''Mark O. Hatfield United States Courthouse''.

SEC. 3. EFFECTIVE DATE.

This section shall take effect on January 2, 1997.

AMENDMENT NO. 5255

(Purpose: To provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, and for other purposes)

At the end of the bill, add the following new title:

TITLE ____—FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT

SEC. ____01. SHORT TITLE.

This title may be cited as the ''Federal Financial Management Improvement Act of 1996''.

SEC. ____02. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, Federal accounting standards have not been uniformly implemented in financial management systems for agencies.

(2) Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to—

(A) identify costs fully;

(B) reflect the total liabilities of congressional actions; and

(C) accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not accurately report financial results of the Federal Government or the full costs of programs and activities. The continued use of

these practices undermines the Government's ability to provide credible and reliable financial data and encourages already widespread Government waste, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in the Federal Government undermine the confidence of the American people in the Government and reduce the Federal Government's ability to address vital public needs adequately.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, agencies must incorporate accounting standards and reporting objectives established for the Federal Government into their financial management systems so that all the assets and liabilities, revenues, and expenditures or expenses, and the full costs of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout the Federal Government.

(6) Since its establishment in October 1990, the Federal Accounting Standards Advisory Board (hereinafter referred to as the ''FASAB'') has made substantial progress toward developing and recommending a comprehensive set of accounting concepts and standards for the Federal Government. When the accounting concepts and standards developed by FASAB are incorporated into Federal financial management systems, agencies will be able to provide cost and financial information that will assist the Congress and financial managers to evaluate the cost and performance of Federal programs and activities, and will therefore provide important information that has been lacking, but is needed for improved decisionmaking by financial managers and the Congress.

(7) The development of financial management systems with the capacity to support these standards and concepts will, over the long term, improve Federal financial management.

(b) PURPOSES.—The purposes of this title are to—

(1) provide for consistency of accounting by an agency from one fiscal year to the next, and uniform accounting standards throughout the Federal Government;

(2) require Federal financial management systems to support full disclosure of Federal financial data, including the full costs of Federal programs and activities, to the citizens, the Congress, the President, and agency management, so that programs and activities can be considered based on their full costs and merits;

(3) increase the accountability and credibility of Federal financial management;

(4) improve performance, productivity and efficiency of Federal Government financial management;

(5) establish financial management systems to support controlling the cost of Federal Government;

(6) build upon and complement the Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838), the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285), and the Government Management Reform Act of 1994 (Public Law 103–356; 108 Stat. 3410); and

(7) increase the capability of agencies to monitor execution of the budget by more readily permitting reports that compare spending of resources to results of activities.

SEC. ___03. IMPLEMENTATION OF FEDERAL FINANCIAL MANAGEMENT IMPROVEMENTS.

(a) IN GENERAL.—Each agency shall implement and maintain financial management systems that comply with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

(b) PRIORITY.—Each agency shall give priority in funding and provide sufficient resources to implement this title.

(c) AUDIT COMPLIANCE FINDING.—

(1) IN GENERAL.—Each audit required by section 3521(e) of title 31, United States Code, shall report whether the agency financial management systems comply with the requirements of subsection (a).

(2) CONTENT OF REPORTS.—When the person performing the audit required by section 3521(e) of title 31, United States Code, reports that the agency financial management systems do not comply with the requirements of subsection (a), the person performing the audit shall include in the report on the audit—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) all facts pertaining to the failure to comply with the requirements of subsection (a), including—

(i) the nature and extent of the noncompliance;

(ii) the primary reason or cause of the noncompliance;

(iii) any official responsible for the noncompliance; and

(iv) any relevant comments from any responsible officer or employee; and

(C) a statement with respect to the recommended remedial actions and the timeframes to implement such actions.

(d) COMPLIANCE DETERMINATION.—

(1) IN GENERAL.—No later than the date described under paragraph (2), the Director, acting through the Controller of the Office of Federal Financial Management, shall determine whether the financial management systems of an agency comply with the requirements of subsection (a). Such determination shall be based on—

(A) a review of the report on the applicable agency-wide audited financial statement;

(B) the agency comments on such report; and

(C) any other information the Director considers relevant and appropriate.

(2) DATE OF DETERMINATION.—The determination under paragraph (1) shall be made no later than 90 days after the earlier of—

(A) the date of the receipt of an agency-wide audited financial statement; or

(B) the last day of the fiscal year following the year covered by such statement.

(e) COMPLIANCE IMPLEMENTATION.—

(1) IN GENERAL.—If the Director determines that the financial management systems of an agency do not comply with the requirements of subsection (a), the head of the agency, in consultation with the Director, shall establish a remediation plan that shall include the resources, remedies, and intermediate target dates necessary to bring the agency's financial management systems into compliance.

(2) TIME PERIOD FOR COMPLIANCE.—A remediation plan shall bring the agency's financial management systems into compliance no later than 2 years after the date on which the Director makes a determination under paragraph (1), unless the agency, with concurrence of the Director—

(A) determines that the agency's financial management systems are so deficient as to preclude compliance with the requirements of subsection (a) within 2 years;

(B) specifies the most feasible date for bringing the agency's financial management systems into compliance with the requirements of subsection (a); and

(C) designates an official of the agency who shall be responsible for bringing the agency's financial management systems into compliance with the requirements of subsection (a) by the date specified under subparagraph (B).

(3) TRANSFER OF FUNDS FOR CERTAIN IMPROVEMENTS.—For an agency that has established a remediation plan under paragraph (2), the head of the agency, to the extent provided in an appropriation and with the concurrence of the Director, may transfer not to exceed 2 percent of available agency appropriations to be merged with and to be available for the same period of time as the appropriation or fund to which transferred, for priority financial management system improvements. Such authority shall be used only for priority financial management system improvements as identified by the head of the agency, with the concurrence of the Director, and in no case for an item for which Congress has denied funds. The head of the agency shall notify Congress 30 days before such a transfer is made pursuant to such authority.

(4) REPORT IF NONCOMPLIANCE WITHIN TIME PERIOD.—If an agency fails to bring its financial management systems into compliance within the time period specified under paragraph (2), the Director shall submit a report of such failure to the Committees on Governmental Affairs and Appropriations of the Senate and the Committees on Government Reform and Oversight and Appropriations of the House of Representatives. The report shall include—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) the facts pertaining to the failure to comply with the requirements of subsection (a), including the nature and extent of the noncompliance, the primary reason or cause for the failure to comply, and any extenuating circumstances;

(C) a statement of the remedial actions needed; and

(D) a statement of any administrative action to be taken with respect to any responsible officer or employee.

(f) PERSONAL RESPONSIBILITY.—Any financial officer or program manager who knowingly and willfully commits, permits, or authorizes material deviation from the requirements of subsection (a) may be subject to administrative disciplinary action, suspension from duty, or removal from office.

SEC. ___04. APPLICATION TO CONGRESS AND THE JUDICIAL BRANCH.

(a) IN GENERAL.—The Federal financial management requirements of this title may be adopted by—

(1) the Senate by resolution as an exercise of the rulemaking power of the Senate;

(2) the House of Representatives by resolution as an exercise of the rulemaking power of the House of Representatives; or

(3) the Judicial Conference of the United States by regulation for the judicial branch.

(b) STUDY AND REPORT.—No later than October 1, 1997—

(1) the Secretary of the Senate and the Clerk of the House of Representatives shall jointly conduct a study and submit a report to Congress on how the offices and committees of the Senate and the House of Representatives, and all offices and agencies of the legislative branch may achieve compliance with financial management and accounting standards in a manner comparable to the requirements of this title; and

(2) the Chief Justice of the United States shall conduct a study and submit a report to Congress on how the judiciary may achieve compliance with financial management and accounting standards in a manner comparable to the requirements of this title.

SEC. ___05. REPORTING REQUIREMENTS.

(a) REPORTS BY DIRECTOR.—No later than March 31 of each year, the Director shall submit a report to the Congress regarding implementation of this title. The Director may include the report in the financial management status report and the 5-year financial management plan submitted under section 3512(a)(1) of title 31, United States Code.

(b) REPORTS BY THE COMPTROLLER GENERAL.—No later than October 1, 1997, and October 1, of each year thereafter, the Comptroller General of the United States shall report to the appropriate committees of the Congress concerning—

(1) compliance with the requirements of section ___03(a) of this title, including whether the financial statements of the Federal Government have been prepared in accordance with applicable accounting standards; and

(2) the adequacy of uniform accounting standards for the Federal Government.

SEC. ___06. CONFORMING AMENDMENTS.

(a) AUDITS BY AGENCIES.—Section 3521(f)(1) of title 31, United States Code, is amended in the first sentence by inserting ''and the Controller of the Office of Federal Financial Management'' before the period.

(b) FINANCIAL MANAGEMENT STATUS REPORT.—Section 3512(a)(2) of title 31, United States Code, is amended by—

(1) in subparagraph (D) by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following:

''(E) a listing of agencies whose financial management systems do not comply substantially with the requirements of the Federal Financial Management Improvement Act of 1996, the period of time that such agencies have not been in compliance, and a summary statement of the efforts underway to remedy the noncompliance; and''.

SEC. ___07. DEFINITIONS.

For purposes of this title:

(1) AGENCY.—The term ''agency'' means a department or agency of the United States Government as defined in section 901(b) of title 31, United States Code.

(2) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.

(3) FEDERAL ACCOUNTING STANDARDS.—The term ''Federal accounting standards'' means applicable accounting principles, standards, and requirements consistent with section 902(a)(3)(A) of title 31, United States Code, and includes concept statements with respect to the objectives of Federal financial reporting.

(4) FINANCIAL MANAGEMENT SYSTEMS.—The term ''financial management systems'' includes the financial systems and the financial portions of mixed systems necessary to support financial management, including automated and manual processes, procedures, controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions.

(5) FINANCIAL SYSTEM.—The term ''financial system'' includes an information system, comprised of one or more applications, that is used for—

(A) collecting, processing, maintaining, transmitting, or reporting data about financial events;

(B) supporting financial planning or budgeting activities;

(C) accumulating and reporting costs information; or

(D) supporting the preparation of financial statements.

(6) MIXED SYSTEM.—The term ''mixed system'' means an information system that supports both financial and nonfinancial functions of the Federal Government or components thereof.

SEC. ___08. EFFECTIVE DATE.

This title shall take effect on October 1, 1996.

Mr. BROWN. Mr. President, today I offer an amendment that has already passed the Senate as a free-standing bill called the Federal Financial Management Improvement Act of 1996 (S. 1130). This measure brings urgent reforms to Federal financial management and restores accountability to the Government. The Senate should include this measure in the Treasury, Postal Service, and General Government appropriations bill because it is our best hope for enacting these important reforms into law this year. There is very little time left in this session and it is of the utmost importance that Congress send this measure to the President before we leave town. However, I strongly encourage efforts currently underway in the House Government Reform and Oversight Committee to pass S. 1130. Chairman CLINGER as well as Government Management Subcommittee Chairman HORN are working hard on the bill and I hope they are able to get it through the House of Representatives during these busy weeks.

Mr. President, I'll make just a brief statement on financial management reform. Several years ago, in an effort to identify excess spending in the Federal budget, I inquired as to overhead costs in Federal programs. I was advised that the Federal accounting system makes it impossible to identify overhead expenses for most Federal operations. The Federal Government, it turned out, has over 200 separate primary accounting systems, making it impossible to compare something as basic as overhead costs.

Worse, many of these systems are shamefully inadequate even on their own terms. The Internal Revenue Service offers another disturbing example of poor financial management and its consequences. The General Accounting Office testified before the Governmental Affairs Committee on June 6, 1996, that despite years of criticism, ''fundamental, persistent problems remain uncorrected'' at the IRS. For example, the IRS cannot substantiate the amounts reported for specific types of taxes collected, such as Social Security taxes, income taxes, and excise taxes. The IRS cannot even verify a significant portion of its own nonpayroll operating expenses, which total $3 billion. One can hardly resist observing that this is the agency that demands precision from every taxpayer in America.

The IRS is just a small part of a Government so massive and complex that it controls and directs cash resources of almost $2 trillion per year, issuing 900 million checks and maintaining a payroll and benefits system for over 5 million Government employees. Clearly it is imperative that the Government use a uniform and widely accepted set of accounting standards across the hundreds of agencies and departments that make up this Government.

Enactment of this measure into law would be a great step toward putting Federal financial management in order. It requires that all Federal agencies implement and maintain uniform accounting standards. The result will be more accurate and reliable information for program managers and leaders in Congress, meaning better decisions will be made: tax dollars will be put to better use, and a measure of confidence in the Government will be restored. While this is not the kind of legislation that makes headlines, it is of great significance. Its passage would be a major accomplishment for the 104th Congress.

Mr. SHELBY. Mr. President, the amendments I have offered are as follows: One is for Senator STEVENS, to provide that the ACIR utilize nonappropriated funds for continued operations; for Senator INHOFE, to strike section 404 of the bill; for Senator MCCAIN, regarding a study of the administratively uncontrollable overtime; for Senator HOLLINGS, to provide certain death benefits to civilian Government employees; for myself and Senator KERREY, regarding explosive detection training for canines; for myself, naming the new courthouse in Portland, OR; for Senator BROWN, regarding Federal financial management improvement.

Mr. KERREY. Mr. President, we have reviewed the amendments on this side, and we support all of them.

Mr. SHELBY. Mr. President, I ask unanimous consent that these amendments be considered and agreed to, en bloc, and that any accompanying statements be placed at the appropriate place in the RECORD.

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

The amendments (No. 5249 through 5255), en bloc, were agreed to.

Mr. SHELBY. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

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

Mr. REID. Mr. President, will the chairman withhold?

Mr. SHELBY. I am glad to withhold.

Mr. REID. I ask unanimous consent that the pending amendment be set aside so that I may be allowed to offer an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. SHELBY. Reserving the right to object, I would like to check with Senator KASSEBAUM on her amendment, and also Senator WYDEN, who has been conferring with her, before we do that.

Mr. WYDEN. Did the Senator from Alabama ask unanimous consent to lay aside——

Mr. SHELBY. The Senator from Nevada asked unanimous consent. What

we would like to know is, where are the Senator and Senator KASSEBAUM on the amendment?

Mr. WYDEN. Senator KASSEBAUM and I are continuing to discuss these matters. I think it is fair to say, in fact, that Senator KASSEBAUM indicated that she thought it was appropriate to go on with further business, and we will continue to discuss the matters with respect to the gag rule a bit more.

Mr. SHELBY. I have no objection to temporarily setting aside the Kassebaum amendment.

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

Mr. REID. Mr. President, I will shortly send the amendment to the desk on my behalf and that of Senator LEVIN and that of Senator BIDEN.

Mr. President, we have heard a lot in this Chamber about the issue of reimbursing the former employee of the White House Travel Office, Billy Dale, for attorney fees. There have been hours of talk in this Chamber about that issue. Unfortunately, Mr. President, much of what we have heard has been based on emotion and not on facts. In fact, there is very little, if any, factual support for this very costly expenditure of a $0.5 million—$500,000—to reimburse attorneys on the Billy Dale case.

The American people, in effect, are being asked to pay for the attorney fees of a person who was lawfully indicted and legitimately prosecuted. Let me repeat: The American people are being asked to pay the attorney fees for a person who was indicted lawfully—no question about that—and who was legitimately prosecuted.

Proponents of this taxpayer expenditure contend that Mr. Dale was wrongfully prosecuted. Yet, neither Dale nor these high-powered lawyers who represented him—and still represent him—ever raised any of this in any proceeding or in any case that was before the courts. They didn't move to dismiss his indictment on the ground of prosecutorial misconduct.

In fact, when they filed a motion for acquittal, the court, having heard the evidence, denied the motion for acquittal. Why? Because it was the judge's reasonable assessment that sufficient evidence existed for a reasonable person to find Billy Dale guilty of the charges.

Mr. Dale and his attorneys also failed to allege wrongdoing against those who investigated him, and there is no evidence to support that there was any wrongdoing by the people who did the investigation. The watchdog of Congress, the General Accounting Office, reviewed the case and determined that the FBI and the IRS action taken during the period surrounding the removal of the Travel Office employees were reasonable and consistent with the Agencies' normal procedures.

Mr. President, a review by the Office of Professional Responsibility in the Justice Department concluded that there was no wrongdoing on the part of any FBI employees regarding the Travel Office matter.

Mr. President, I want to say that I believe that the chairman of this subcommittee and the ranking member, the junior Senators from Alabama and Nebraska, have brought a good bill before this body. There are scores of amendments that have been filed. I would bet that a number of them are not germane. Certainly this one is, and I felt there is language in this bill that relates to this issue where this bill would pay, in effect, Mr. Dale's attorneys $500,000, and that this should be something that should be discussed. This should be an issue that is debated, and I do that under the recognition that I think the two managers of this legislation have done a good job.

But let me repeat regarding these attorney fees that there is no evidence to support that Mr. Dale—as Mr. Dale and his attorneys did raise—there is nothing to support that there was any wrongdoing in this investigation. I repeat: The General Accounting Office reviewed this matter and determined that the FBI and the IRS did nothing wrong regarding the procedures in the Travel Office. They were reasonable and consistent with the Agencies' normal procedures and practices.

A review by the Office of Professional Responsibility in the Justice Department concluded that there was no wrongdoing on part of any FBI employee regarding the Travel Office matter, and it is clear that all the people who investigated this case were there long before this administration took office. Notwithstanding this, the American taxpayers have been asked to pay almost $0.5 million to Dale's attorneys. This is clearly a private relief bill.

If this had been in the form of an amendment, our rules would have allowed us to raise a point of order, and this procedure could have been knocked out. But in that the committee and the subcommittee had, in effect, amended the House bill, we have nothing to raise a point of order on. As a result of that, this is the only alternative we have.

We are being asked as a body to grant this relief absent any hearing or committee report on this subject. The matter should be subject to the ordinary procedures for private relief bills provided under Senate rule XIV.

That is why I am offering this amendment, along with Senators LEVIN and BIDEN, that comports with the procedures set out in rule XIV. The amendment that will shortly be offered refers the reimbursement of Mr. Dale's attorney fees to the Federal Court of Claims.

Mr. President, the Federal Court of Claims is a body in which the judges are appointed for a period of 15 years. This is a body that has been in existence for over 100 years. It has decided exactly the type of issue presented in the Billy Dale matter on hundreds and hundreds of cases. This court has special jurisdiction for cases involving claims against the Federal Government.

As I have indicated, it is made up of approximately 15 judges. These are referred to as article 1 judges because they serve for a time certain, and these people are appointed by the President of the United States for these 15-year terms. They handle primarily contractual claims, fifth amendment claims, and certain Indian claims.

Over the past century, Congress has referred thousands of cases to the court. The court reviews these cases under specific statutory authority and procedures set out in claims cases under the United States. Initially, the case is referred to a chief judge who designates another judge. In fact, they usually have three people that hear these cases, and these three judges become the reviewing body.

The bottom line is this panel has the most expertise that we have in America to handle this kind of case.

I think this is something we would want to do to avoid the bitter political acrimony that has taken place on this floor in the past regarding this matter. It would seem that we should refer it to the body separate and apart from the policy involved. If in fact this amendment carries, it is up to the Court of Claims to determine the extent to which Mr. Dale has a legal and equitable remedy in this matter and whether or not the taxpayers should pay him money.

Now, I think justice and equity weighs against Mr. Dale, but let the Court of Claims determine that. This amendment is the least we can do for the American taxpayer. Half a million dollars may be pocket change for some and maybe even Mr. Dale's attorneys, but it is not to the American public. It is a lot of money to the American public.

Facts do not support such a controversial expenditure on behalf of someone who has been indicted for embezzlement and offered to plead guilty.

Here is what we are being asked to do. We are being asked to pay $500,000 in attorney's fees for someone who admitted his guilt, basically, according to his attorney. Here is what his attorneys wrote to the U.S. attorney:

> Mr. Dale will enter a plea of guilty to a single count of 18 U.S.C. section 654. He will acknowledge that he intentionally placed Travel Office funds in his personal checking account without authorization.

Here is what he, Mr. President, has agreed to plead guilty to.

This is the statute.

> Whoever, being an officer or employee of the United States or of any department or agency thereof, embezzles or wrongly converts to his own use the money or property of another which comes into his possession or under his control in the execution of such office or employment, or under color or claim of authority as such officer or employee, shall be fined under this title . . . the value of the money and property thus embezzled . . . or imprisoned not more than 10 years, or both.

It seems somewhat unique to me that someone who, in writing, agreed to

plead guilty, could be sentenced to up to 10 years in prison, fined the amount of money he stole, is now coming before the Congress of the United States and saying pay my attorney's fees. Why? Because he was acquitted.

Mr. President, I am a trial lawyer. Before I came here, I tried a lot of cases. I did criminal work. I believe in our system of justice. The vast majority of times trial by jury works out right. The right decision is not always reached, but most of the time it is. The vast majority of the time the right decision is reached. A lot of times the jury does not arrive at the right result, but they arrive at a result. Sometimes they do not, as we know it appears to a lot of us in the O.J. Simpson case or the Menendez brothers. The juries do not always do the right thing, but most of the time they do. This is an instance clearly when they did not do the right thing.

Now, the facts do not support such a controversial expenditure on behalf of someone who is indicted for embezzlement and offered to plead guilty to a felony.

This issue is not about the firing of the Travel Office employees in 1993. Most agree that these terminations were not handled appropriately. But everyone also agrees that their dismissals were legal, that the administration, the White House, had a right to do that within the prerogatives of the law and the office held by the President.

I repeat, the people who were relieved of duty there were relieved of duty legally. Whether it was done in an appropriate manner without hurting a lot of feelings and kind of roughshod, that is something we can all talk about. We would all agree it could have been handled better. But nothing was done illegally. This amendment that will be offered is about putting an end to the partisan election year games that are now occurring in Congress. Half a million dollars is too high a price to ask of taxpayers, the people of the State of Nevada, Ohio, Washington, Kansas, Pennsylvania, Utah, and the rest of the country. This is about putting an end to partisan, election-year games now occurring in Congress. I repeat, half a million dollars is too high a price to ask the taxpayers to bear for such an obvious election-year program.

Those who seek to embarrass this administration should not ask the taxpayers to finance their fun and games. If we decide as a body to reimburse Mr. Dale as called for in this legislation now before the Senate, we will be setting a dangerous precedent. This will be the first time in the history of this Congress that we will have paid the attorney's fees of a lawfully indicted and prosecuted individual. There is precedent to pay the legal fees for the Travel Office employees who were not indicted, and we should do that. No problem with that. There is nothing in precedent that would prevent the Government from rectifying a wrong. Travel Office employees who had to pay legal fees should be reimbursed. The independent law governs this area. That is the best we have. We can talk about it.

Payment of attorney's fees is permitted if the following two conditions are satisfied. No. 1, the subject in the investigation would not have been investigated but for the independent counsel, and No. 2, the person was not indicted. Not indicted. Clearly, Mr. Dale would follow under that basis. He was indicted and he was lawfully indicted. Under independent counsel, the way the statute reads, there could even be prosecutorial misconduct when the indictment takes place and he still would not be reimbursed for his attorney's fees. In this situation, there is no question that he was indicted properly, legally. Mr. Dale's attorneys never raised prosecutorial misconduct, never.

As we all know, Mr. Dale was indicted. The independent counsel law is explicit about the requirement that attorney's fees can be recovered only if the individual was not subject to indictment. There are no exceptions to this rule. If we are going to establish new precedent, there at least should be a foundation for doing so, and the indictment of a person legally is certainly strange grounds to set a precedent for this Congress to start reimbursing people after the jury returns an acquittal verdict.

There have been no Congressional hearings. There is no foundation in the instant case. There is no committee report laying out the reasons for breaking long-established precedent.

Without a lot of politics involved, we have offered the appropriate response to Mr. Dale's problem. If in fact he has been wronged, which I do not think he has, but if he has, why is this not referred to the appropriate tribunal, which would be the Court of Claims? We have done it hundreds and thousands of times, as I have indicated earlier. Legislation to pay attorney's fees for specific individuals is a form of private relief. Senate rule 14.9 governs the Senate consideration of private relief legislation.

What we have in this instance is that private relief legislation has been folded over into this Treasury-Postal Service bill. If this amendment were not raised, the American public would be paying half a million dollars. They may pay half a million dollars anyway if this bill passes and this amendment does not carry, but they will know that a man who agreed to plead guilty to a felony, a man who was properly indicted—there was never a question of prosecutorial misconduct ever raised during the trial proceedings—is going to be paid $500,000 in attorney's fees. I think that sets a very, very dangerous precedent. In short, it requires, this amendment I will offer, the adoption of a resolution referring such matter, as I have indicated, to the Court of Claims. That is why we have the Court of Claims.

What would the American public think if anytime someone is indicted and acquitted that we pay their attorney's fees? Or do we pick and choose what attorney's fees we pay if there is an acquittal? We do that legislatively? If there is a problem it should be referred to the Court of Claims. There is statutory procedure in place for dealing with this. Under 28 U.S.C. 2509, the Federal claims court determines whether the private relief sought from U.S. taxpayers is appropriate.

We have heard the plaintive cries of how they were terminated improperly. Remember, the President had the ability and the legal right to fire the people for no reason. I have acknowledged that they could have been terminated in a different manner. Procedurally, the claims court assumes jurisdiction of these cases upon referral of either House of Congress. Upon review, the court must determine whether there is a legal or equitable claim to taxpayer money or whether such payment would be simply a gratuity. Our amendment follows precedent and is in compliance with the statute.

To many, Billy Dale is the epitome of the modern-day victim. The media—remember where he worked. He worked in the White House Travel Office. Millions of dollars went through his hands every year. And his job was to make happy the people who travel from the White House, but especially the press, especially the press. He had to make them happy. That was his main function. He served them well. He made them happy, and they have done a great job of portraying him as victim. In Nevada, Seattle, Cleveland, or anyplace else, it would not be that way. It would not be that way. In any city in Nevada, if this were explained to them, he would not be a victim. He would be somebody who should be prosecuted, as was determined by the Justice Department.

In addition to his high-priced attorney, Mr. Dale has received public support from many notable heavyweights in the media. He took good care of them. He runs in powerful circles and has no shortage of influential supporters. Today he has become the poster boy for every—I should not say for every—for many fundraisers. At many Republican fundraisers around the country, Billy Dale is the poster boy. As it was reported in August in the media, candidate Dole had offered him a job in his Presidential campaign. He is still the subject of a plethora of sympathetic pieces in the news by his old friends in the media.

This has all culminated in today's effort to attempt to embarrass the President by appropriating $500,000 very quietly. It is in the bill. There would be no vote on it. It was just slipped through here quietly and the American taxpayers then would be confronted with people saying, ''Yeah, we told you so. The President has agreed to pay this money because he was so wrong.'' He is not so wrong. The Congress of the

United States should not be involved in this. It should be referred to the Court of Claims.

The real facts according to his indictment have yet to be aired, but we are going to talk about those. If such an appropriation took place in this bill, under the Federal election laws it should be deemed as an in-kind contribution to campaigns around the country, Republican in nature.

When it comes to Billy Dale, many speak of conspiracies. But it is the conspiracy of silence that I would like to speak about a little bit today. The silence over the activities that led to Mr. Dale's indictment is deafening. All we seem to hear about is poor Billy Dale. However there is reason why the man was indicted, and let us not forget that Mr. Dale agreed—I repeat—to plead guilty to embezzlement. Mr. Dale is, in my opinion, an admitted crook. He is today asking the American taxpayer to pick up his legal bill.

He has every right to do this, but let us do it in the Court of Claims. He has waived, in my opinion, every right of confidentiality, with his campaign by his attorneys and him to be reimbursed for attorney's fees, regarding the facts supporting his prosecution. If the American public is going to pay $500,000 to a high-priced Washington law firm, they should know the whole story. So let us talk a little bit about the whole story. Let us talk about some of the things that he testified to at his trial.

He testified to a number of things. He admitted putting 55 checks for Travel Office funds totaling some $54,000 in his personal bank account. Mr. President, if we want to get into more detailed facts, and we can do that, we will find that he was very careful in the checks that he put in his personal bank account. He basically put in checks that would be very, very difficult to trace. What checks did he put in his personal bank account? Checks that came from foreign news outlets, from Mexico, from places in Europe, from Asia. He was very careful. He did not put into his personal bank account checks from CBS, ABC, and other American media outlets. He took into his personal checking account checks that could not be traced.

He also had a number of explanations why he did this. It was more convenient—that is a real laugher—more convenient. The bank that held the checks legally for the Travel Office was about a block from the White House where he worked. His personal bank was miles away, out in Maryland someplace.

He admitted during the trial, admitted cashing refund checks to the Travel Office received from telephone companies for trips where the press had been overcharged.

He admitted that by not putting the refund checks in the Travel Office bank account he was breaching an obligation he had to apply any surplus in that account toward the very next trip. He even got into—he was storing this money up so he could cover foreign trips during October and November. It is a little difficult in an election year. They just do not happen.

He admitted that there were times in 1992 that he cashed Travel Office checks but did not write them down in his petty cash log, and that anyone looking for them in the log would not know that he had cashed the checks.

He admitted during the trial to putting checks that were supposed to go into the Travel Office surplus fund account at the Riggs Bank into his own personal account. This is what I have talked about. One was a block away, the other was at his home.

He admitted during the trial that he did not even tell the individual who worked with him in the Travel Office for 30 years, his chief assistant, Gary Wright, of this practice of putting these checks into his own account and not the office account. No one knew except him. It was a secret. Why? Because he was stealing the money. He admitted to cashing one check for $5,000, writing down only $2,000 for that check in the petty cash log. When he was first contacted by the investigators about that he was silent. They talked to him again: Silent. Suddenly, after having run to his credit union and borrowing enough money to cover this, he brought the money back and said, ''I had it in my desk drawer.'' Of course he did not have it in his desk drawer.

Dale admitted that he overcharged for some of the flights and undercharged for others, instead of just charging exactly what the trip cost. Then he offered some incomprehensible explanation to the investigators, why that was beneficial.

There are many other things that he admitted during the trial, but the fact of the matter is we are being asked here to reimburse attorney's fees of $500,000 for Billy Dale, his attorneys, so he can carry on this campaign of harassment that he has been engaged in in the past 6 months or year.

We can look at a prosecution memo. Before cases are brought in Federal court—you have heard the expression, ''What are they trying to do, make a Federal case out of it?'' That, Mr. President, comes with very good reason, because in the federal system, and the Presiding Officer knows, having been an Attorney General, as most people, that Federal cases are developed under very detailed circumstances. Almost every time a case is filed that results in indictment, a prosecution memo is prepared. A prosecution memo was prepared in this case.

I will read just a little bit from the prosecution memo:

> The FBI has investigated this matter and strongly supports these charges.

That is in the first paragraph. I repeat:

> The FBI has investigated this matter and strongly supports these charges.

What are these charges?

> We propose to charge Billy Ray Dale, the former director of the White House Telegraph and Travel Office, with converting to his own use approximately $54,000 in checks and $14,000 in cash received by him in connection with his official duties.

The only reason the $14,000 figure isn't higher is because records were destroyed. This is the petty cash fund for only 1 year. It certainly would have been much higher if those records had been available.

There are a number of other things in this prosecution memo that I think call out for comment when Congress is being asked to respond to half a million dollars:

No legitimate explanation for these deposits. It talks about the missing cash in addition to the missing checks. There were numerous checks cashed, unreconciled estimated bills and large fluctuations in the bank balances. This is from the prosecution memo.

> A decision was made to inform the Travel Office employees that the examination was being conducted as part of the National Performance Review. RECORDS were in a shambles.

Thirteen checks made out to cash for which there was little or no documentation established how the cash was spent. There was a questionable transaction involving a $5,000 check to cash. Further, he had no explanation of the discrepancy—this is the $5,000 check—but that he later found the money in his desk. The report found a lack of financial controls and accounting systems. We know that.

Most importantly, the report found discrepancies with the petty cash fund, which he controlled.

Also, they indicate that this certainly was no kind of a witch hunt. They also, Mr. President, came to the conclusion:

> We found no evidence of illegal conduct by any other member of the Travel Office. The media checks selected by Dale for deposit into his account were not from mainstream press organizations, but rather English, Japanese, German and Hispanic media. Dale's selection of these checks is significant. The refund checks invariably were generated by the vendors on their own. They arrived unexpectedly, and their absence would not be missed. Similarly, the checks from these esoteric news services were less likely to be scrutinized by these services when returned by their bank, and those organizations would be less likely to understand the meaning of Dale's name on the deposits and not the Travel Office.

Because he wrote on them ''For deposit only to Billy R. Dale.''

> We could find no legitimate reason for these checks to be deposited in Dale's personal bank account. It certainly was not easier—

Still quoting from this memo:

> It certainly was not easier for Dale to have taken checks to home, to Maryland, rather than walk across the street. Indeed, on four occasions, Travel Office checks were deposited by Dale in his account on the same day deposits were made to the Travel Office account at Riggs.

There is certainly no evidence at all that Dale ever used any of these moneys from his personal account to pay Travel Office expenses. Then why

would he put it in there? He would put it in there so he could use the money.

Then, of course, they do a minimal accounting to find out what would happen if he spent this money and where he spent it. They did that and arrived at the conclusion he had to take the money and use it on his own: homes purchased, children getting money. These are not my words. This is from the Justice Department:

> The evidence indicates that Dale stole the missing $14,000 in cash. He cannot claim credibly that he used relatively large amounts of unused checks to pay trip expenses during the period. He offered no explanation for the misrecording.

Dale was asked three times about the $5,000 check, and he finally said on the third occasion:

> He now had an explanation for the missing money. Dale went to his desk and produced an envelope containing $2,800 in cash, enough to make up the difference, which he told the investigator this corresponded to a portion of the missing money. Dale told the investigator that he had set the $3,000 aside for an upcoming trip to Indonesia because he sometimes had to pay kickbacks when he traveled to that part of the world.

Dale's explanation, of course, is not credible. There is no reason why this cash would not have been used for another trip. So his explanation is without any foundation whatsoever.

His explanation about needing this money in Indonesia is inconsistent with the travel records for that period. The $5,000 check was cashed in October of 1992. He made no international trips from January 10, 1992, until he left the office in May of 1993. The question is asked, why wasn't he convicted? We all ask that question.

I am not going to impugn the ability of the prosecutors, but it must have been a busy week. I don't think they were very well prepared for this case. Acquittals come, as we all know. Sometimes they shouldn't come. So, in finality, the prosecution memo says:

> We propose to charge Dale with two counts of conversion under United States Code 654.

So, Mr. President, there is more here to this than we have heard in the past. For example, we have referred to his plea agreement. November 30, 1994, I am reading directly from his letter:

> Mr. Dale will enter a plea of guilty to a single count of 18 U.S. Code 654. He will acknowledge he intentionally placed Travel Office funds in his personal checking account without authorization.

It goes on to explain what he would like in the way of a sentence.

I believe the facts simply do not support a half-million-dollar payment to Dale's attorneys. It is clear that the Justice Department had probable cause to indict and prosecute Billy Dale. It is important to keep in mind who it was who made this determination—career service attorneys at the Department of Justice. The White House had nothing to do with this. Likely—not likely; no question about it—that people doing this were holdovers from the Bush and Reagan administrations, professional prosecutors.

This is a private relief claim at best and should be referred to the Court of Claims. It has been turned into a political matter and should be removed from the political arena. Claims court is the proper forum for deciding whether Mr. Dale's attorneys are entitled to receive taxpayer compensation; otherwise, we are breaking well-established precedent for purely political purposes. In doing so, we would create a tremendously dangerous precedent in this body.

We cannot make a mistake about it. This reimbursement is for Presidential politics. Mr. Dale runs in high circles now and has become the poster boy for every Republican—I should not say ''every''—for many political fundraisers held by the Republicans. He was offered a job by Presidential candidate Dole, as reported in the press. And there are a few $1,000 fundraisers at which he appears.

Any appropriations should be considered an in-kind contribution to the Republican Presidential campaign. The record we have laid out today evidences the need to remove this matter from this body and to take it to the Court of Claims where appropriate consideration can be given. At a minimum, don't the taxpayers at least deserve this? What kind of a precedent would we set by including, in an appropriations bill, a payment for somebody's attorney's fees who was rightfully indicted and was acquitted by a jury, which happens in our system?

Mr. Dale's attorneys down on K Street, or wherever they are, I do not think will go hungry awaiting this decision. It is the right thing to do. The amendment that is going to be offered says that he should be reimbursed if the Court of Claims determines Dale has a legal or equitable claim.

AMENDMENT NO. 5256

(Purpose: To refer the White House travel office matter to the Court of Federal Claims)

Mr. REID. Mr. President, I send an amendment to the desk on my behalf and that of Senator LEVIN and Senator BIDEN.

The PRESIDING OFFICER (Mr. GORTON). The clerk will report.

The bill clerk read as follows:

> The Senator from Nevada [Mr. REID], for himself, Mr. LEVIN and Mr. BIDEN, proposes an amendment numbered 5256.

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

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

The amendment is as follows:

On page 91, line 3, strike ''The'' and insert ''Except as provided in subsection (f), the''.

On page 92, between lines 21 and 22, add the following:

(f)(1) Any former employee of the White House Travel Office whose employment in that office was terminated on May 19, 1993, and who was subject to criminal indictment for conduct in connection with such employment, shall be reimbursed for attorney fees and costs under this section but only if the claim for such attorney fees and costs, which shall be referred to the chief judge of the United States Court of Federal Claims, is determined by the chief judge to be a legal or equitable claim, as provided in paragraph (2).

(2) The chief judge shall—

(A) proceed according to the provisions of sections 1492 and 2509 of title 28, United States Code; and

(B) report back to the Senate, at the earliest practicable date, providing—

(i) such findings of fact and conclusions that are sufficient to inform the Congress of the nature, extent, and character of the claim for compensation referred to in this section as a legal or equitable claim against the United States or a gratuity; and

(ii) the amount, if any, legally or equitably due from the United States to any individual referred to in this section.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

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

The PRESIDING OFFICER. Does the amendment relate to the amendment of the Senator from Nevada?

Mr. HATCH. It does.

The PRESIDING OFFICER. The clerk will report.

Mr. REID. Mr. President, could I make a parliamentary inquiry?

The PRESIDING OFFICER. State your parliamentary inquiry.

Mr. REID. Is there a second-degree amendment pending to the amendment offered by the Senators from Michigan and Nevada?

The PRESIDING OFFICER. The Chair is attempting to make that determination.

Mr. REID. Mr. President, I was only curious. Something was sent to the desk.

The PRESIDING OFFICER. The Senator from Nevada has in fact sent, not one, but two amendments to the desk at the same time. It would take unanimous consent to consider the two amendments as a single amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 5256, AS MODIFIED

Mr. REID. Mr. President, I ask unanimous consent that the amendment offered by the Senators from Nevada, Michigan and Delaware be modified to strike lines 1 and 2 of the amendment.

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

The amendment (No. 5256), as modified, is as follows:

On page 92, between lines 21 and 22, add the following:

(f)(1) Any former employee of the White House Travel Office whose employment in that office was terminated on May 19, 1993, and who was subject to criminal indictment for conduct in connection with such employment, shall be reimbursed for attorney fees and costs under this section but only if the

claim for such attorney fees and costs, which shall be referred to the chief judge of the United States Court of Federal Claims, is determined by the chief judge to be a legal or equitable claim, as provided in paragraph (2).

(2) The chief judge shall—

(A) proceed according to the provisions of sections 1492 and 2509 of title 28, United States Code; and

(B) report back to the Senate, at the earliest practicable date, providing—

(i) such findings of fact and conclusions that are sufficient to inform the Congress of the nature, extent, and character of the claim for compensation referred to in this section as a legal or equitable claim against the United States or a gratuity; and

(ii) the amount, if any, legally or equitably due from the United States to any individual referred to in this section.

AMENDMENT NO. 5257 TO AMENDMENT NO. 5256

(Purpose: To reimburse the victims of the Travel Office firing and investigation)

The PRESIDING OFFICER. The clerk will report the second-degree amendment.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 5257.

Mr. HATCH. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike all after the first word and insert the following:

(2) VERIFICATION REQUIRED.—The Secretary shall pay an individual in full under paragraph (1) upon submission by the individual of documentation verifying the attorney fees and costs.

(3) NO INFERENCE OF LIABILITY.—Liability of the United States shall not be inferred from enactment of or payment under this subsection.

(b) LIMITATION ON FILING OF CLAIMS.—The Secretary of the Treasury shall not pay any claim filed under this section that is filed later than 120 days after the date of the enactment of this Act.

(c) LIMITATION.—Payments under subsection (a) shall not include attorney fees or costs incurred with respect to any Congressional hearing or investigation into the termination of employment of the former employees of the White House Travel Office.

(d) REDUCTION.—The amount paid pursuant to this section to an individual for attorney fees and costs described in subsection (a) shall be reduced by any amount received before the date of the enactment of this Act, without obligation for repayment by the individual, for payment of such attorney fees and costs (including any amount received from the funds appropriated for the individual in the matter relating to the ''Office of the General Counsel'' under the heading ''Office of the Secretary'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1994).

(e) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—Payment under this section, when accepted by an individual described in subsection (a), shall be in full satisfaction of all claims of, or on behalf of, the individual against the United States that arose out of the termination of the White House Travel Office employment of that individual on May 19, 1993.

SEC. 529. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 528. (a) REIMBURSEMENT OF CERTAIN ATTORNEY FEES AND COSTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay from amounts appropriated in title I of this Act under the heading, ''Departmental Offices, Salaries and Expenses'', up to $499,999 to reimburse former employees of the White House Travel Office whose employment in that Office was terminated on May 19, 1993, for any attorney fees and costs they incurred with respect to that termination.

Mr. SHELBY. Mr. President, it is moving on in the day and Senator KERREY and I have talked to a number of Members about any votes requested tonight. We will try to stack them tomorrow. He has no disagreement with that.

I yield to him for any comments.

Mr. KERREY. We have not had a discussion with the leadership about this. We have lots of people who would like to bring amendments down.

Mr. SHELBY. Subject to the approval of both leaders?

Mr. KERREY. We will try to get in touch with the leadership and see if we can work that out.

Mr. SHELBY. I yield the floor.

THE PRESIDING OFFICER. The Presiding Officer, in his capacity as the Senator from Washington, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 5208, AS MODIFIED

Mr. SHELBY. I ask unanimous consent that amendment 5208, which was previously agreed to, be modified with the changes I now send to the desk, and, further, that the modifications be considered agreed to.

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

The amendment (No. 5208), as modified, is as follows:

At the end of the committee amendment, insert the following:

''No adjustment for:

''(1) members of Congress under section 601(a) of the Legislative Reorganization Act of 1946, and

''(2) members of the President's Cabinet (as defined in 5 U.S.C. section 5312) under section 5318 of Title 5, U.S. Code,

shall be considered to have taken effect in fiscal year 1997.''.

Mr. SHELBY. I yield the floor.

AMENDMENT NO. 5256, AS MODIFIED

Mr. LEVIN. Mr. President, the appropriations bill before the Senate includes a provision to pay attorney's fees for the employees of the White House Travel Office who were dismissed from their jobs in 1993. This provision is similar to Senate bill 1561 sponsored by Senator HATCH earlier this year and to House bill 2937.

The provision would direct the Secretary of the Treasury to pay up to $500,000 of taxpayers' money to six former Travel Office employees; $50,000 of that amount would go to five of the employees who were already partially reimbursed by last year's appropriations bill. The rest, or about $450,000, would go to reimburse former Travel Office Director Billy Dale's attorney fees.

Unlike the other Travel Office employees, Billy Dale was subject to a Federal indictment and prosecution for embezzlement and conversion. It is that indictment and prosecution for embezzlement and conversion which is the source of the attorney fees. I want to repeat that because that is the critical issue that is before the Senate: It is the attorney fees that related to the FBI indictment and prosecution for embezzlement and conversion that is the source of the attorney fees that is in this bill. The provision, though, in this bill, lumps together both the unindicted and the indicted Travel Office employees. That is the mistake which should be remedied.

We know that the White House staff acted inappropriately when they summarily fired all the Travel Office employees in May 1993. The White House acknowledged that in their July 1993 management review when it said—this is the White House speaking—that the White House erred in not treating the Travel Office employees with more sensitivity. We also know that the White House staff erred in that conduct with respect to the FBI. They took actions which they should not have, which had the appearance of trying to influence the FBI. The White House acknowledged that in their 1993 management review when that review said, ''The White House erred in not being sufficiently vigilant in guarding against even the appearance of pressure on the FBI.''

The White House, by its own acknowledgment, was wrong when it allowed people with personal financial interest in the Travel Office to be involved in the work of the office and in evaluating the office. The White House management report acknowledged this, as well, when it said, ''The White House erred in permitting people with personal interests in the outcome to be involved in evaluating the Travel Office.''

Now, it is because of those errors, those facts, on the part of the White House relative to the firing of those employees that the Congress agreed to pay the attorney fees of former Travel Office employees who were fired, who should not have been fired, who were improperly filed. We appropriated $150,000 in last year's appropriation for

the Department of Transportation, and we will complete that course of action with the remaining $50,000 with this appropriations bill.

I do not have any argument with that. Quite the opposite. I think it was the right thing to do. We ought to pay those attorney fees relative to the firing of those employees.

However, $450,000 of the money in this bill would go for something far different than paying attorney fees for employees who everybody has already acknowledged should not have been fire—$450,000 of the taxpayers' money in this bill will go to pay the attorney fees that Billy Dale incurred in his defense against a criminal indictment. That $450,000 was not incurred because Dale was wrongly fired. It was incurred because a proper FBI investigation and a proper Department of Justice review found substantial evidence of embezzlement and conversion on the part of Billy Dale.

It was not the wrongful firing which relates to these $450,000 in bills for attorneys. It is because Billy Dale was indicted. He was indicted following a proper FBI investigation. He was indicted following a proper Department of Justice review which found substantial evidence of embezzlement and conversion on his part.

Now, as best as I can determine, if we pass this legislation as currently drafted, it will be the first time in our history that we have passed legislation to pay attorney fees incurred by someone who has been, from all appearances, lawfully indicted.

Now, maybe there is another case; maybe there is another instance where someone who was—I emphasize this—lawfully indicted following a proper investigation by the FBI, and following a proper review by the Department of Justice. Maybe there is another instance, but we can't find it.

So what is in this bill is precedent-setting. There is not an adequate foundation to set this precedent. The only law that allows for the payment of attorney fees incurred because of a criminal investigation is the independent counsel law. That law explicitly prohibits individuals from recovering their attorney fees if they have been indicted.

Now, while the attorney fees at issue here don't involve the independent counsel law, it is the only standard that we have on the books where the situation is comparable, so that it is reasonable that it would serve as our guide. Ten years ago, when we reauthorized the independent counsel law for the first time, we concluded that the independent counsel statute may create inequitable situations, where persons who would otherwise not be involved in a criminal investigation could incur sizable attorney fees solely because of the independent counsel law.

We decided, therefore, to allow for the reimbursement of attorney fees for persons subject to investigation under the independent counsel law if they met a two-part test. First, they had to show that they would not have incurred the attorney fees but for the independent counsel statute, and, second, they were not eligible if they were indicted.

No one at the time, or since, has ever mentioned, much less considered, the possibility of paying attorney fees for an indicted individual. Now, when Congress took the first step last year of paying the attorney fees of the fired White House Travel Office employees by including $150,000 in the Department of Transportation appropriations bill, that legislation explicitly limited payment of that money to reimburse attorney fees only of White House Travel Office employees who ''were not the subject of the FBI investigation.'' That is why it was passed so easily by a voice vote. It coincided with the independent counsel standard. But the legislation before us would violate that standard. If we are going to do that, we better have some criteria for the precedent that we are setting.

The reason that we have made an indictment the threshold beyond which there is to be no reimbursement for attorney fees is because an indictment requires a determination that there be probable cause that the person subject to the indictment committed a crime. The grand jury is comprised of average citizens who make a determination as to whether or not there is probable cause to go forward with an indictment and a trial. It is a system that we use thousands of times a year, if not a day, across this country. In order to be indicted, a prosecutor must present evidence to a grand jury to show probable cause that a crime was committed and that a specific person is the one who committed the crime.

Whether or not the indicted person is eventually acquitted does not take away from the fact that there was probable cause to believe that the person had committed a crime. Acquittal doesn't mean that the indictment never should have been brought. It means that the judge or jury did not believe there was proof beyond a reasonable doubt that the indicted individual was guilty. We have almost a thousand acquittals a year in this country in the Federal system alone, and I suspect a reasonable number of those involve relatively short jury deliberations, like the Billy Dale case. There is nothing unusual or suspect about such acquittals. That is the way the criminal process works.

But what if an indictment had been improperly obtained? If that is the case, that the indictment was tainted or obtained improperly, the defendant can seek to have it thrown out before or during trial. Rule 12 of the Federal Rules of Criminal Procedure provides for a defendant to make a number of pretrial motions, ''including any defense or objection to the prosecution, based on defects in the institution of the prosecution''—there I am quoting rule 12—''or based on defects in the indictment,'' and again I am quoting rule 12. Those motions are made in hundreds—probably thousands—of cases.

Outside of rule 12, courts may also recognize challenges to a prosecution or an indictment based on lack of due process. The court may dismiss an indictment as an exercise of its inherent supervisory authority to protect a defendant's due process.

These are long-recognized defenses to improper criminal prosecutions. Those defenses, though, are supposed to be raised in the judicial process and, in most cases, prior to trial. Rule 12 explicitly requires that any claim of defect in the institution of the prosecution, or the indictment, must be made prior to trial. Extensive case law supports the requirement with the result that any claim not raised prior to trial is deemed waived. So there is a clear and appropriate way for a defendant in a criminal case to challenge the fairness or the propriety of a prosecution.

As far as I can tell, Billy Dale did not raise any of these challenges during the course of his prosecution. The court docket for Billy Dale's case does not show any motion to dismiss because of alleged defects in the indictment, or because of alleged Government misconduct, or because of a claim of lack of due process; nor does the docket show that Billy Dale made any of those claims during the course of his trial. If he had these claims, he should have raised them at the trial. Had he been convicted and appealed the conviction, he would have been precluded from raising them on appeal, because if the claims haven't been made before trial, then the defendant will be treated as having waived those defenses.

Now, in support of this legislation, Senator HATCH has claimed that Dale's indictment and prosecution were a ''grave miscarriage of justice,'' and that Dale was ''wrongfully prosecuted.'' Well, if Billy Dale had those claims at the time of his trial, he had the opportunity and the legal obligation to raise them at trial. If he did not raise those claims there, then unless there are compelling reasons, we should be particularly careful in considering them here under this very rare and unusual process of private relief legislation.

If the answer is that Billy Dale has one of these claims, but did not raise it at the appropriate time, then we need an explanation as to why he did not raise it in the appropriate form at the appropriate time. There may be a legitimate reason, and we should hear that. But, so far, there is nothing on the record to that effect.

Without a compelling reason to justify Dale's failure to make his case about a wrongful prosecution while at trial, we would be overthrowing long-standing and critically important precedent in criminal procedure and in our handling of private relief bills were we to act at this time. We would be saying to hundreds, perhaps thousands,

of defendants, that although they failed to make a timely motion challenging the legitimacy of the private prosecution brought against them, they can still come to Congress and we will consider paying their legal fees, even though they would be forbidden from challenging the legitimacy of the prosecution were the case on appeal from a conviction.

But let's assume there was a legitimate reason for Dale to have failed to raise this claim of wrongful prosecution at the trial. If that were true, then we could be in a position to consider the substance of the claim. But, surely, before we pay his attorney fees out of taxpayer money, we ought to determine that the prosecution was improper.

As the record now stands, I don't see evidence to support such a claim. We don't have a Senate hearing record, or even a Senate committee report on this legislation, because there aren't any. The only record we have upon which we are supposed to judge this matter is the House committee report that accompanies the bill.

Mr. President, I have read the House committee report. I do not find anything in that report to justify a finding that either the FBI investigation or Department of Justice prosecution of Billy Dale was improper. What I have found is this: White House staff did a poor job in responding to evidence of financial mismanagement in the White House Travel Office, did a poor job of handling long-time White House Travel Office employees, and the White House summarily fired all the Travel Office employees before all the facts were known. The White House itself acknowledged these errors back in 1993. There is nothing new about those findings. In July 1993, the error was acknowledged by the White House in the firing of Travel Office employees.

What else have we found? It was found before, but the White House conveyed a heightened sense of urgency about the allegations involving the Travel Office to the FBI and coordinated a press release with the FBI which created the appearance of pressuring the FBI. The White House acknowledged that error back in July 1993.

Those White House errors do not mean that the investigation by the FBI or the prosecution by the Department of Justice were improper. That is the heart of the matter. Errors in the firing, yes. They have been acknowledged for years. But the prosecution of Billy Dale, the investigation by the FBI, the prosecution by the Department of Justice—were they defective? There is not even an allegation of that. That is what these legal fees relate to. They do not relate to the firing. We are paying those legal fees. They relate to the defense of a criminal indictment which was properly brought following a proper FBI investigation, following a proper Department of Justice prosecution that no one has said was improper. There is nothing in the House report, which is the only report we have, that says that the FBI investigation was tainted, or wrong, or defective, or improper. There is nothing in that House report which says that the Department of Justice prosecution was tainted, or defective, or improper.

That is what these legal fees relate to. We are paying the legal fees for the firing. And we ought to. They were done inappropriately. That has been acknowledged for years. We paid $150,000 last year in the appropriations bill. And this appropriations bill appropriates an additional $50,000, and we ought to pay it. It is the $450,000 for the defense against an indictment which was properly brought which is the issue here and which would set a precedent. We have never paid the legal fees of someone who was properly and legally indicted. If we open up that door, we would have thousands of folks out there who are acquitted, and many of whom are acquitted in just as short a time, who will have an equal claim.

That is the issue. Whether or not we ought to have the Court of Claims say that there was something inappropriate here before this money is paid, that is what this amendment does. It does not say strike the money. It says refer this to the Court of Claims to see if there is an equitable claim. And if there is, pay it.

Mr. President, it was not the White House which carried out the criminal investigation which led to the indictment of Billy Dale. It was the FBI. Has anyone said that investigation by the FBI was inappropriate, or tainted? Not that I have heard; not in the House committee report, which is the only report we have on it. The White House did not review the evidence obtained by the FBI and determine that it should be presented to a grand jury for possible indictment. That was the Department of Justice. It was not the White House that reviewed the FBI investigation and said, ''Hey, we are going to indict this person.'' The Department of Justice made that decision. I have not heard anyone say that the Department of Justice concluded that it should seek an indictment of Billy Dale which was tainted, or defective, or inappropriate, or improper. That is not in the House report, the only report we have.

The White House did not hear the evidence and determine that there was probable cause to believe that Billy Dale had embezzled $54,000 from the White House Travel Office. That was the grand jury, and the White House did not try this case and determine that there was sufficient evidence to sustain a conviction. That was the judge. The judge did that. The judge heard this evidence and decided that there was sufficient evidence to sustain a conviction of Billy Dale and let this case go to the jury and denied a motion for directed verdict.

There is no evidence, there is no allegation, that the Federal Bureau of Investigation pursued its investigation in an improper manner. There is no evidence that the decision to prosecute a decision made by career attorneys at the Justice Department was improper. That allegation has not been made. It is not in the House report. I do not think it would be sustainable if someone made it. There is no evidence that the indictment by the grand jury was improper. There is no evidence that the criminal trial conducted by a well-respected judge, whom Dale himself lauded as being fair, was in any way improper. In fact, Dale was asked at a hearing on the House side before the Committee on Government Reform and Oversight in January of this year by Congressman KANJORSKI whether Dale was ''suggesting in any way that either those attorneys in the Justice Department, the people in the grand jury, the judge that tried the case, or the people that made up the jury were in some way compromised?'' That was the exact question. Billy Dale responded, ''Absolutely not.''

On May 28, 1993, the FBI released a report of its internal review of its contacts with the White House on the Travel Office. The FBI Director concluded that ''The FBI acted correctly''. He said that ''FBI personnel declined to offer guidance, restricted their interest to the parameters of a possible criminal investigation and did not commit to conducting a criminal investigation until after consultation with appropriate personnel within the FBI and Department of Justice.''

The GAO looked into the handling of the White House Travel Office. In its report in May of 1994 it stated, ''FBI interactions with Associate Counsel Kennedy and White House press officials occurred in a mode of urgency but GAO found no evidence that the FBI took inappropriate action as a result of those conditions.''

The GAO went on to say that it found that the FBI actions ''during the period surrounding the removal of the Travel Office employees were reasonable and consistent with the agency's normal procedures.''

The Office of Professional Responsibility in the Department of Justice also reviewed the conduct of the FBI in this matter, and in its report, dated March 18, 1994, said the following: ''Based on our inquiry, we have concluded that the FBI acted properly throughout its dealings with the White House regarding the Travel Office matter.''

Providing more detail, the report went on to say, ''As noted, we found no wrongdoing on the part of any FBI employees regarding the Travel Office matter, but the various FBI agents who had direct contact with White House Associate William Kennedy have different recollections of their conversations with him. All agreed that they did not interpret Kennedy's statements as threats or attempts by him to pressure them to respond to the factual situation in an inappropriate manner, or in any way inconsistent with normal procedures.''

I am continuing to quote. ''And the record makes clear that the agents who had direct contact at the White House, as well as their superiors at FBI headquarters, followed normal procedures in responding to the Travel Office matter.''

The Office of Professional Responsibility goes on to say that ''ill-advised and erroneous'' action by White House staff during this time—''ill-advised and erroneous'' action by White House staff during this time; everyone concedes that. But the Office of Professional Responsibility said, ''—created the appearance that the FBI was being used by the White House for political purposes'' but concluded that the problem was one of appearance and not substance with regard to the FBI.

The House committee report lays out a summary of the facts in this case, a summary with which I do not have much dispute, but in reaching its conclusion it, like the legislation, makes no distinction between former Travel Office employees who were not indicted and Billy Dale who was indicted. That is the distinction which this appropriations bill does not make either. It is the critical distinction because there has been concession, there has been acknowledgement, there has been awareness for years that errors were made by the White House in the firing of those people and the attorney's fees have been paid, and they have been paid except for $50,000, in this bill, properly.

But there is another case, there is another situation in here. That is the proper legal indictment of Billy Dale following a proper investigation by the FBI, following a proper review of that investigation by the Department of Justice, following a proper indictment by the Department of Justice from the grand jury, following a proper jury trial.

The issue with respect to this legislation then is not the payment—and I am going to repeat this because we are going to hear a lot about the improper firing, which is conceded, has been acknowledged for years, and I have no doubt that we will hear later tonight, perhaps tomorrow, in great detail about the improper firing of these employees of the Travel Office, and that is not the issue. That has been acknowledged at least for 2 years. Those attorney fees, again, should be and have been paid for the most part and will be paid, the balance, in this legislation. I think it is supported universally that they were inappropriate firings and that the legal fees should be paid. I do not know anyone who disagrees with that one.

The issue here is the payment of attorney fees to somebody who was properly and legally indicted for the first time that I can find in our history. No standards in the committee report, no committee report from the Senate, just a private bill to pay attorney fees of people legally indicted, following a proper investigation by the FBI, not tainted, not alleged to be tainted, following proper prosecution, not tainted, not alleged to be tainted, either at trial or in the House report or as far as I know here. What was improper was the firing. But the indictment was proper, too, and I am going to spend a few minutes as to what that evidence was that led the FBI and the Department of Justice to seek an indictment and to prosecute Billy Dale.

This indictment was based on a finding of probable cause that a named individual committed a crime. Billy Dale was in charge of the White House Travel Office. He served as its head for 11 years, had been in the office for 32 years. There were six other employees in the Travel Office who worked under Billy Dale. None of these employees, including Billy Dale, was a member of the civil service. All the employees, including Billy Dale, served at the pleasure of the President and could be fired at will.

The job of the White House Travel Office is to accommodate the White House press corps by arranging for their transportation and housing while on travel to cover the President. Although the Federal employees in the Travel Office are paid for at taxpayer expense, the payment for the travel, the airplane, taxi, train, hotel costs are paid for by the respective news organizations. The moneys for travel are funneled through the White House Travel Office, so while the White House Travel Office employees will make the arrangements for the airplane charter and handle the reservations for hotel accommodations and meals, the money to pay for those items will be collected by the Federal employees at the Travel Office from the news organizations and then paid to the respective companies that have incurred the costs.

To cover the costs in advance and keep the operation running, the Federal employees at the Travel Office oversee and maintain an account at the Riggs Bank through which payments and reimbursements are made.

So let's say that the White House press corps needs 20 rooms at a hotel in Paris. The White House Travel Office books the 20 rooms, pays for them when required either upfront or after the trip, and then it bills each respective news organization for its share of the expenses.

That is how it is done. Why Federal employees should be the ones responsible for getting the press corps around the world and accommodated may not be 100 percent clear, but that is the way it works. There is no problem with that. That is the way it works.

White House Travel Office employees would often go on these trips to manage the travel and to cover incidental costs such as baggage handlers and local transportation. The employees who would go on a trip would take a fair amount of cash with them to pay for the necessary expenses. They get this money, this cash they took along with them from a petty cash account that they maintained at the Travel Office. They were supposed to work as follows: The petty cash account would be replenished by cashing checks at the Riggs Bank where the main account for the office was maintained, recording the number of the check and the amount cashed in a petty cash log. The Travel Office employees were supposed to use either the Riggs Bank account, which was several blocks away, that is all, from the White House, or the petty cash account, which was in the Travel Office, to cover the expenses while traveling with the White House press corps.

In May 1993, the White House counsel's office requested Peat Marwick, a private accounting firm, to conduct a review of the financial records of the Travel Office. That review found, according to the summary, ''significant accounting system weaknesses, including missing or inadequate documentation for disbursements, a lack of financial control consciousness, no formal financial reporting process, no reconciliations of financial information, no documented system of checks and balances on transactions and accounting decisions within the office, no general ledger of cash receipts, disbursement journals, no copies of bills on file.''

Now, in particular, Peat Marwick noted about ''eight discrepancies between the amounts written to cash on the Riggs National Bank account and the recording of these amounts into the petty cash fund.''

''Each of the eight checks was made out to cash and signed by the director of the press travel office and endorsed by the same individual. Those discrepancies totaled,'' according to Peat Marwick, ''$23,000.''

As a result of that audit, the FBI began an investigation, and during the investigation the FBI learned the following. Sometime around 1988, Billy Dale started depositing checks that belonged to the Travel Office into his own personal account in Maryland that he had with his wife. Dale deposited, the FBI found, 55 checks over 3 years totaling $54,000. He did not reveal that he was depositing those checks into his account in Maryland instead of in the office account across the street to anybody. He did not acknowledge or notify Peat Marwick he was doing it. He did not tell the FBI he was doing it. He did not tell his coworkers at the White House he was doing it—nobody. The FBI uncovered the deposits in his account because it had subpoenaed the records from that account.

The FBI also learned that on numerous occasions Dale cashed Travel Office checks for petty cash at the Riggs Bank but failed to record that fact on the petty cash ledger, which he was supposed to do. There was an unaccounted-for discrepancy of $13,000. During the Peat Marwick audit, Dale never mentioned these facts and irregularities to auditors. He never told anyone else about that money. We are here talking about petty cash. He did not

tell his fellow employees in the White House Travel Office, anybody at the FBI once the FBI investigation started. And this is from the trial transcript now of Billy Dale.

Question: And you never told your deputy that you had taken checks out of the Travel Office and put them into your personal account, did you?

Answer: That is correct.

Question: And you never told any of the people in the Travel Office that you had taken checks out and put them in your personal account?

Answer: That is true.

Over the course of 3 years, 1988 to 1991, Billy Dale took checks intended for the White House Travel Office, which were checks mostly from telephone companies to reimburse the Travel Office for prior payments in excess of needs. He took those checks, which were supposed to go to the Travel Office, deposited them in his personal bank account in Clinton, MD. He never told anyone, again, people he had worked with for decades, about taking those checks.

When he was asked about which checks he took, this is what he admitted at trial. How did he select the checks which he was not going to deposit in the Riggs account across the street? It was the office account. The ones he took to Clinton, MD, and deposited and merged with his own private funds with his wife in his own personal bank accounts, how did he pick them? Which ones? There were thousands of checks which come in:

Question: And you took a little more care in selecting these checks, didn't you?

Answer: I don't know what you mean.

Question: Well, you took the telephone refund checks, because there was no record in the office that these telephone refund checks were issued and coming back to the office; right?

Answer: That is right.

Question: And so no one would know that the money was missing, right?

Answer: That is right.

Question: And, so that no one would learn of what were you doing, right?

Answer: That is right.

Now, again, the FBI was not told by Billy Dale that he deposited $54,000 in checks in his personal account. He did not tell Peat Marwick during their review. Despite the negative report by Peat Marwick about financial mismanagement, he did not disclose it then. He never told anyone about that—3 years, deposits checks in his personal account. It was only after they were subpoenaed by the FBI that they discovered the deposits of these Travel Office checks by Mr. Dale.

So, now the FBI learns, because of its subpoenaed bank records, of these deposits of $54,000 in Travel Office money in his personal account. That is not a small amount of money and it is not a minor act by a Federal employee. It is a willful, intentional deposit of Travel Office funds in an employee's private bank account. He did not keep the funds separate. He merged them in his own private account, all mixed together.

There is not one of us in this Chamber who would tolerate that conduct by any of our employees. No one in private industry would allow that. He did it surreptitiously, he did it secretly, and even when he knew that the FBI was investigating the financial management of the Travel Office, he kept it a secret.

That is about as good probable cause as a lot of prosecutors are going to get in a lot of cases. At trial, Billy Dale testified and presented an explanation for his conduct. He said that he was under pressure by news organizations to keep the size of the office account at Riggs, the so-called surplus in that account, at a reasonable amount. But he said he needed more money than that in order to pay the bills, and he testified he needed ''convenience and flexibility'' in getting cash for trips.

Apparently walking two blocks to the Riggs Bank and cashing a telephone refund check to take on a trip was not sufficient convenience. So here is what he testified he did. He testified he kept a personal hoard of cash at his home, not his home bank in Clinton, but his house. He kept $20,000, he said, at his house. This came, he said, from the proceeds of a small business that he sold, from rent that he received from his children, and from the proceeds of his brother's estate. He testified that he would take a telephone refund check for the Travel Office, which might be in an amount of, say, $800 or $1,000, he would go home, take that amount from his cash reserve. He would then bring that amount from his cash reserve into the Travel Office. He would then take the refund check which was intended for the Travel Office and deposit it in his personal account at the Clinton, MD, bank. That is his explanation as to how he deposited $54,000 of Travel Office money in his personal checking account, for flexibility and convenience.

He could have cashed these checks two blocks away at the Riggs Bank, a bank that Travel Office employees used all the time, but he did not do that. He deposited them in his personal bank account, merged with his personal money for ''flexibility and convenience.'' He never made a copy of the checks, never told anyone in the Travel Office about them. No other Travel Office employee who had the same financial needs and responsibilities on these trips—no other Travel Office employee deposited Travel Office checks in their personal checking accounts. All the other Travel Office employees used either cash from the Riggs account or cash from the petty cash account in the office. All the others—not Billy Dale.

Now, those facts surely were reasonable grounds upon which to proceed. No one has argued—again, I emphasize, no one has argued that the decision to prosecute was not reasonable here or that the FBI investigation was not reasonable here. The judge found that that was adequate to sustain a conviction.

Supporters of Billy Dale say because he was acquitted in just a few hours, somehow or other that taints the prosecution. Are we going to get into the business of awarding attorney's fees to an indicted, properly indicted but acquitted, individual based on the amount of time that it took to acquit? O.J. Simpson's trial lasted over a year and the jury deliberated less than a day. Should the State of California pay O.J. Simpson's attorney's fees because of the brevity of the deliberation? I do not think we want to walk down that road. I do not think we want to base our judgment on the validity of a criminal prosecution on the length of a jury's deliberation.

Moreover, Billy Dale offered to plead guilty to a felony. This is a situation where we are asked to decide whether a person who offered to plead guilty to a felony should receive $450,000 in taxpayers' money to pay for his defense when his offer to plead guilty was rejected by the Government as not being adequate and he went to trial. The offer is to a felony called ''wrongful conversion'' to one's own use and property under his control. He offered to plead guilty to a felony called ''wrongful conversion.'' He did it on November 30, 1994. This information has been made public in many newspapers. Several points in this written plea offer are important to note.

First, it is clearly and unequivocally an offer to plead guilty to one count. It is one count of violation of the U.S. Code, section 654, which states as follows:

Whoever, being an officer or employee of the United States, or of any department or agency thereof, embezzles or wrongfully converts to his own use the money or property of another which comes into his possession or under his control in the execution of such office or employment, or under color or claim of authority as such officer or employee, shall be fined under this title not more than the value of the money or property thus embezzled or converted . . . .

And so forth.

Billy Dale says he did not agree to plead guilty to embezzlement, and that is correct. He did agree to plead guilty to wrongful conversion, which is part of the same statute as the embezzlement language, the same section, section 655 of 18 U.S. Code, which makes it a felony to either embezzle or wrongfully convert. Both crimes carry the same maximum penalties of up to 10 years in prison.

Billy Dale not only offered to pay a fine of not to exceed $69,000, he also offered to accept up to 4 months imprisonment, one-half of which was to be served in jail.

Why was Billy Dale offering to plead guilty? As he has said in various testimonies since he offered to plead guilty: Because he wanted to spare his family the grief and expense of a trial. But he also offered to plead guilty because he did not want to face the risk, a risk that he must have thought he had a reasonable likelihood of incurring, the risk of a longer jail term. His attorney wrote in the plea offer and the consequences of the acceptance of the

plea—this is the attorney for Billy Dale that said in the plea offer:

The Government will be able to publicize the conviction in a case that has received considerable notoriety. The defendant will in all likelihood receive some jail time and will suffer a substantial financial detriment, all of which is important to the Government. Moreover, Mr. Dale will be forced to live with the stigma of having acted criminally in his handling of the Travel Office money.

On the other hand—

His attorney writes in the plea offer:

Mr. Dale will avoid the expensive trial and the risk of a substantially longer jail term.

So he offered to plead guilty, pay both a sizable fine and actually serve some time in jail.

One other fact relative to the trial. At the end of the Government's case, Billy Dale made a motion for acquittal, and that was denied. This motion allows the judge to assess the presentation of the Government's evidence and decide if, on its face, it is insufficient to present to a jury.

Rule XXIX of the Federal rules of criminal procedure provide that:

The court, on motion of a defendant or on its own motion, shall order the entry of judgment of acquittal of one or more offenses charged in the indictment after the evidence on either side is closed if the evidence is insufficient to sustain a conviction of such offense or offenses.

So here was another check on the legitimacy of the prosecution. Even though the grand jury was appropriately convened and the indictment was without defect and the prosecution did not violate due process and was not inappropriately selective, the defendant can ask the judge to consider whether the evidence of guilt, as presented by the Government, is sufficient to sustain a conviction by the jury. If the Government did not present sufficient evidence to convict, then the case does not go to the jury. The judge must acquit based on the motion of the defendant over its own motion.

Billy Dale made this motion, and it was denied by the judge. So, in the opinion of the judge, after the Government had presented all of its evidence, there was sufficient evidence to sustain a conviction.

I think a reasonable person looking at this record would find it reasonable to conclude that the criminal prosecution of Billy Dale was legitimate. Three separate reports on the firing of the White House Travel Office employees concluded there was no wrongdoing by the FBI, which was the lead investigative agency into alleged criminal conduct in the Travel Office. The GAO concluded in May 1994 that ''the FBI and the IRS actions during the period surrounding the removal of the Travel Office employees were reasonable and consistent with the agency's normal procedures.''

The FBI's internal review in May 1993 determined ''the FBI acted correctly:''

FBI personnel declined to offer guidance, restricted their interest to the parameters of a possible criminal investigation and did not commit to conducting a criminal investigation until after consultation with appropriate personnel within the FBI and the Department of Justice.

Third, the review by the Office of Professional Responsibility and the Department of Justice concluded:

We found no wrongdoing on the part of any FBI employees regarding the Travel Office matter.

The Senate has not had 1 hour of hearings on this bill. We don't have a committee report upon which we can assess the facts, not only of the criminal prosecution but of the estimate for the attorney's fees.

The House committee report upon which we are supposed to rely does not even mention, does not discuss the nature of the indictment or the facts surrounding the indictment or the basis for it. Those facts are ignored. What it focuses on and what I am sure will be focused on here tonight is the inappropriateness of the firings, which the White House and others concede.

The attorney's fees relating to the firing are, concededly, appropriately paid. We should pay them. We paid three-quarters of them. We should pay the balance in this bill. Those are not at issue. It is not the firings that is at issue here. It is whether or not the criminal indictment and the prosecution was defective and inappropriate. That is the issue, because that is what these $450,000 of attorney's fees relate to.

The basis upon which we should consider paying Mr. Dale's attorney's fees would be if there had been information uncovered that the Federal Government acted unfairly in indicting Mr. Dale. If there was sufficient evidence of that, then we should be given that information. That is the only basis upon which we ought to be considering spending almost a half million dollars of the taxpayers' money to reimburse Billy Dale and setting a precedent, which, as far as we can determine, is, indeed, a precedent, paying the attorney's fees of someone who is properly and legally indicted.

We do not have a record of the facts upon which we can make such a judgment.

Finally, Mr. President, there is a process in law to get that record. This legislation is effectively a private relief bill. In fact, the Parliamentarian has already ruled that the freestanding bill is a private relief bill for Billy Dale.

There is a statutory procedure, 28 U.S. Code, section 2509. That procedure provides that the Court of Claims can determine whether or not private relief sought from Congress and the taxpayers by an individual or group of individuals is appropriate.

Under that statute, the Court of Federal Claims, on referral from either the Senate or the House, is required to determine if there is a legal or equitable claim to taxpayers' money or whether such payment would be simply a gratuity. The statute provides the following in part, and here I am reading section 2509 of 28 U.S. Code:

Whenever a bill is referred by either House of Congress to the chief judge of the United States Court of Federal Claims, the chief judge shall designate a judge as hearing officer for the case and a panel of three judges of the court to serve as a reviewing body.

Each hearing officer and each review panel shall have authority to do and perform any acts which may be necessary or proper for the official performance of their duties, including the power of subpoena and the power to administer oaths and affirmation.

The hearing officer shall determine the facts and shall append to his findings of fact conclusions sufficient to inform Congress whether the demand is a legal or equitable claim or gratuity and the amount legally or equitably due from the United States to the claimant.

Referral under this statute to the Court of Claims would require the court to develop a factual record outside the rhetoric of politics upon which we could either then base a judgment or, in the case of the amendment that has actually been filed, all that would be necessary is for the Court of Claims to determine that, in fact, it is an equitable claim. And then the legal fees would be automatically paid. We would be given a report under the amendment which the Senator from Nevada filed, but it would not have to come back here for further action. We would authorize these attorney's fees subject to a determination and finding by the Court of Claims pursuant to a law which is on the books that that is an equitable claim against the United States.

Surely, we owe that much to the American taxpayers who would be paying this bill, and we owe that much to ourselves before making a decision on overturning decades of precedent. That is what the amendment would do.

Again, it allows for the five Travel Office employees who were not indicted to receive the final reimbursement of $50,000 for their legal fees, which I think we all support. But it would refer the matter relative to Billy Dale's attorney's fees to the Court of Federal Claims for determination on the merits, and if the court determines that Billy Dale has either a legal or equitable claim, then this amendment would provide Billy Dale would be paid directly at that time when the findings of the Court of Claims become final.

No additional action would be required other than a report to us of what that final decision is. If, however, the court were to conclude that the payments to Billy Dale were not based on a legal or equitable claim but would be a gratuity, then the fees would not be paid.

This is a routine procedure. We use this procedure dozens of times. We refer cases to the Court of Claims all the time. We do it with private relief bills all the time. Sometimes the court finds that there is a legal or equitable claim; sometimes it finds that it is a mere gratuity. But before we set a precedent that we may come to regret, there should be, from some objective source, a determination that this claim is a legal or equitable basis.

Adoption of the Reid amendment, which has been cosponsored by myself and Senator BIDEN, is the surest way to remove this issue from politics, which is regrettably infused. Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr HATCH. I yield to the distinguished majority leader. I would like to retain my right to the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I thank the distinguished Senator from Utah for yielding, but I do think we need to notify our Members of where we are. It will not take me but just a moment.

For the information of all Senators, earlier this evening the Senate reached an agreement which limits the amendments in order to the Treasury-Postal Service appropriations bill. The managers have been working, along with the leadership representatives, with a number of Senators, to reduce that list, instead of just a large list of amendments here.

However, the grand total of amendments on the list is somewhere between 95 and 97, I guess, amendments, which certainly is unsatisfactory at this point. It makes it very difficult for us to be able to complete the bill. But in order for the managers to continue to work and try to reduce these amendments or to clear some of the amendments, I would like to announce now, there will be no further votes this evening, and any votes ordered tonight on this or other amendments will be stacked at 9:30 a.m. on Thursday.

Senators should be aware that the managers are here and are willing to debate, perhaps accept amendments or to conclude some of the amendments that are now being debated. Members should expect rollcall votes, of course, throughout the day on Thursday. It would be my intent, in the morning, after consultation with the managers and the minority leader, that we would continue on amendments in the morning.

After the stacked votes, if any, at 9:30—we had hoped to go to the Chemical Weapons Convention at 10 o'clock in the morning. It looks like we will have to just delay that and see where we are, which means that we could have to go very, very late into the night on Thursday night, could actually have to go over until Friday to have a vote on Friday morning.

In any event, there will not be any votes after 12 noon on Friday, since it is a Jewish holiday. I had hoped we could come to some reasonable conclusion on this bill, get it completed, and then spend the necessary time tomorrow on the Chemical Weapons Convention.

It is my intent to go to the Chemical Weapons Convention tomorrow. I just do not know when it might be now in an effort to try to get some conclusion on these amendments and complete this bill. But there will be no further rollcall votes tonight. The next vote will be at 9:30 in the morning, if any are ordered.

Does the minority leader have any comment?

Mr. DASCHLE. Mr. President, let me just say, I want to thank the Members of our leadership for working with Members on our side. As I understand it, the list is quite extensive on both sides. There are 51 Republican amendments and almost that many, not quite that many, Democratic amendments. But we are going to do our best to work with the majority leader to see if we can bring that list down substantially by tomorrow.

Obviously, Senators would be very helpful to both of us if we could limit the amount of time on many of those amendments and offer additional amendments tonight. There is no reason even if there are no more votes why we cannot have a number of amendments yet tonight. So, hopefully we can do that and be in a much better position to come to some final assessment as to what the list looks like by midmorning tomorrow.

Mr. LOTT. Mr. President, just in conclusion, certainly we will be working with the Senator from South Dakota. We will get this list pared down to what I guess is a real list, probably two or three or four or five max. I do not know why we have to go through these exercises, but we do, and we will do the best we can.

Again, under the rules we have, every Senator has his right or her right to make their case, and we will work with them on that. But I do want to remind Senators, a lot of times they think, ''Well, this will kind of just go away, and I won't have to stay late tomorrow night, and I can fly home tomorrow night or I'll be able to leave Friday morning.''

There are some things around here that have to occur. And we have a unanimous-consent agreement on the Chemical Weapons Convention. I have an obligation to call that up. And I am going to. It requires 10 hours under the rule. We can either cut that time down or we can take the whole 10 hours. We can go late tomorrow night. But if we do not begin until 1 or 2 or whatever time, it would be very late tomorrow night, and we could not do anything about it basically. That one would go until we got to the end.

So when Senators come, pleading, saying, ''I want to go home,'' there would not be anything we could do if we wanted to. Or I guess one other option is, we can go over and have a vote on that on Friday morning. I know that there are some Members of the Jewish faith who would like very much on their holiday to be able to leave on Friday morning so they can be with their families before the Jewish holiday begins. I would like to honor that, but we are in a bind here.

If we finish this bill at a reasonable time, we can go to chemical weapons at a reasonable time. We either get a time agreement, or vote late tomorrow night, or vote on Friday. This is one time where the leadership is not going to have a lot of options.

So I plead, once again, with our Members, let us be reasonable. This is not the last train. We still have plenty of times to play games, if we insist, on both sides of the aisle. I am not putting the other side down. We have ours on there, you have yours. So let us agree to hold hands and do this bill, and we can save all of our choice, lovely, luscious amendments for the next bill or the next bill. We still have 3 weeks. We do not have to do it on this one. Then we can do two very important bills—Treasury-Postal Service, Chemical Weapons Convention. And I believe we can work on that in the morning. I have seen miracles happen around here before. Maybe we could come up with one in the morning.

Mr. REID. Would the majority leader yield?

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Might I just make one other point.

I appreciate the indulgence of the Senator from Nevada.

As I look at the list on both sides, the one thing I think the majority leader will agree with me on, about two-thirds, if not three-fourths of those amendments are legislative amendments. I believe we made a very big mistake a year ago in overriding the Chair on the question of legislating on appropriations bills.

I think we are paying a heavy price, and will continue to pay a heavy price, so long as we continue to insist that even on appropriations bills we can add anything to everything. And that issue will come back. It stung us and it has caused us more problems in the last 2 years than virtually anything else. I think it was a big mistake. Our Republican colleagues insisted at the time to overrule the Chair and allow the practice of legislating on appropriations bills, so these amendments are fair game. But we are now paying the price, and continue to pay the price so long as that issue becomes almost a joke with regard to these appropriations bills.

So I think when we get back for the 105th Congress, and when we have the opportunity again, in the majority, to deal with this issue, I hope we can restore the rule.

Mr. LOTT. The majority will certainly look at that very closely because we will be working in the majority with the minority. I think this is one case where maybe we can agree and in fact change the rule or take action to bring some reasonableness back to this area. I think I agree with what the Senator is saying. Let us work together no matter, you know, which party is in control to get that resolved.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. REID. While both leaders are on the floor, speaking for me, this Senator, and for—sorry.

Mr. LOTT. I believe that is correct. I believe the Senator from Utah had yielded to me.

Mr. REID. I am sorry.

Mr. HATCH. I will be happy to yield for a question, and then retain my right to the floor.

Mr. REID. I want to make a brief statement. I apologize.

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

Mr. REID. While both leaders are here, I want them to understand that, speaking for this Senator, Senator LEVIN and Senator BIDEN, we do not intend to hold this bill up because of the amendment we have offered. However, if we do not get a vote on our amendment, then we have no alternative. We need an up-or-down vote on our amendment. And the procedure, the way things are now before us, we will not be able to do that. So we will agree to a time agreement, and be totally reasonable, but we want an up-or-down vote on whether or not this matter should be referred to the Court of Claims.

Mr. DASCHLE. Mr. President, would it be in order to ask unanimous consent to get a time agreement, say, for additional debate of no more than an hour and 20 minutes? I am prepared to offer one of the amendments I was planning to offer in order to accommodate the schedule if we could, perhaps, divide the next 90 minutes equally.

Mr. HATCH. I might add, it is going to take me a little bit of time to rebut what they have said. I will certainly be amenable to trying.

Mr. DASCHLE. How much time does the Senator from Utah need?

Mr. HATCH. I have no idea. I imagine 45 minutes to an hour.

Mr. REID. I need about 15 minutes if I get an up-or-down vote on my amendment sometime through this process.

Mr. DASCHLE. I would like about 10 minutes, so perhaps we could take an hour on the Republican side and a half hour on the Democratic side.

Mr. LOTT. I believe the chairman of the committee has some comments.

Mr. DASCHLE. Could we ask unanimous consent that the time for the amendment be divided two-thirds/one-third, providing the Republicans with an hour, the Democrats with half an hour, beginning at 8:45, with a vote to be held tomorrow morning.

Mr. LOTT. Is this on the Hatch amendment?

Mr. HATCH. And the Reid amendments, back to back, following the end of the debate.

Let me say this: The proponents have taken 2 hours; I believe I can finish in about an hour, and I will try to do it in less time than that, but I do have to rebut what they have had to say because I think it has been outrageous.

Mr. REID. If the Senator would yield again, I have no problem with the reasonable suggestion made by the Democratic leader as long as we have a vote on both amendments.

Mr. SHELBY. I wonder if the Democrat leader would yield?

Mr. DASCHLE. I yield.

The PRESIDING OFFICER. The Senator from Utah has the time.

Mr. HATCH. The parliamentary situation is that the Reid-Levin amendment has been filed. We filed a second-degree amendment. Their amendment would go to the Court of Claims. Frankly, I do not see any reason why, if we went on my amendment, why you have to have a vote on your amendment.

Mr. REID. That is the whole problem. We want a vote. We want the Senate to vote as to whether that matter should be referred to the Court of Claims. If the Senate says no, we will walk away from this.

If we only get a vote to keep this in the bill, then I think I can speak for the Senator from Michigan and the Senator from Delaware, we are going to talk here a while.

Mr. HATCH. You are going to filibuster the bill over that issue?

This is legitimate. You filed an amendment; we filed a second-degree amendment.

Mr. DASCHLE. Would it accommodate both to have two freestanding amendments back to back, voted up or down at 9:30? That would accommodate everyone and resolve the matter, and we could move on to other issues.

Mr. HATCH. Fine with me.

Mr. LOTT. Mr. President, I believe we can get an agreement to that. I want to clarify the time that we are talking about.

Mr. HATCH. Will the Senator yield? I will move to table the Reid amendment, but it would be a vote up or down.

Mr. REID. We understand. We would have an opportunity to offer our amendment, and you could move to table it.

Mr. LOTT. I believe that would do it.

Mr. President, I thank the Democratic leader for the suggestion in trying to put that in motion here.

I ask unanimous consent that the time on the pending issue be limited to 60 minutes under the control of Senator HATCH, with 50 minutes to Senator HATCH and 10 minutes with Senator SHELBY, and then 30 minutes of time under the control of Senator DASCHLE or his designee, and votes occur first on the amendment No. 5257, and then on or in relation to the amendment of the Senator from Nevada, and that vote occur at 9:30.

Mr. DASCHLE. It would accommodate a Senator if that vote could occur at 9:45.

Mr. LOTT. We would have that vote at 9:45. Every time we do that, it pushes the Chemical Weapons Convention further back down, but the vote is to occur at 9:45.

I also ask each amendment be in the first degree and no second-degree amendments be in order.

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

Mr. HATCH. Mr. President, this has to be one of the most hypocritical White Houses in this century. And that is really saying something. Frankly, I think it is abominable, absolutely abominable. And my colleagues on the other side of the aisle are attempting to retry Mr. Dale right here in the Senate. Senator LEVIN, the distinguished Senator from Michigan, is even suggesting that Billy Dale should have been found guilty.

Fortunately—fortunately—our system calls for a more equitable fair process. Mr. Dale has been tried by a jury of his peers, and he was acquitted in less than 2 hours. I think there is a principle called double jeopardy. I am really amazed that after this man was smeared by the White House—for greedy purposes, to help their buddies, the Thomasons, and their relative, Ms. Cornelius—was put through an abysmal trial that cost him $500,000. And this outfit is acting like something should not be done.

I found the White House critical in this issue, and that is an understatement. The fact is, these people were smeared. They were treated improperly. They were abused. The FBI was abused, and it was all done for the purposes of greed, so they could take care of their buddies.

The fact of the matter is, if you look at what has happened here, it is just pathetic. A memorandum we got from the White House admits to the wrongdoing:

> You all may dimly remember the Travel Office affair in which a number of White House staff, many immature and self-promoting, took impulsive and foolhardy actions to root out problems at the beginning of the Clinton administration and gallantly recommended they take over its operation.

Those comments were from the White House itself.

Now, let me read from the Watkins memorandum. This is an interim White House memorandum. I ask unanimous consent to have this printed in the RECORD.

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

[Privileged and Confidential—Memorandum]

From: David Watkins.

Subject: Response to Internal White House Travel Office Management Review.

In an effort to respond to the Internal Travel Office Review, I have prepared this memorandum, which details my response to the various conclusions of that Report. This is a soul cleansing, carefully detailing the surrounding circumstances and the pressures that demanded that action be taken immediately. It is my first attempt to be sure the record is straight, something I have not done in previous conversations with investigators—where I have been protective and vague as possible. I know you will carefully consider the issues and concerns expressed herein.

As a preliminary matter, the procedure followed in finalizing the report was needlessly unfair. Even in the context of General Accounting Office audits and reviews, the reviewed agency is afforded the opportunity to respond to the report and criticisms prior to

release and publication. This is an important step which allows inaccuracies or erroneous conclusions to be addressed and corrected prior to publication, and more importantly, allows the criticized party to respond to the contents of the report. Unfortunately, in this case, neither I nor others directly involved were afforded any opportunity to rebut the contents and conclusions of the internal Review.

In this case, I was notified of the forthcoming reprimand around 10 a.m. on July 2. But I received a copy of the report shortly after noon the same day, and at the exact time from that briefing the report was publicly released. I was never afforded the opportunity to respond, and until this memorandum, I have never responded to the report or its contents.

With the recent release of GAO audits and the resultant press coverage and criticism of my office, setting the record straight on the Travel Office occurrences is important.

BACKGROUND

As you recall, an issue developed between the Secret Service and the First Family in February and March requiring resolution and action on your's and my part. The First Family was anxious to have that situation immediately resolved, and the First Lady in particular was extremely upset with the delayed action in that case.

Likewise, in this case, the First Lady took interest in having the Travel Office situation resolved quickly, following Harry Thomason's bringing it to her attention. Thomason briefed the First Lady on his suspicion that the Travel Office was improperly funnelling business to a single charter company, and told her that the functions of that office could be easily replaced and reallocated.

Once this made it onto the First Lady's agenda, Vince Foster became involved, and he and Harry Thomason regularly informed me of her attention to the Travel Office situation—as well as her insistence that the situation be resolved immediately by replacing the Travel Office staff.

Foster regularly informed me that the First Lady was concerned and desired action—the action desired was the firing of the Travel Office staff. On Friday, while I was in Memphis, Foster told me that it was important that I speak directly with the First Lady that day. I called her that evening and she conveyed to me in clear terms that her desire for swift and clear action to resolve the situation. She mentioned that Thomason had explained how the Travel Office could be run after removing the current staff—that plan included bringing in World Wide Travel and Penny Sample to handle the basic travel functions, the actual actions taken post dismissal and in light of that she thought immediate action was in order.

On Monday morning, you came to my office and met with me and Patsy Thomasson. At that meeting you explained that this was on the First Lady's ''radar screen.'' The message you conveyed to me was clear: immediate action must be taken. I explained to you that I had decided to terminate the Travel Office employees, and you expressed relief that we were finally going to take action (to resolve the situation in conformity with the First Lady's wishes). We both knew that there would be hell to pay if, after our failure in the Secret Service situation earlier, we failed to take swift and decisive action in conformity with the First Lady's wishes. You then approved the decision to terminate the Travel Office staff, and I indicated I would send you a memorandum outlining the decision and plan, which I did.

I have never stated all this so clearly before, but to form a complete and accurate picture it must be kept in mind while reading the specific criticisms of the Podesta Management Review. I will now address those criticisms directly.

RESPONSE TO SECTION II ''DISCUSSION OF PRINCIPAL ISSUES'' OF TRAVEL OFFICE REVIEW

''Travel Office Management'' (Page 14):

''The review conducted by KPMG Peat Marwick uncovered serious financial mismanagement.'' At .

At the strong recommendation of myself and others in my office, KPMG Peat Marwick was brought in—instead of having the FBI take over immediately—to review the financial practices of the Travel Office. I concurred in Peat Marwick's analysis and conclusions: Management of the Travel Office was abysmal.

''Treatment of the Travel Office Employees'' (Page 15):

''While all White House Office employees serve at the pleasure of the President, the abrupt manner of dismissal of the Travel Office employees was unnecessary and insensitive.'' At ____.

In the conversation with the Travel Office staff notifying them of their termination, I explained that a review of the Travel Office operations had always been planned to conform to the general review process implemented across the White House administrative offices and the Office of Administration. I further explained my decision to terminate them; I explained that from a management perspective, in this case it was best to relieve them all immediately from their jobs and provide them a additional two weeks in pay. I informed them of this and asked them to leave immediately. The tone was firm, with emphasis on the mismanagement recounted in the Peat Marwick report. I explained that in light of that mismanagement, it was best to dismiss the entire office.

The allegation in the report that this was insensitive is wrong. These employees work at the pleasure of the President and all in the White House Office should understand that there is extremely low tolerance for the severely negligent and unaccountable procedures followed in that office. In light of the First Lady's insistence for immediate action and your concurrence, the abrupt manner of dismissal, from my perspective, was the only option.

''Moreover, the Peat Marwick report did not furnished efficient cause for terminating the employees without financial authority. As a legal matter, the White House has this right to terminate an employee without cause. In this case, however, the White House asserted that this termination of all seven was for cause. Based on the information available, this assertion was inappropriate with respect to the employees who did not exercise financial authority. . . . Abuses cause, in some humans approach was in order. For example, even if it were decided that the Travel Office would operate more efficiently with a reorganized, smaller staff, an effort could have been made to locate other federal employment for those who would be displace.'' At 15.

As early as February, the intent of Management and Administration was to review and reorganize the Travel Office before October 1 into a leaner operation—just as with every other office within the domain of Management and Administration, from the Photo Office to the Telephone Office to the Travel Office. That remained the plan until the intense pressures surrounding this incident arose in May. If given time to develop, the original plan to reorganize the Travel Office for a smooth transition in September would have allowed the Travel Office employees to seek other federal placement, along with other Executive Office of the President staff, in anticipation of the end of the fiscal year staff cuts; however, when pressure began to build for immediate action in the Travel Office, the long-term plans were short-circuited.

''The other major White House mistake in the treatment of the former Travel Office employees was in tarnishing their reputations. This resulted, in discussed above, from the inappropriate disclosure of an FBI investigation into potential wrongdoing in the Travel Office. (p. 15) * * * It was a mistake for the White House to publicly discuss FBI involvement, which led to the disclosure of the FBI investigations. * * * The talking points prepared by Watkins' office for the press office stated that the White House had asked the FBI to investigate. Eller had also sanctioned the FBI in an earlier draft of talking points. In making that reference, Watkins and Eller were insensitive to the effect such reference can have on the reputation of an innocent person. This mistake was compounded when Fouter's and Kennedy's instruction to eliminate the FBI reference was not carried out. Watkins did attempt to reach Myers, and Eller himself omitted the FBI references in his own background press briefings the morning of May 19. However, neither ensured that Myers avoided the reference.'' At 18.

Revealing the ongoing FBI investigation was insensitive, but that fact comprised one sentence in a draft version of talking points drafted by one of my staff and distributed for comment on the morning of May 19—the day of the termination. The talking points were distributed to Foster, Kennedy, Myers, and Eller with the expectation that we would have until the 2 o'clock press briefing to get the kinks worked out of the talking points. As soon as the suggestion came to delete the reference to the FBI, it was done. I immediately went to see Myers to inform her of the change and sensitivity to the ongoing investigation, but she had gone to the Hill with the President. I struck that sentence from Eller's copy and asked him to inform Myers. As soon as Myers returned from the Hill, prior to noon—more than an hour before the press briefing—I proceeded to her office and told her not to mention the FBI investigation She informed me that it was too late. She had already responded by phone to a reporter's inquiry by phone.

Thus, this was a mistake made on my part because I was not intuitive enough to take the talking points drafted by one of my staff and realize that the FBI investigation should not be mentioned—despite the strong support this provided for White House actions.

''Catherine Cornelius also played a role in the dismissal of the Travel Office employees, and she to had a personnel stake in the outcome. As the three memos she wrote on the Travel Office attest, who was eager to work in and, if possible, manage the Office. Her proposal to reorganize the travel office was appropriate and would be considered usual to any transition process. But her role in the decision-making process after she came, in effect, an 'accuser' of the Travel Office employees, by collecting documents and alleging possible wrongdoing, was inappropriate. * * * [E]very effort should be made to insulate the federal government's management decisions from even the appearance that personal interests have played a role in the outcome of those decisions.'' At 20.

Catherine Cornelius had no part in the dismissals. I put no stock in most of what Cornelius told me except to the degree it was factual. Her arguments for dismissal and reorganization had absolutely no bearing on the final decision to terminate the employees. If her input had been respected, the need for Peat Marwick would have been negligible, but in light of her self-interest and

her tendency to exaggerate, I decided to rely exclusively on a professional accounting firm. Catherine Cornelius, despite the Review's suggestion to the contrary, had absolutely no role in the decision-making process, and was in no danger of being placed in charge of the Travel Office. My intent all along was to put a trained financial manager over all the White House administrative operations, including the Travel Office.

When I assigned Catherine to the Travel Office, I did ask her to provide a report to me on May 15 based on her previous experience and actual experience in the Travel Office. She was placed in the Travel Office because of her prior experience in that area and a need to move her out of my immediate office—where she had become a liability to daily operations. Having had extensive experience with Catherine, I knew that her report would contain unworkable recommendations, but as I have in the past, I expected to distill those with which I disagreed from those I thought helpful. Unfortunately, due to her desire to revamp the Travel Office in her own likeness, Catherine may have ignored my intent to carefully review and scrutinize any recommendations made.

After Catherine became an ''accuser'' of the Travel Office staff, her input was merely on a factual level. I interviewed her to derive the factual basis of her allegations and for facts about the tasks performed by the Travel Office staff, but never asked for other, non-factual input other than the May 15 report I was expecting. All views she expressed were evaluated in light of her known bias. To put it simply, she had no impact on the decision-making process other than by providing factual information.

''The White House took several actions that demonstrated an insensitivity to the appearance of favoritism. Hiring World Wide Travel on a no-bid basis—even as an interim, stop-gap measure—created the appearance of favoritism toward a local friend from the campaign. World Wide's president, Betta Carney, is a long-time acquaintance of Watkins. Watkins' Little Rock advertising agency was a client of World Wide in the 1970s and World Wide was a client of Watkins' agency during that time period.'' At 20.

Part of the plan for immediate replacement of the Travel Office staff was use of World Wide Travel Service to book commercial flights for the Office. This aspect of the plan was discussed with all interested parties, and all concurred with knowledge that World Wide had been the campaign's travel agent. This made the most sense due to the fact that we could not have publicly solicited bids in light of confidentiality concerns and when we had ongoing business needs that had to be taken care of immediately following the terminations.

As for my longtime acquaintance with Betta Carney and World Wide Travel, I must point to my experience in the business world. There, reliance on a firm from whom one has received exceptional service is the rule.

As well, since the time I was a client of World Wide's and since World Wide was a client of my advertising agency in the 1970s, I have personally and professionally used at least half a dozen other travel services. So, any suggestion that calling them in this case derived from that history is absurd, and the media suggestions of improper favoritism were likewise absurd.

We had recent experience with World Wide, and based on that experience I knew we could rely on them for confidentiality in handling and preparing to handle the Travel Office business, until the business could be subject to full and open competition.

''None of this implies any improper conduct by World Wide, which is a well-established, successful travel agency, twenty-third largest in the country. World Wide executives understood that they could secure White House business only through an open, competitive bidding process. But the impression of favoring a local supporter was impossible to dispel.''

At this point in the sequence of events, with the current plan approved by the First Lady and yourself including resort to World Wide Travel, it would have unnecessarily heightened confusion to recruit an unknown travel service. Again, a primary source of the problem was the abruptness caused by the calls for immediate action in the Travel Office and the at least daily inquiries. If my plan to slowly shift as the fiscal year came to a close had remained intact, a travel agent would have been procured in a more transparent fashion. However, since at the time of hiring World Wide it was known that they had a GSA contract, hiring World Wide was not as questionable or ''non-competitive'' as the Report or the press would have one believe.

''Bringing in Penny Sample, President of Air Advantage, to handle press charters on a no-bid, volunteer basis furthered the appearance that the White House was trying to help its friends. Sample was the Clinton-Gore campaign's charter broker and a close associate of Darnell Martens. This implies no improper conduct on Sample's part, but, again, created an appearance of favoritism.'' At 20.

Like World Wide Travel, Penny Sample was part of the short-term plan for running the Travel Office after the terminations. Since she was willing to volunteer her services without her or her company receiving any compensation—because we realized, like they did, that they would be conflicted out of virtually all White House business—we believed the conflicts and appearance of favoritism issue had been sufficiently addressed. Again, we did not believe it to be favoritism to have a former service provider for the campaign volunteer to assist the White House.

''White House Management'' (Page 21):

''The White House made a number of management mistakes in handling the Travel Office.''

''Lax Procedures''

''The responsibility for Thomason's influence on the Travel Office incident must be attributed to White House management. Thomason should have avoided continued involvement in a matter in which his business partner and his friends in the charter business stood to benefit and in which there was an appearance of financial conflict of interest. But lax procedures allowed his continued participation in the process. . . . There should be better management control with respect to the mission that any non-White House staff person is brought in to carry out. Permitting Thomason—or any non-staff person who comes in on special assignment—to work on problems outside the scope of his or her assignment is not a good practice.'' At 21.

Management and Administration had no part in bringing Thomason into the White House. In fact, the responsible office failed or intentionally neglected to inform Management and Administration of the nature of his work. Contact with this Office on the subject consisted only of the First Lady's Office calling to insist on immediate access for Thomason.

''Placing Cornelius in Travel Office.''

''Given Cornelius' personal interest in running the Travel Office, Watkins should not have placed her in the Office to make recommendations on how the Office should be structured.''

As stated above, Catherine was placed in the Travel Office because of her experience in travel and to allow her to make a meaningful and significant contribution to this Administration. The original assignment was made to see if she would work there permanently—if she liked that work and if it likewise suited her. The report I asked her to draft and provide on May 15 was in no way the driving force for her assignment to the office, it was simply a way to help determine her long-term suitability. She was placed in that office because of her extensive experience since October 1991 in coordinating travel for then-candidate Bill Clinton. She was not placed in the Travel Office primarily to make recommendations on its future structure.

''Watkins compounded the problem where in responses to Thomason's complaints, he asked Cornelius to be alert to possible wrongdoing or corruption. Cornelius lacked the experience or preparation for this role. Nor was she given my guidance.'' At 21.

Catherine was not asked to investigate or document wrongdoing by the Travel Office staff. I understood that she lacked experience to perform such a task. Catherine was merely asked to observe what transpired in the Travel Office—nothing further was requested or expected. Special training is not needed to keep one's eyes and ears open, to observe. I never asked her to collect documents or other information; she undertook this of her own volition.

''If, in April, Watkins thought the allegations reported by Thomason should be looked at more seriously, he should have done so in a more professional manner.'' At 21.

The suggestion that this could be more professionally handled is absurd. I noted the allegations, but thought they could wait for review—and knew they would be examined—during the course of the planned internal review of the Travel Office. For that reason, no action was taken other than to ask to Catherine to ''keep her eyes and ears open.''

''Poor Planning.''

''There was no adequate plan in place to manage the Travel Office in the aftermath of the dismissals.'' At 21.

Harry Thomason indicated that he could put a more efficient structure in place in an hour's time to handle all the tasks of the Travel Office. While I believed that my original plan to carefully review the Travel Office would best serve the White House, when I spoke with the First Lady on Friday night, May 14, she cited Thomason's plan as support for the need for immediate action. That action involved utilizing World Wide Travel and Penny Sample in the short term. As well, in my memo to you on May 17 explaining my intent to terminate the Travel Office employees the next day, the intention to use World Wide Travel was outlined. You approved this action based on this memo prior to the actual terminations.

''For example, no one in the decision-making chain spoke to the White House press and press advance staff members who worked closely with the Travel Office employees, knew the employees there, understood the services they provided and the degree to which they were relied upon by members of the travelling press and other considerations. None was contacted by Watkins.'' At 22.

In light of the need for absolute confidentiality, it would have been foolhardy to consult the press or press advance staffs. From the staff review and Catherine Cornelius' experience (this is the primary area where her factual expertise was relied upon), we in fact did know the services that the Travel Office staff performed. Catherine Cornelius and Harry Thomason regularly and repeatedly reassured me that the press charter function

could easily be assumed with the assistance of Penny Sample. ''Thus, plans to replace these aspects of the Travel Office functions were in place prior to the dismissals. Then, when the need for immediate replacement became evident, I committed to provide whatever manpower was needed to perform the services the Travel Office staff had performed.

Immediately following the dismissals, meetings were held with the press and press advance staff to make all necessary arrangements for upcoming trips. These discussions came after the fact, but were accompanied with a commitment from my office for all necessary resources to perform the job.

''The absence of a plan prompted the last-minute use of World Wide Travel and Penny Sample of Air Advantage, which fueled the charges of favoritism already discussed.'' At 22.

As explained above, the plan was to use World Wide Travel and Penny Sample; there was no absence of a plan. Because of the need for confidentiality and the need for quick action, reliance on those with whom we had experience seemed the only rational decision. Having performed superbly in the campaign and in light of our need for immediate travel agent support—due to the pressure for immediate action from several quarters—we decided the plan would include short-term reliance on World Wide Travel.

I would have much preferred to have my staff carefully review the Travel Office and make a detailed business plan for the new fiscal year. This proved impossible, though, when the pressure for action from the First Lady and you became irresistible. This demand for immediate action forced me to accept hastily formulated plans for hasty, inadvisable action.

''Overview.''

''The management problems in the handling of the Travel Office extended beyond the White House Office of Management and Administration. The Chief of Staff and the White House Counsel's Office had the opportunity to contain the momentum of the incident, but did not take adequate advantage of this opportunity.'' At 22.

''The process should have been handled in a more careful, deliberate fashion. Before any decision was made, the Travel Office employees should have been interviewed and other White House staff who understood the operations of the Travel Office should have been consulted. If dismissals were deemed appropriate, a new structure should have been designed and readied for implementation before any action was taken. Throughout, the process should have treated the Travel Office employees with sensitivity and decency.'' At 22.

As stated above, I too would have much preferred to have my staff carefully review the Travel Office and formulate a detailed business plan for the new fiscal year. This proved impossible, though, when pressure for action became irresistible. It forced me to accept hastily formulated plans for hasty, inadvisable action.

CONCLUSION

I think all this makes clear that the Travel Office incident was driven by pressures for action originating outside my Office. If I thought I could have resisted those pressures, undertaken more considered action, and remained in the White House, I certainly would have done so. But after the Secret Service incident, it was made clear that I must more forcefully and immediately follow the direction of the First Family. I was convinced that failure to take immediate action in this case would have been directly contrary to the wishes of the First Lady, something that would not have been tolerated in light of the Secret Service incident earlier in the year.

For this reason, I was forced to undertake the Travel Office reorganization without a business plan firmly in hand—something I had never before done in years as a management consultant, where such plans were my business.

All failings outlined in the Podesta Management Review were either mistaken and groundless criticism, or were based on actions dictated by the need for instant action. This reorganization required more careful review, but in this case that possibility was foreclosed. Delaying action was beyond my control.

Mr. HATCH. I am absolutely astounded that people would come here and try to try Billy Dale again.

I am now going to quote Mr. Watkins:

On Monday morning, you came to my office and met with me and Patsy Thomasson. At that meeting, you explained this was on the First Lady's radar screen. The message you conveyed to me was clear: immediate action must be taken. I explained to you that I had decided to terminate the Travel Office employees, and you expressed relief that we were finally going to take action (to resolve the situation in conformity with the First Lady's wishes.) We both knew that there would be hell to pay if after our failure in the Secret Service situation earlier, we failed to take swift and decisive action in conformity with the First Lady's wishes. You then approved the decision to terminate the Travel Office staff, and I indicated I would send you a memorandum outlining the decision and plan, which I did.

This is a memorandum, which is marked privileged and confidential, is from David Watkins in response to the internal White House Travel Office Management Review. The White House even admits they were doing the wrong things.

The distinguished Senator from Michigan claims this case should be referred to the Claims Court because the Senate has not done a report on the issue. I disagree: the facts in this case are not in dispute. The reason you have a Claims Court proceedings is because you have disputed facts. In this case, the facts are not in dispute.

And these facts have been well-documented: no less than four reports have been done on this issue, as well as 2 years' worth of investigations and hearings, and a debate on the floor of this chamber that was filibustered when the bill was filibustered as a free-standing bill. Two years' worth of investigations and hearings on the House side has established the facts. The only reason to refer this case to the claims court would be if the facts were in question. The facts, in this instance, are not even in dispute.

I might also add that the other side has referred to a document that, for all intents and purposes, is a privileged document that should never have been made public. It is the prosecutor's memorandum.

Somebody has violated the most sacred canons of ethics in giving a prosecutor's memorandum, which tells the Government's side of the case. My colleagues have read from it like it is fact, when, in fact, it isn't fact. They refer to two documents—one is the ''prosecution memorandum,'' and the other is a ''plea agreement.''

Now, where did they get those documents? Those documents are not permitted to be given to anybody. Somebody at Justice or the prosecutor's office has violated the most sacred canons of ethics, giving a memorandum of one side of the case, which may or may not be the true facts with regard to the other side. In this case, they are not the true facts. They are relying on confidential documents that were given improperly—through the Department of Justice, I presume. The Administration ought to know better than that.

Those documents are protected under the Department of Justice' own regulations. Once again, this is a politicization of the Justice Department, or the prosecutor's office, one or the other. There is no other way it could be. If the Justice Department has allowed White House people to get these documents, which apparently has been the case here, so they could leak them to Members of Congress to smear again Billy Dale and his colleagues, then that is further evidence of hypocrisy.

One thing I found interesting, is the quote the distinguished Senator from Nevada has on the chart behind him. Notably, it is only part of the quote. Let me read the whole quote. I am reading from a response from Billy Dale's lawyer to an op ed written by Robert Bennett to the Wall Street Journal. In the op ed, Mr. Bennett suggested that Billy Dale had entered a plea agreement of guilty, which he never did. Mr. Bennett was incorrect in his suggestion that the letter of the counsel for Billy Dale of November 30, 1994, constituted a willingness by Billy Dale to admit the charge of embezzlement of which he was acquitted. The attorney for Billy Dale criticized Mr. Bennett because he said that Mr. Bennett accurately quoted the first sentence of that letter which stated that Mr. Dale was prepared to enter a plea of guilty to one single count under 18 U.S.C. 654. However, Mr. Bennett, as well as my friend from Nevada on his chart, chose to omit the sentence that immediately follows. That sentence says that Mr. Dale would not admit to any intent to defraud or to permanently deprive anyone of the money that was represented by the checks he deposited in his personal account.

This admission is imperative in order for the Government to have an actual plea. In order to take a plea, Mr. Dale would have had to have admitted or pled guilty to defrauding the Government. Mr. Dale refused to do that. Now, the quote illustrated by the distinguished Senator from Nevada doesn't give the full facts. Instead of giving the full facts, the distinguished Senator from Nevada is attempting to retry Mr. Dale's case on the Senate floor. I think that it is wholly improper, especially when a jury tried it

and Mr. Dale was acquitted within 2 hours.

I will tell you one more thing. I am going to refer the matter of the leaking of confidential documents by the Administration to the Office of Professional Responsibility, because the Justice Department has acted irresponsibly, or the prosecutor's office has acted irresponsibly.

I oppose the Reid amendment that would strike the provision to reimburse Billy Dale and to refer his case to the claims court. As I reiterated time and again, reimbursement of these legal fees simply remedies the grave miscarriage of justice that resulted in the investigation of Billy Dale and the other former White House Travel Office employees, which they are willing to reimburse. They are unwilling to admit, as really gentlemen ought to, that they have smeared this man, that the White House deliberately did it, that they were acting pursuant to Mrs. Clinton's demands, according to Watkins—that was a memorandum written at or near the time of the demands—that the White House acted out of greed, and that they put Mr. Dale through a half-million dollars of legal fees, not to speak of the loss of reputation, the bad publicity, the tremendous strain of going through a criminal trial when they knew he did nothing wrong. Then, my colleagues on the other side of the aisle come here to the floor of the Senate and claim that Mr. Dale entered a plea of guilty.

Let me tell you something. I have been around courtrooms for many years of my life. I know a number of people who weren't guilty that would enter a plea to some really minor, lesser count so that they would not get bled to death with attorney's fees, court costs, ulcers, bad health, ruination of the family, and 101 other things that happen. Anybody that doesn't understand that has never been in a court of law, or at least doesn't understand, or just plain isn't telling the truth.

For many months, the Congress and the Nation believed President Clinton had supported Mr. Dale's reimbursement. In fact, I publicly commended the President on numerous occasions for his equitable decision to sign the bill if we would pass it up here. Unfortunately, I understand the President Clinton has chosen to retract his support for such reimbursement. That is why I call this a hypocritical White House. Under these facts and circumstances, knowing what has transpired, and knowing the hell they put these people through, not to be willing to reimburse them is just unbelievable.

I am very disappointed that the President has changed his position on this issue, because passing this legislation is the right thing to do. After being fired, the Travel Office employees were forced to seek legal representation to defend themselves against a Federal criminal investigation in which they had become targets. These public servants became the victims of unjust and inappropriate abuse of Federal law enforcement by some White House officials. I continue to be outraged by the arrogance of power demonstrated by this Administration in this matter.

The way these individuals were fired and investigated was unconscionable. Over the course of the last several months, I have worked in a bipartisan effort to get a freestanding Billy Dale reimbursement measure passed. I wanted to pass this measure months ago so that President Clinton could put this ordeal behind him. He said he would sign it. But the Senate has continued to be met with resistance by some Members on the other side of the aisle. First, my colleagues wanted to offer a GATT amendment to the proposal and then they wanted to offer a minimum wage amendment. Then we worked together to advance their objectives on both the GATT and minimum wage issues. We dealt with both of them in the Senate.

Having worked in a bipartisan manner, I thought the Senate would be able to pass a freestanding bill without any additional delays. The last time we tried to bring up this bill, the distinguished minority leader objected, stating Mr. Dale had a fee arrangement with his lawyers that would obligate him to pay only part of his bill, which, for the record, is not true. As well, we were told that some Members on the other side of the aisle had additional amendments—amendments which to this day we have not seen.

Accordingly, Senator SHELBY, the chairman of the Treasury-Postal Subcommittee took this initiative by incorporating the Dale measure in this appropriations bill. Yet, once again, this is an effort to thwart a proposal to restore Dale and his colleagues to the position they were in before being attacked by ''friends'' of President and Mrs. Clinton and their allies on the White House staff.

Mr. Dale and his Travel Office colleagues served at the pleasure of the President. Some of the employees served as many as eight different Presidents, both Republican and Democrat. They provided years of faithful service. For this service, they were fired based upon trumped up charges by political ''friends'' of the President and the First Lady. These loyal public servants were then investigated by the Federal Bureau of Investigation, the Department of Justice, and the Internal Revenue Service. The FBI was intimidated to do this by none other than Mr. KENNEDY at the White House, who no longer is there—and for good reason. Mr. Dale was subsequently indicted and prosecuted for embezzlement. On December 1, 1995, after 2½ years of being investigated by Federal agencies, as well as incurring tremendous legal expenses, Mr. Dale was found not guilty of all charges after only 2 hours of jury deliberation.

You would think our colleagues on the other side would give credibility to that and not try to retry him here in the U.S. Senate. It is unseemly. This questionable use of the Federal criminal justice system created a situation where Mr. Dale had to spend some $500,000 on attorney's fees and even consider accepting a plea agreement, when he had committed no crime, but with the express provision that he would not plead guilty to embezzlement. To make matters worse, the administration went so far as to leak, in violation of its own regulations, a confidential letter in which Mr. Dale's attorney discussed the notion of a plea agreement—something that goes on in almost every criminal case where there is a chance of resolving a case by settlement.

That is what was involved here in that matter.

Mr. Dale's attorney, on behalf of his client, offered to end the case but expressly stated that Mr. Dale would not admit that he converted or stole funds, the necessary elements for an embezzlement prosecution. Faced with the ruinous legal costs, Mr. Dale's lawyers explored the possibility of a settlement, but not as an admission of guilt. The Department of Justice's leaking of the plea agreement discussion was irresponsible. But, this administration does have a troubling record of failing to respect the privacy of individuals. The President himself unfairly repeated information derived from this unconscionable leak, suggesting that the confidential discussions of a possible plea bargain with the prosecutors in the face of his own administration's outrageous abuse of the FBI should somehow count against Mr. Dale.

Mr. Dale and his colleagues recently found themselves in the news again after trying to put the circumstances of this behind them. It was discovered that Mr. Dale's FBI background file was requested by the White House Personnel Security Office 7 months after he was fired. It now appears that the Travel Office Seven were not only fired unjustifiably but in some cases their personal background file summaries were inappropriately requested and possibly reviewed. Some think the whole 900 files that were improperly requested—and possibly reviewed; many of which were reviewed—was as a result of trying to get Billy Dale.

So the invasion of privacy that these individuals have had to endure continued, and to have to put up with these arguments here today, again I say it is unseemly.

What makes President Clinton's opposition to the reimbursement to Mr. Dale all the more astonishing is the fact that no less than 23 White House employees have requested Federal reimbursement of counsel fees in connection with congressional or independent counsel investigations into the White House Travel Office, or Whitewater. Among those who have requested reimbursement are Thomas (Mack) McLarty, George Stephanopoulos, John Podesta, Ricki Seidman, and Bruce

Lindsay —just to mention a few of the 23.

A number of these requests have been approved by the Clinton Justice Department. For instance, Mr. Podesta. I am glad they did in the case of Mr. Podesta. And the Department has said, ''We are continuing to process requests and anticipate acting on some of them in the near future.''

I ask unanimous consent that a letter to me from the Department of Justice dated September 6, and a memorandum from the Department of Justice to Lisa Kaufman, Senior Investigative Counsel of the Senate Judiciary Committee, dated September 5, be printed in the RECORD.

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

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, September 6, 1996.

Hon. ORRIN G. HATCH,
Chairman, Committee on the Judiciary, U.S. Senate.

DEAR MR. CHAIRMAN: This supplements our prior informal responses to your letter, dated August 21, 1996, which requested documents and information about recent assertions of executive privilege and requests for reimbursement of private counsel fees arising from certain congressional and Independent Counsel inquiries. We have already provided on an expedited basis the principal documents that are responsive to the first two items of your request. This letter provides further information regarding those two items, as well as information and documents regarding the remaining items. We hope that what we are providing today will be sufficient to complete our response to your request, but we would be pleased to work with Committee staff if you desire additional documents or information.

The first two items of your request seek documents and information concerning the President's two assertions of executive privilege in May 1996 in response to a subpoena issued to the White House by the House Committee on Government Reform and Oversight. This past Friday, August 30, 1996, we provided your staff copies of the submissions to the House Committee on May 9 and May 30, 1996, informing the Committee of the President's privilege assertions. The submissions include the Attorney General's two letter opinions to the President, dated May 8 and May 23, 1996, setting forth the legal basis for the assertions. These documents should provide you with a good understanding of the purpose and scope of the privilege assertions.

The first of the President's assertions of executive privilege, on May 8th, was a protective assertion of privilege over the entire group of confidential White House Counsel's Office documents being sought by House Committee at that time, to be effective only for such time as was necessary for the review and consultations required to determine whether to make a conclusive claim of privilege for particular documents. The Attorney General's May 8th letter to the President summarizes the circumstances necessitating the protective assertion:

''The subpoena covers a large volume of confidential White House Counsel's Office documents. The Counsel to the President notified the Chairman of the Committee today that he was invoking the procedures of the standing directive governing consideration of whether to assert executive privilege, President Reagan's memorandum of November 4, 1982, and that he specifically requested, pursuant to paragraph 5 of that directive, that the Committee hold its subpoena in abeyance pending a final Presidential decision on the matter. This request was necessitated by the deadline imposed by the Chairman, the volume of documents that must be specifically and individually reviewed for possible assertion of privilege, and the need under the directive to consult with the Attorney General, on the basis of that review, before presenting the matter to the President for a final determination. The Chairman rejected the request and indicated that he intends to proceed with a Committee vote on the contempt citation tomorrow.[1]

The Attorney General's letter went on to advise the President as follows:

''Based on these circumstances, it is my legal judgment that executive privilege may properly be asserted with respect to the entire set of White House Counsel's Office documents currently being withheld from the Committee, pending a final Presidential decision on the matter. This would be a protective assertion of executive privilege designed to ensure your ability to make a final decision, after consultation with the Attorney General, as to which specific documents are deserving of a conclusive claim of executive privilege.''

The Counsel to the President's letter to the Committee Chairman the following day, May 9th, informed the Committee of the President's assertion of executive privilege:

''Consistent with [the Attorney General's letter opinion], the President has directed me to inform you that he invokes executive privilege, as a protective matter, with respect to all documents in the categories identified [previously in the letter], until such time as the President, after consultation with the Attorney General, makes a final decision as to which specific documents require a claim of executive privilege. * * *

''I hereby request that your Committee hold its request in abeyance until such time as a Presidential decision as to executive privilege has been made with respect to specific, individual documents.''

The review and consultation process implemented after the May 8th protective assertion of privilege was as follows: The White House Counsel's Office conducted a specific review of all withheld documents and made an initial determination as to which particular documents should be considered further for inclusion in a conclusive assertion of privilege. Then, only the documents that the Counsel's Office had determined as a preliminary matter should be considered further for the conclusive assertion were presented to the Department for the required consultation with the Attorney General.

After this process was completed, the President made a conclusive assertion of privilege with respect to particular documents. The Counsel to the President's May 30th letter informed the Committee of the President's assertion of privilege with respect to the specified documents and also produced to the Committee the remaining documents that had been subject to the May 8th protective assertion of privilege. The Counsel's May 30th letter also enclosed the Attorney General's May 23rd letter to the President setting forth her opinion that executive privilege could properly be asserted with respect to the specified documents. Although the entirety of the letters from the Counsel to the President and the Attorney General should be reviewed in order to understand the rationale for the conclusive assertion of privilege, the essential separation of powers and confidentiality concerns underlying the claim are summarized in the following passage from the Attorney General's letter to the President:

''The Counsel to the President is appropriately concerned that the Committee's demand raises significant separation of powers concerns and that compliance with it beyond the accommodations already reached with the Committee would compromise the ability of his Office to advise and assist the President in connection with the pending Committee and Independent Counsel investigations. It would also have a chilling effect on the Office's discharge of its responsibilities in future congressional investigations, and in all of its other areas of responsibility. I agree that the ability of the White House Counsel's Office to serve the President would be significantly impaired if the confidentiality of its communications and work-product is not protected, especially where the confidential documents are prepared in order to assist the President and his staff in responding to an investigation by the entity seeking the documents. Impairing the ability of the Counsel's Office to perform its important functions for the President would in turn impair the ability of you and future Presidents to carry out your constitutional responsibilities.

''The Supreme Court has expressly (and unanimously) recognized that the Constitution gives the President the power to protect the confidentiality of White House communications. This power is rooted in the ''need for protection of communications between high Government officials and those who advise and assist them in the performance of their manifold duties.'' *United States v. Nixon*. 418 U.S. 683, 705 (1974). ''A President and those who assist him must be free to explore alternatives in the process of shaping policies and making decisions and to do so in a way many would be unwilling to express except privately.'' *Id.* at 708. Executive privilege applies to these White House Counsel's Office documents because of their deliberative nature, and because they fall within the scope of the attorney-client privilege and the work-product doctrine, *see Upjohn Co. V. United States*, 449 U.S. 383 (1981); *Hichman v. Taylor*, 329 U.S. 495 (1947). Both the attorney-client privileges and the work-product doctrine are subsumed under executive privilege.'' *See Response to Congressional Requests for Information Regarding Decisions made Under the Independent Counsel Act*, 10 Op. O.L.C. 68, 78 & n.17 (1986); *Confidentiality of the Attorney General's Communications in Counseling the President*, 6 Op. O.L.C. 481, 490 & n.17, 494 & n.24 (1982).

[1] The background for the protective assertion of privilege is described in letters from the White House to the House Committee. The subpoena issued by the House Committee in January of this year sought a large number of confidential documents held by the White House Counsel's Office. These included confidential deliberative, attorney-client and attorney work-product materials prepared by the Counsel's Office in response to ongoing congressional and independent counsel investigations, as well as other confidential materials such as the personnel files of individual employees. In February, the Counsel to the President met with the Committee Chairman seeking to negotiate an accommodation. We understand that the Counsel to the President offered the Committee at that time the opportunity to review all of the personnel files (which included Mr. Dale's file), but raised objections to making available certain deliberative, attorney-client and attorney work product materials and made an accommodation proposal with respect to these materials. The Committee Chairman agreed to consider the proposals and respond, but no response was received until May 2nd, when the Committee indicated it would vote on May 9th on whether to hold the Counsel to the President in contempt of Congress, unless all withheld documents were turned over beforehand. This one-week notice provided the White House Counsel's Office insufficient time to review all of the materials and consider, together with the Attorney General, whether assertion of executive privilege with respect to particular documents was warranted.

As for the particular focus of your inquiry, the White House Counsel's Office determined during the initial stage of the review process following the protective assertion of privilege to exclude from further consideration for the conclusive assertion of privilege the set of personnel records it had earlier called to the Committee's attention (see note 1, supra). It is our understanding that Mr. Dale's personnel file, including FBI-related material, was among these personnel records. Because of this determination by the Counsel's Office, the personnel records were not presented to the Department for review and they were among the documents the White House produced to the House Committee on May 30th. Thus, there was never an occasion for the Department to be consulted concerning the possibility of an assertion of executive privilege with respect to FBI-related material contained in Mr. Dale's personnel file. Accordingly, we have no documents responsive to your request for ''documents discussing or analyzing whether executive privilege could be asserted with respect to'' such material.

On Thursday, September 5, 1996, we provided information and three documents responsive to the third and fourth items of your request. A copy of our memorandum to Committee staff is enclosed along with an additional copy of the accompanying documents. In summary, the following FBI employees have requested representation with regard to the White House Travel Office matter: James Bourke, David Bowie, John Collingwood, Patrick Foran, Richard Hildreth, Barbara King, Peggy Larson, Sharon MacGargle, Patrick Maloy, Larry Potts, Thomas Renaghan, Therese Rodrique, Gregory Schwarz, Dennis Sculimbrene, Cecilia Woods. The requests of Bourke, Bowie, Collingwood, Foran, Larson, MacGargle, Potts, Renaghan, Schwarz, Sculimbrene, and Woods have been approved. The remaining requests have been held in abeyance because we have been advised that no congressional depositions are anticipated at this time. Enclosed are FBI records regarding these requests.

In addition, Sherry Carner and Janice George initially requested reimbursement for private counsel fees; however, the House Committee ultimately allowed them to be accompanied by FBI counsel, so their requests were withdrawn.

We have completed consultation with the White House and the Independent Counsel in accordance with established executive branch consultation practices and, hence, we are providing the following additional information regarding the fourth and fifth items of your request: The following White House employees requested reimbursement of counsel fees in connection with congressional or Independent Counsel investigations about the White House Travel Office or Whitewater: Mary Beck, Lisa Caputo, Nelson Cunningham, Jonathan Denbo, Nell Doering, Charles Easley, Dwight Holden, Carolyn Huber, Ed Hughes, Bruce Lindsay, Kelli McClure, Thomas McLarty, Douglas Matties, DeeDee Myers, Beth Nolan, Bruce Overton, John Podesta, Ashley Raines, Ricki Seidman, Clifford Sloan, George Stephanopoulos, Kathleen Whalen, Jonathan Yarowsky. The requests of Beck, Holden, Podesta, and Yarowsky have been approved. The remainder are pending, but we are continuing to process requests and anticipate acting on some of them in the near future.

With regard to the fifth item of your request, the Department of Justice has paid no fees to date in connection with these matters. The Department has agreed to pay private counsel fees as indicated in our September 5th memorandum to Committee staff in accordance with the enclosed sample retention agreement.

I hope that this information is helpful. Please do not hesitate to contact me if we can provide additional assistance regarding this or any other matter.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, September 5, 1996.

To: Lisa Kaufman, Senior Investigative Counsel, Senate Judiciary Committee; Karen Robb, Minority Staff Director, Senate Judiciary Committee.

From: Faith Burton, Special Counsel, Office of Legislative Affairs.

Re: Chairman Hatch's Letter of August 21, 1996.

This is to provide information on an expedited basis in response to Lisa's request in connection with Chairman Hatch's August 21, 1996, letter regarding requests for government reimbursement of private counsel. This information, and three enclosed documents, respond to the third and fourth items of the letter.

The following FBI employees have requested representation with regard to congressional inquiries regarding the White House Travel Office matter: James Bourke, David Bowie, John Collingwood, Patrick Foran, Richard Hildreth, Barbara King, Peggy Larson, Sharon MacGargle, Patrick Maloy, Larry Potts, Thomas Renaghan, Therese Rodrique, Gregory Schwarz, Dennis Sculimbrene, Cecilia Woods. The requests of Bourke, Bowie, Collingwood, Foran, Larson, MacGargle, Potts, Renaghan, Schwarz, Sculimbrene, and Woods have been approved. The remaining requests have been held in abeyance because we have been advised that no congressional depositions are anticipated at this time.

In addition, Sherry Carner and Janice George initially requested reimbursement for private counsel fees; however, the House Committee ultimately allowed them to be accompanied by FBI counsel, so their requests were withdrawn.

Please contact me at 514–1653 if you have any questions about this information. We are working on a more complete response to the Chairman's letter and will get it to you as soon as possible.

CONDITIONS OF PRIVATE COUNSEL RETENTION BY THE DEPARTMENT OF JUSTICE FOR REPRESENTATION OF CURRENT AND FORMER FEDERAL EMPLOYEES

The following items and conditions shall apply to the retention of a private attorney's legal services by the Department of Justice to represent current and former federal employees in civil, congressional, or criminal proceedings.

NATURE OF RETENTION

Subject to the availability of funds, the Department of Justice agrees to pay an attorney, or other members of his or her firm, for those legal services reasonably necessitated by the defense of a current or former federal employee (hereinafter ''client'') in civil, congressional, or criminal proceedings.

The Department will not honor bills for services that the Department determines were not directly related to the defense of issues presented by such matters. Examples of services for which the Department will not pay include, but are not limited to:

a. administrative claims, civil actions, or any indemnification proceedings against the United States on behalf of the client for any adverse monetary judgment, whether before or after the entry of such an adverse judgment;

b. cross claims against do-defendants or counterclaims against plaintiff, unless the Department of Justice determines in advance of its filing that a counterclaim is essential to the defense of the employee and the employee agrees that any recovery on the counterclaim will be paid to the United States as a reimbursement for the costs of the defense of the employee;

c. requests made under the Freedom of Information or Privacy Acts or civil suits against the United States under the Freedom of Information or Privacy Acts, or on any other basis, to secure documents for use in the defense of the client;

d. any legal work that advances only the individual interests of the employee; and

e. certain administrative expenses noted in paragraph number 4 below.

The retained attorney is free to undertake such actions as set for the above, but must negotiate any charges with the client and may not pass those charges on to the Department of Justice.

The above list is not exhaustive. The Department of Justice will not reimburse services deemed reasonably necessary to the defense of an employee if they are not in the interests of the United States.

To avoid confusion over whether the retained attorney may bill the Department for a particular service under this retention agreement, the retained attorney should consult the Justice Department attorney assigned to the case, mentioned in the accompanying letter before undertaking the service.

BILLABLE HOURS

The Department of Justice agrees to pay the retained attorney for any amount of time not exceeding 120 billable hours per month for services performed in the defense of the client. The retained attorney may use the services of any number of attorneys, paralegals, or legal assistants in his or her firm so long as the aggregate number of billable hours in any given month does not exceed 120 hours. The client is free, however, to retain the attorney, or members of the firm, to perform work in excess of 120 hours per month so long as the firm does not bill the excess charge to the Department of Justice.

The Department will consider paying for services in excess of 120 hours in any given month if the press of litigation (e.g., trial preparation) clearly necessitates the expenditure of more time. The retained attorney must make requests for additional compensation to the Department in writing in advance of such expenditures.

LEGAL FEES

The Department agrees to pay the retained attorney up to $99.00 per lawyer hour, plus expenses as described in paragraph 4 below. The charge for any services should not exceed the retained attorney's ordinary and customary charge for such services. This fee is based on the consideration that the retained attorney has been practicing law in excess of 5 years.

In the event the retained attorney uses the services of other lawyers in his or her firm, or the services of a paralegal or legal assistant, the Department agrees to pay the following fees.

a. Lawyer with more than 5 years practicing experience: $99.00 per lawyer hour

b. Lawyer with 3—5 years of practicing experience: $79.00 per lawyer hour

c. Lawyer with 0—3 years of practicing experience: $66.00 per lawyer hour

d. Paralegal or legal assistant: $39.00 per hour.

The Department of Justice periodically reviews the hourly rates paid to attorneys retained to defend federal employees under 28 C.F.R. §50.16. If, during the period of this agreement, the Department revises the

schedule of hourly rates payable in such cases, the Department will pay revised rates for services rendered after the effective date of the revision in rates.

EXPENSES

While the Department will pay normal overhead expenses actually incurred (e.g., postage, telephone tolls, travel, transcripts), the retained attorney must itemize these charges. The Department will not accept for payment a bill that shows only a standard fee or percentage as ''overhead''. The retained attorney must describe, justify, and clear IN ADVANCE unusual or exceptionally high expenses.

In addition, the retained attorney must describe, justify, and clear in advance any consultations with or retention of experts or expert witnesses.

The retained attorney must secure advance approval to use computer-assisted research that involves charges in excess of $250.00 in a given month.

The retained attorney must separately justify and obtain advance approval for services such as printing, graphic reproduction, or preparation of demonstrative evidence or explanatory exhibits.

The retained attorney must itemize and justify in-house copying costs exceeding $125.00 in a given month. The Department will pay the per page copying cost at the government rate set forth at 28 C.F.R. §16.10(2).

The retained attorney must itemize and justify facsimile transmission costs exceeding $150.00 in a given month.

The Department will pay expenses such as secretarial overtime or the purchase of books only in exceptional situations. The retained attorney must obtain advance approval for such expenditures.

Travel expenses may not include first class service or deluxe accommodations. The retained attorney may not bill time spent in travel unless it is used to accomplish tasks related to the litigation. The retained attorney must specifically identify such tasks.

The Department will not pay for meal charges not related to out-of-town travel.

The Department will not provide compensation for client or other entertainment.

The Department will not pay expenses for meals incidental to overtime.

The Department will not pay for expenses that can normally be absorbed as clerical overhead, such as time spent in preparing legal bills and filing papers with the Court. The retained attorney must separately list and justify messenger services.

The retained attorney must enumerate the expenses incurred for hiring local counsel by rate, hour, and kind of service. These hours must fall within the 120-hour monthly maximum. The hourly rates paid to local counsel may not exceed the rates listed in paragraph 3 above.

FORMAT OF BILLS

The retained attorney must submit bills on a monthly basis, stating the date of each service performed; the name of the attorney or legal assistant performing the service; a description of the service; and the time in tenths, sixths, or quarters of an hour, required to perform the service. Because of the limitation on reimbursable hours, a bill must include all services rendered in a given month. The Department will not consider subsequent bills for services rendered in a month for which it has already received a bill.

In describing the nature of the service performed, the itemization must reflect each litigation activity for which reimbursement is claimed.

The retained attorney must attach copies of airline tickets, hotel bills, and bills for deposition and hearing transcripts to the billing statement.

The retained attorney must itemize local mileage costs (e.g., purpose of travel and number of miles). The Department will pay the standard government cost per mile rate for the use of privately owned vehicles.

Before the Department of Justice will pay a bill, Department attorneys with substantive knowledge of the litigation will review it. If the retained attorney believes that the detail of the legal bill would compromise litigation tactics if disclosed to Department attorneys assigned to the case, the retained attorney should list those particular billing items on a separate sheet of paper with an indication of the specific concern. Department attorneys uninvolved with this case will independently review the separated, sensitive portion of the bill solely to determine if payment is appropriate under applicable standards.

The individuals reviewing the bills will not discuss these items with the Department of Justice attorneys having responsibility for the case, nor will those responsible attorneys review the items in question.

After Department attorneys complete the review of a bill, the Department will notify the billing counsel if the Department deems any item or items nonreimbursable or if any item or items require further explanation. When further information or explanation is needed, the Department will hold the entire bill until the retained attorney responds. Only after the Department receives and reviews the response will the Department certify the bill in whole or in part for payment. For that reason, the retained attorney must respond promptly.

Should the Department determine that any items are not reimbursable under this agreement, the billing counsel may request further review of the Department's determination. The retained attorney shall make such a written request to the appropriate Branch director at the address indicated in the forwarding letter. The billing counsel must submit such requests for further review within 30 days, unless additional time is specifically requested and approved. Thereafter, the Department will not reconsider its determination.

BILLING ADDRESS

The retained attorney should submit all bills to:

Director, Office of Planning, Budget and Evaluation, Civil Division, United States Department of Justice, Washington, D.C. 20530, Attn: Room 7038 Todd Building.

PROMPT PAYMENT

The Prompt Payment Act is applicable to payments under this agreement and requires the payment of interest on overdue payments. Determinations of interest due will be made in accordance with provisions of the Prompt Payment Act and Office of Management and Budget Circular A–125.

GAO REVIEW

Periodically, the Department of Justice may ask the retained attorney to submit copies of the time sheets to the General Accounting Office (GAO) for purposes of auditing the accuracy of corresponding monthly bills, copies of which the Department will forward directly to GAO.

TERMINATION

The Department of Justice reserves the right to terminate its retention agreement with the retained attorney at any time for reasons set forth in 28 C.F.R. §50.16.

ACCEPTANCE

I agree that my retention by the Department of Justice to represent John Yarowsky in connection with the House Committee on Government Reform and Oversight's Investigation of the White House Travel Office matter will be in accordance with the applicable statutes, regulations, and the foregoing terms and conditions. This written instrument, together with the applicable statutes and regulations, represents the entire agreement between the Department of Justice and the undersigned, any past or future oral agreements notwithstanding.

Mr. HATCH. Mr. President, here we have the Clinton administration quietly approving reimbursement of legal expenses for its people at a time when President Clinton opposes giving Mr. Dale a ''special preference.'' That was said by the President in his Rose Garden conference of August 1, 1996. It was hypocritically said by the President under these circumstances.

The reimbursement of the legal fees of Billy Dale, and other hard-working, honest civil servants wrongly fired from the White House Travel Office, will right the wrong of an overreaching executive branch. You would think they would want to get this mess behind them. But, no. They come here and besmirch representatives of the other side. These people have been through hell enough. It is unseemly.

This provision is also an attempt, I might add, to make the Travel Office Seven whole at least financially by providing for their attorney's fees. My colleagues on the other side are willing to let the others get reimbursed their attorney's fees because they do not amount to much. They are also, I am sure, in support of reimbursing the 23 White House employees their attorney's fees, but not Mr. Dale.

I believe reimbursing Mr. Dale and all of the Travel Office employees is the least we can do after all that they have been through.

I urge my colleagues on the other side of the aisle not to hold up this measure any longer—no more excuses, no more delays. Let us get this legislation passed today and put an end to it once and for all.

I appreciate the Clinton administration's desire to cover the legal fees of those who have been loyal to the President, and I want to point out that a mechanism exists for the Department of Justice to consider doing so, too. That is OK. Mr. Dale is not so fortunate. He also was loyal to a number of Presidents, including this one. But his reward is to be put through an unseemly, vicious, miserable, costly criminal indictment and trial.

To indict somebody, all you have to show is reasonable suspicion. To convict them, you have to show guilt beyond a reasonable doubt. And that is where the White House, the Justice Department, and the prosecutors failed. And they rightly failed, because Mr. Dale was not guilty.

As I noted, the Clinton White House staff is certainly availing themselves of the current avenues for reimbursement. But for the Clinton administration to oppose the reimbursement of Mr. Dale's legal fees at the same time White House staff are seeking reimbursement through the Department of

Justice is transparent. It is inconsistent, to say the least. And I might add it is hypocritical. It is hypocritical. And it is amazing to me that the people at the White House don't have the guts to admit it and just say, ''Let us do what is right here.''

To me there isn't any question. They can't show any wrongdoing by Billy Dale. To try to besmirch him on the Senate floor in a double-jeopardy type of situation by bringing up what you think is one side of the case facts after a jury of his peers acquitted him, I have to tell you, it is unseemly. Moreover, anybody would consider a guilty plea to something that does not amount to very much if they could get a load of hundreds of thousands of dollars of additional legal fees off their backs. Anybody would do that. To suggest otherwise is just not right. Time after time, I have seen defendants consider plea agreements in unjust prosecutions, and this was one of them.

This provision provides for payment of the legal expenses incurred by Billy Dale, Barney Brasseaux, John Dreylinger, Ralph Maughan, John McSweeney, and Gary Wright incurred after being terminated in May 1993, amid false allegations made by President Clinton's political cronies.

Although Mr. Dale suffered the greatest financial loss, half a million dollars, the remaining six employees collectively incurred about $200,000 in their own defense. The appropriations bill for the Department of Transportation for fiscal 1994 provided approximately $150,000 in reimbursement of legal fees. This provision would provide the balance.

This provision would not provide for compensation of all expenses associated with the investigation into the Travel Office matter, such as legal costs incurred in preparation for appearing before Congress. But it would provide for attorneys' fees and costs that resulted from these seven men defending themselves against criminal charges.

The Travel Office employees will have 120 days after this legislation is enacted to submit verification of valid legal expenses.

Reimbursement is limited up to $500,000, and does not include fees associated with appearances before or in preparation of congressional investigations or hearings.

After the former Travel Office employees were fired due to charges of financial irregularities by political profiteers, they were investigated by the Federal Bureau of Investigation, the Department of Justice, and the Internal Revenue Service. Mr. Dale was subsequently indicted and tried as a result of the investigation and after incurring a tremendous legal debt for his defense, Mr. Dale was acquitted on all charges. The other Travel Office employees also incurred legal expenses for their own defenses.

None of these former Travel Office employees held high-level positions in the administration. Many of them had worked for both Democratic and Republican Presidents. Were it not for their positions as employees of the Federal Government, and because they found themselves in the unfortunate position of having jobs coveted by friends of the Clintons, they would not have been subject to a Federal criminal investigation.

The legal fees placed on these middle-class public servants have been astronomical. The monetary damage they sustained is quantifiable. This provision will not cover the emotional damage of this abuse of power by the Clinton administration. Nor will it return to these faithful Government employees their reputations or faith in the Government they had served. It merely covers the attorneys' fees and costs associated with the criminal investigation.

According to Attorney General Reno, the White House has the authority to seek representation from the Department of Justice for Government employees who have been called to testify regarding matters within the scope of their employment. Customarily, representation of these employees is handled by attorneys for the agency for which the employee works. There are instances however, in which it would be inappropriate for agency attorneys to represent employees of the agency. In these cases, the Department of Justice has authority to provide reimbursement for the fees associated with retaining private counsel. With respect to the Travel Office and FBI files and Whitewater investigations, 23 White House employees have requested reimbursement for the legal fees of their private attorneys.

Should a White House employee want to receive reimbursement for their legal fees for their cooperation in providing testimony, there is a relatively simple procedure they must follow. First, all bills for legal fees for private counsel must be submitted to the White House Counsel's Office. This information is then forwarded to the Civil Division of the Justice Department with a written recommendation as to the merit of the request. The Department will then, either approve or deny the request consistent with their own guidelines. That is the extent of it.

As I stated previously, 23 White House employees have requested Federal reimbursement of counsel fees in connection with congressional or independent counsel investigations into the White House Travel Office or Whitewater. A number of these requests have been approved by the Clinton Justice Department, and the Department has said: ''we are continuing to process requests and anticipate acting on some of them in the near future.''

Today, I am not addressing whether the reimbursement of legal fees for individuals appearing before Congress is appropriate or not. In fact, if the law permits it, I have no objection to employees of the White House seeking reimbursement. My point in raising the issue at all is to expose the hypocrisy of the Clinton administration. The Clinton White House victimized Billy Dale and his colleagues which lead to the political prosecution of Mr. Dale leaving him with $500,000 in legal fees. Even the White House has admitted it improperly handled the White House Travel Office matter. In fact, a document produced to the Senate Judiciary Committee from the White House, which appears to be talking points for a meeting with the House Democratic Caucus, states the following, ''You all may dimly remember the Travel Office affair: in which a number of White House staff—many immature and self-promoting—took impulsive and foolhardy actions to root out problems at the beginning of the Clinton administration and to then gallantly recommend that they take over its operation.'' Now, the White House has the chutspah to authorize the payment of fees to its people and not to Billy Dale. I find this astonishing.

In a press conference on November 16, 1995, months after the Travel Office employees had been fired, President Clinton told the American public that he regretted the hardship that Mr. Dale and his colleagues had endured because of their abrupt firings. He also said that it appeared the White House did not handle the Travel Office dismissals appropriately. This was, in my opinion, a genuine attempt by the President to take responsibility for what happened to these loyal Government employees.

Then on January 30, 1996, White House spokesman Mr. McCurry stated, ''Yes, and he would sign it'', referring to Mr. Clinton's intent to sign this measure. Again, just prior to the recent press conference in the Rose Garden on August 1, 1996, White House Press Secretary, Mr. Toiv, reaffirmed that President Clinton would sign legislation to reimburse the former Travel Office employees. He stated, and I quote, ''I would just repeat that when the bill arrives on the President's desk, he would sign it.''

Despite the administration's previous position, the President said at the August 1, 1996, press conference in response to a question regarding whether he would keep his word and sign this bill, ''I didn't—I never gave my word on that''. He then stated that an error had been made by his spokesman, ''I have made it clear to Mr. McCurry what my position is on this. And if an error was made by my spokesman, I'm sorry, but I have not broken my word to anybody.''

After President Clinton's apparent U-turn on this issue, in an interview with CNN on August 26, 1996, President Clinton took the extraordinary step to state that individuals serving in his administration have been ruined by pure, naked, raw politics''. He then went on to say that he would pursue every avenue, including raising money himself, to pay for the legal expenses of his

aides. He then continued to say in reference to his aides, ''Do I feel terrible about the completely innocent middle-class people who have been wrecked financially by this? I certainly do. But I didn't abuse them. And it's high time that the people who abuse have to take responsibility for what they do''.

I must admit that I am disappointed and shocked by the steps that this administration has taken to smear the Travel Office employees. The President's recent comments are in direct contradiction to his previous statements expressing concern for the former Travel Office employees. He is willing to assist his aides, and criticize the Congress for pursuing an investigation into wrongdoing by his administration, but will not accept responsibility for the wrongful treatment of Billy Dale? Give me a break.

In the embarrassment of having lost a case so blatantly politically motivated, individuals within the Department of Justice chose to leak a document revealing that Mr. Dale considered accepting a plea bargain. Notably, as the Justice Department is fully aware, and is articulated in their own regulations, information regarding plea negotiations is confidential, not for public dissemination. I can only sympathize with Mr. Dale, who after years of constant invasion of his and his family's privacy, and incurring enormous expenses, considered a settlement in the hopes of ending this nightmare. Some of my colleagues have suggested that Mr. Dale admitted his culpability by considering a plea agreement. So too, has President Clinton, a former State attorney general and law professor. Now, we have a ''Dear Colleague'' letter distributed yesterday which also disseminates this confidential information. The facts are, however, that Mr. Dale never agreed to admit to committing the essential elements necessary for an embezzlement prosecution. He simply agreed to settle the case without an admission of guilt. Any suggestion that such a strategic tactic equates to an admission of guilt is outrageous and is yet just a further attempt to smear Mr. Dale's reputation.

Department of Justice guidelines specifically state that information which ''tends to create dangers of prejudice without serving a significant law enforcement function,'' should not be released to the public. The disclosure of a plea agreement clearly fits within this definition. It is troubling to me that the Department of Justice, The President, and some of my colleagues in the Senate continue to ignore this.

Whitewater is the investigation of the possibility of the Clintons using their political positions for personal gain in a virtually risk-free investment, and then, engaging in damage control activities. There has been no credible allegation that the Government somehow abused the Whitewater participants. By contrast, the Travelgate investigation is a case of sheer and utter abuse by the executive branch. By politicizing the Department of Justice and the FBI, the administration literally ruined the livelihood and reputation of seven hard-working civil servants.

I believe a distinction should be made between reimbursement of fees for appearances before Congress and those involving the misuse of the judicial system for purely political purposes. This provision does not allow payment of legal fees in connection with any appearance before Congress. Accordingly, within the parameters of the provision, Whitewater witnesses could not be reimbursed. Appearing before Congress simply would not be covered by this provision.

Unlike Travelgate, however, the Whitewater matter has not been completed. Many questions have been left unanswered in the Whitewater investigation and an Independent Counsel is still trying to determine whether or not there have been any criminal violations. Any perpetrators of a coverup must be brought to justice. Let us not forget it was just this past January when Rose law firm billing records mysteriously surfaced within the residence of the White House. Individuals with access to this area of the White House must be questioned to find the truth. The American people deserve no less.

Unlike the witnesses in the Whitewater hearings, these former employees of the White House Travel Office were targeted by the Office of the President. They were victims of an administration that politicized the Department of Justice and the FBI. In contrast, the Whitewater witnesses have not been subjected to such persecution, and were questioned in the hope of shedding light on the details of the Clinton's investment. These witnesses certainly had information pertinent to the investigation, but they were not the target of the investigation. The individuals in the Travel Office matter were victimized not because they happened to come into contact with an investigation as many ordinary citizens could and is clearly the case with the Whitewater witnesses, but because they held positions in the Government that allowed them to become the subject of an investigative probe. I think this provision affirms that it is appropriate to compensate these people who have been put to such expense under these special circumstances.

Moreover, the victims in the Travelgate matter are clear and identifiable. Mr. Dale and the six other former employees of the White House Travel Office had their reputations marred by the Clinton administration. They endured investigations by the FBI, the IRS, the Department of Justice, as well as that of Peat Marwick. Their families were placed under the strain of having been investigated for 2½ years, all without a single proven instance of wrong-doing on the part of the Travel Office employees.

Mr. President, those on the other side have indicated that this bill which reimburses Billy Dale is unprecedented. I would like to point out that the House passed this bill with overwhelming bipartisan support, and, despite the bipartisan support of the House, some of my colleagues on the other side of the aisle in this Chamber oppose this provision stating it sets a bad precedent.

Let me just quickly quote Congressman BARNEY FRANK, a well-respected Democrat, a memorandum of the Judiciary Committee over there, a person with whom I work on the Judiciary Committee in the Senate as well about this very issue. He said, ''This neither sets a precedent nor precludes someone. Any new case will be judged on the same merits.''

I agree with Congressman FRANK. After all, Congress is not bound by the actions of another Congress.

I might also add that in the Transportation appropriations bill for fiscal year 1995, five of the Travel Office Seven had some of their legal expenses reimbursed. Since receiving reimbursement for their legal expenses at that time, these individuals have incurred more legal debt. Not included in the fiscal year 1995 Transportation appropriations bill were the legal expenses of Billy Dale. The provisions of this bill allow reimbursement for these additional fees, and for Mr. Dale.

When the Transportation appropriations bill was passed, no one made a fuss. These individuals were reimbursed, as they deserved to be. Billy Dale deserves the same treatment. After all, he was sacked just like all the others, sacked unjustly.

I have heard arguments that if we are to reimburse Billy Dale even after being indicted, the floodgates would be opened, and we would be obligated to reimburse anyone who was investigated by the Federal Government and found innocent of all charges.

I do not believe that is the case, nor do I believe that this White House or any White House in the future is going to do the outrageous smearing that occurred in this case. This is a unique case that involved the executive branch at the highest level doing this to decent, honorable, honest people who have been vindicated by the courts of law.

As we are all aware, Congress can decide the merits of all claims on a case-by-case basis. By passing this provision, we are not setting a precedent as is done in a court of law. We are simply passing a judgment based on the circumstances of this case that the firing of the Travel Office Seven was unjust and the manner by which they were investigated was inappropriate and unwarranted.

The Administration erred in the way they dealt with the Travel Office situation. By reimbursing the legal expenses of Billy Dale and his colleagues, Congress would be taking a step to correct the administration's error in judgment.

Now, reimbursing legal expenses is not wholly unprecedented, I might add. Although the circumstances are somewhat different, Hamilton Jordan is an example of someone who, in my opinion, was unfairly investigated after being accused of cocaine use. After an independent counsel was appointed and all the evidence gathered, Mr. Jordan was cleared of all charges. Congress then decided to reimburse Mr. Jordan's legal fees because the charges lodged against him were found to be baseless.

Because unjust situations sometimes arise, the independent counsel statutes have provisions designed to rectify these grievances. Why can't my colleagues treat this matter as decently as those of us who were then in the Senate treated Hamilton Jordan? Why is it we have to go through this? Would it not be in the best interests of the President to put this behind us?

The White House was able to bring the power of Federal law enforcement to bear on the Travel Office employees, and the facts show that they did it improperly for purposes of greed.

In response to the claim that such a payment is unprecedented, I say that the circumstances by which Billy Dale and the others were fired is unprecedented, and it should be treated as such. We are not talking about some low-level bureaucrat in the halls of the bureaucracies of this city. We are talking about right in the halls of the upper levels of the White House itself where this injustice was perpetrated. The circumstances by which Mr. Billy Dale and the others were prosecuted and were investigated and charged and targeted, and prosecuted in Dale's case, were unprecedented.

This is a meritorious case for reimbursement. It is as meritorious as any I have ever seen. What was done to these people never should have occurred in this manner. House Republicans and House Democrats recognize this fact. There was not an attempt to indict him all over, convict him again after a jury acquitted him, or go through the facts in a further attempt to smear Mr. Dale. The fact is, the media knew he was honest, and everybody else knew he was honest, and, above all, a jury of his peers found him to be honest. What was done to these people should not have been done.

We had bipartisan passage in the House—we ought to have that here. I think everyone in this body recognizes that fact. If we in Congress are to reimburse legal fees on a case-by-case basis when the case merits it, as this one does, then it is the right thing to do, and I have never, never seen a case more worthy than this one that could come before the Senate. I can tell some other injustices that were certainly terrible that should be straightened out, too, but nothing like this.

It has also been suggested by my colleagues on the other side of the aisle that H.R. 2937 is a private relief bill, and typically these bills are referred to the Court of Claims for factfinding. First, I would like to point out that H.R. 2937 is not a private relief bill. This bill was passed through the House on the Suspension Calendar, which handles public bills. There is a separate calendar that deals with private relief bills. The CONGRESSIONAL RECORD reflects the fact that H.R. 2937 was on a public bill calendar, and there was a rollcall vote when it finally passed earlier this year.

Second, a private relief bill must name all those making a claim. H.R. 2937 does not name the former Travel Office employees specifically. Even if H.R. 2937 was a private relief bill, however, congressional referrals are typically made to the Court of Claims only if the facts of the claim are complicated and unclear.

In this case, numerous reports as well as 2 years' worth of investigations and House hearings have exposed the facts in this case. The facts are very clear, and there is very little dispute to what occurred. Additionally, the only other reason to refer the matter to the Claims Court would be if there was a dispute as to the amount of money that is being claimed.

Once again, Mr. Dale and his former colleagues submitted their bills to the House Judiciary Committee, and those amounts were included in the House bill. There is no dispute about the bills that have been submitted. In short, there is no reason why my colleagues should want to remove this language from the Treasury-Postal bill on the basis that the facts are unclear. We in this body and the administration know what the facts are and we know where the blame lies.

Mr. President, I hope our colleagues will vote to support the Hatch amendment and will vote to turn down this attempt to throw this matter into the Court of Claims. There is nothing in dispute here. I think everybody who is fair will acknowledge that.

Might I ask, how much of my time remains?

The PRESIDING OFFICER. The Senator has 20 minutes and 35 seconds remaining.

Mr. HATCH. I reserve the remainder of my time.

AMENDMENT NO. 5257, AS MODIFIED

Mr. HATCH. Mr. President, if I could, pursuant to the UC, I send a modified amendment to the desk.

The PRESIDING OFFICER. The Senator has that right.

The amendment (No. 5257), as modified, is as follows:

At the appropriate place, insert the following:

SEC. . (a) REIMBURSEMENT OF CERTAIN ATTORNEY FEES AND COSTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay from amounts appropriated in title I of this Act under the heading, ''Departmental Offices, Salaries and Expenses'', up to $499,999 to reimburse former employees of the White House Travel office whose employment in that office was terminated on May 19, 1993, for any attorney fees and costs they incurred with respect to that termination.

(2) VERIFICATION REQUIRED.—The Secretary shall pay an individual in full under paragraph (1) upon submission by the individual of documentation verifying the attorney fees and costs.

(3) NO INFERENCE OF LIABILITY.—Liability of the United States shall not be inferred from enactment of or payment under this subsection.

(b) LIMITATION ON FILING OF CLAIMS.—The Secretary of the Treasury shall not pay any claim filed under this section that is filed later than 120 days after the date of the enactment of this Act.

(c) LIMITATION.—Payments under subsection (a) shall not include attorney fees or costs incurred with respect to any Congressional hearing or investigation into the termination of employment of the former employees of the White House Travel Office.

(d) REDUCTION.—The amount paid pursuant to this section to an individual for attorney fees and costs described in subsection (a) shall be reduced by any amount received before the date of the enactment of this Act, without obligation for repayment by the individual, for payment of such attorney fees and costs (including any amount received from the funds appropriated for the individual in the matter relating to the ''Office of the General Counsel'' under the heading ''Office of the Secretary'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1994).

(c) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—Payment under this section, when accepted by an individual described in subsection (a), shall be in full satisfaction of all claims of, or on behalf of, the individual against the United States that arose out of the termination of the White House Travel Office employment of that individual on May 19, 1993.

SEC. 529. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that——

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

The PRESIDING OFFICER. The majority manager of the bill is recognized.

Mr. SHELBY. Mr. President, the subcommittee has included the $500,000 for the reimbursement of the Travel Office employees terminated by the White House in May 1993. And why? I want to explain that briefly.

Over 3 years later, we are attempting to offset the cost of the tremendous legal fees that these individuals, I believe, were wrongfully forced to assume. The provision here would pay the attorney's fees and costs they incurred with respect to that termination.

Why do we need this legislation? In October 1993, as part of the fiscal year 1994 transportation appropriations bill, the Congress authorized the payment of $150,000 for the legal bills of the five White House Travel Office employees who, after being summarily fired, were placed on administrative leave and

later transferred to other Federal agencies. This sum, $150,000, was insufficient to completely cover the legal costs of the five employees and did not address the attorney's fees of the other two fired Travel Office employees because they were still under investigation. Both employees have since been exonerated of any wrongdoing, and I believe they deserve similar reimbursement for the extraordinary and unnecessary legal expenses they were required to incur. Mr. Dale's attorneys' costs alone are close to half a million dollars.

This is a unique case, to say the least. Each claim against the United States should be judged on a case-by-case basis, and it is not the intent of this provision in this bill to set a precedent that in every case the payment of attorney's fees and costs is justified.

What is the justification of the attorney's fees here? I believe the firing of the White House employees, and especially Mr. Dale, was one of the most appalling abuses of power that I have ever seen, because I think it shows what little regard the White House has had for the plight of these loyal, dedicated public servants and their families.

And it was totally unnecessary, which makes it even worse. The White House could have fired the Travel Office without as much as a whimper. And yet, the White House felt compelled to devise a strategy that would blunt the claims of nepotism and political motivation that would certainly follow replacing a nonpartisan, career Travel office with Little Rock business associates, friends and relatives.

Now, after several years of investigation that has sometimes raised issues of constitutional dimension—claims of executive privilege, contempt citations—the facts make clear that:

No. 1, a concerted effort was undertaken in the White House and by close friends and associates of the President and First Lady to take over the Travel Office.

No. 2, it was not sufficient to simply fire the career civil servants serving in the Office, which it was the prerogative of the White House to do. Instead, White House staff colluded to raise false claims of criminal wrongdoing against the Travel Office staff to justify what was purely a political move to benefit friends and associates of the President and First Lady.

No. 3, the White House improperly used the FBI to initiate a criminal investigation against the White House Travel staff based solely on the allegations of the President's cousin, Catherine Cornelius, who admittedly intended to run the White House Travel Office once the career employees were ousted.

No. 4, the White House publicly made allegations of criminal wrongdoing and financial mismanagement before an accounting audit was ever completed on the Travel Office.

No. 5, the seven long-time career employees were never given an opportunity to respond to the allegations or answer the accusations made against them—they were given minutes notice of their termination, and almost immediately escorted off the White House premises by, none other than Craig Livingstone, the head of White House Personnel Security.

No. 6, the GAO found in its May 1994 report that while senior White House officials said the terminations were based on ''findings of serious financial management weaknesses, we noted that individuals who had personal and business interests in the Travel Office created the momentum and ultimately led to the examination of the Travel Office operations.''

No. 7, the GAO also agreed with the White House's own Management Review of the Travel Office affair that ''the public acknowledgment of the criminal investigation had the effect of tarnishing the employees' reputations, and the existence of the criminal investigation caused the employees to retain legal counsel, reportedly at considerable expense.''

I am saddened to see that the President went back on his commitment to support reimbursing the Travel Office employees. In January of this year, Mike McCurry, the President's spokesman and Press Secretary made it clear that the President was not only sorry for the treatment of Mr. Dale and his colleagues, but that he would sign a bill to reimburse them for their legal costs.

It appears now that the President intends to make a political statement out of their misfortune. Upset with congressional investigations into Whitewater and the Travelgate matter itself, he now intends to hold these long-time career employees hostage to his political posturing.

It was not enough that they were used as an excuse to give his friends and relatives Government jobs.

It was not enough that these employees were accused of criminal conduct without a shred of evidence, other than the allegations of a 24-year-old relative.

It was not enough that these employees were subject to IRS audits, that their FBI files were improperly requested as late as seven months after they were fired. Recall that it was Craig Livingstone who escorted the Travel Office employees out of the White House in May of 1993. We are now supposed to believe that he was not aware that Billy Dale was not working in the White House when his own office requested Mr. Dale's FBI file 7 months later in December of that year?

It was not enough that Mr. Dale was acquitted after only 2 hours of deliberation by the jury. Two hours. The man was acquitted. And what was the White House response? What was the President's personal lawyer doing on all the morning talk shows? He accused Mr. Dale of accepting a plea bargain. Talk about insult to injury.

This decent, loyal employee is set-up by the White House, and then when he is acquitted in a court of law by a jury of his peers, the President's personal attorney gets on national television and implies that Mr. Dale is a criminal that tried to get off easy.

Why is the White House so intent on destroying Billy Dale?

The White House has every reason to be embarrassed by their actions, every reason to want to avoid talking about Billy Dale—but it is an absolute outrage, that the President of the United States would seek to use this man as a foil for his own political gain. It is wrong. It is unjust. It is unkind, uncharitable, and indecent.

The Senators' amendment, Senators REID and LEVIN, is, therefore, misplaced and I urge my colleagues to vote against it.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. REID. Mr. President, it is my understanding the minority leader wishes to speak at this time. I suggest the absence of a quorum and indicate the time not run that is left for the Senator from Utah and the Senators from Michigan and Nevada. He should be here momentarily.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Mr. President, I am dumbfounded that we are tonight debating whether or not we should, for the first time in history, pay the attorney's fees for an individual who was properly indicted and properly prosecuted. Is the U.S. Congress going to start reimbursing every Federal defendant who is acquitted? If the answer is no, then I must question why are we being asked to do so in this case. There is no argument about reimbursing fees for those who are not indicted. The only argument is about paying the fees for one individual who was, again, properly indicted and properly prosecuted.

Unfortunately, instead of addressing the issues the American people are really concerned about—job security, personal security, retirement security—some of our Republican colleagues have decided to raise this issue in a blatant attempt to score political points in a Presidential election year. They are willing to spend $500,000 of taxpayer dollars in an attempt to embarrass the White House. In this era of tight budgets and competing priorities, we cannot afford to waste that kind of money to pay for Republican attack ads from the Senate floor. There is absolutely no precedent for this legislation to pay Billy Dale's legal expenses.

We have never agreed to pay the legal expenses for anyone who is indicted. The Independent Counsel Act provides for the reimbursement of legal expenses for a person who is not indicted. Billy Dale, however, was indicted and was prosecuted by the Justice Department, not the independent counsel. Moreover, there is absolutely no evidence that Billy Dale was indicted unfairly. Mr. Dale never filed any motions or raised any legal objections to his indictment, and I am unaware of any finding by any court that the indictment was somehow improper or motivated by political purpose. Nor have we held any hearings on the matter. There is no factual basis for violating the Senate precedent and giving half a million dollars to Billy Dale or anyone else.

There are also undisputed facts about this matter that I find somewhat disturbing.

We know that Mr. Dale deposited over 50 Travel Office checks worth approximately $54,000 into his personal account over a 3-year period of time. He never told anyone in the Travel Office or in the Bush or Clinton White Houses about these secret deposits. These deposits only came to light because of a FBI investigation, not because Mr. Dale disclosed this information.

We know that Mr. Dale offered to plead guilty to a felony before the trial. That is fact.

We know that Mr. Dale admitted that it was ''a terrible decision on my part.''

We know that at the end of the trial, the judge ruled that there was sufficient evidence for a reasonable jury to convict Dale of all charges brought against him.

In the end, the jury acquitted Mr. Dale of the charges, but that does not mean the taxpayers should pay his legal expenses. If we gave a half a million dollars to every defendant who was acquitted, I am sure we would have people lining up for criminal trials in every courthouse in America. The fact is, we have never reimbursed anyone who was indicted, even if they were later acquitted by a jury.

So why do my Republican colleagues seek special treatment for Mr. Dale? Why should Mr. Dale be treated differently than every other criminal defendant in America?

It seems to me that he is being treated differently because my Republican colleagues are using the Travel Office matter for purely political purposes. Of course, my colleagues on the other side of the aisle say that Mr. Dale deserves to be reimbursed and that Democrats are blocking reimbursement for political reasons.

To put an end to partisan bickering over the issues, we Democrats have offered a very reasonable amendment. And let me just commend the distinguished Senators from Michigan and Nevada for their tenacity and for their willingness to bring this issue to the floor in a way that is certainly eminently reasonable, that recognizes past precedent, that recognizes the importance of a procedure that has been used over and over again in circumstances just like this.

Let us send, as they suggest in their proposal, this issue to the neutral arbiter, the U.S. Claims Court, to determine whether it is appropriate to reimburse Mr. Dale. Why not do what we have done in the past? Why not use the procedure that we have in law that will allow us a fair and objective hearing, a fair and objective analysis as to whether or not this ought to be done?

The claims court can hold hearings to obtain all the facts outside of the world of partisan politics 2 months before a Presidential election and render a recommendation that will not be tainted by partisan motivations and bias. The claims court has extensive experience in resolving these types of claims.

The Parliamentarian has already indicated that the provision to reimburse Mr. Dale is a private relief provision. There is a law in place that allows the Senate to send requests for private relief to the claims court so the court can decide whether the relief is sought in a legal way and is legally appropriate.

Mr. President, this is a fair and well-established method for resolving a dispute. It has worked before. Passage of this amendment would allow the Senate to make a decision based on legal rather than political considerations. If the claims court recommends reimbursement for Mr. Dale, then the public would know what he actually deserves, and we will not worry that he is the beneficiary of some political windfall. We are willing to live by the decision made by the claims court.

On the other hand, if the court would rule that Mr. Dale does not deserve to be reimbursed, then he will not be given a half a million dollars of taxpayers' money improperly. There is one-half million dollars at stake.

The public deserves a neutral determination on this issue, and there is an important Senate precedent at stake. We owe it to this institution to act carefully and thoughtfully, even in the heat of a Presidential election year.

Again, let me commend my colleagues, and for all these reasons, I urge all of our colleagues to join them in favor of the amendment.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, how much time is left to Senator REID?

The PRESIDING OFFICER. Twenty-two and a half minutes.

Mr. REID. Mr. President, I am wondering if the 8½ minutes the leader used can be charged to leader time, and we can have the full half hour?

Mr. DASCHLE. Mr. President, I ask unanimous consent that the time that I have consumed in the presentation of my remarks be taken from my leader time.

The PRESIDING OFFICER. The Democratic leader has that right.

Mr. DASCHLE. I thank the Chair.

Mr. LEVIN. Mr. President, parliamentary inquiry. I understand there is time for debate in the morning. Is that debate part of the time which the Chair just indicated Senator REID has left?

The PRESIDING OFFICER. There has been no order entered yet with respect to the debate tomorrow.

Mr. HATCH. As I understand it, there will be 15 minutes divided equally, and I think that is the way we should go.

Mr. LEVIN. I also had the same understanding. I am not sure whether that was part of a UC. I ask Senator REID if he will yield 5 minutes to me.

Mr. HATCH. Can we ask unanimous consent that the 15 minutes, from 9:30 to 9:45 before the vote, be divided equally between Senator REID and myself or Senator SHELBY?

Mr. REID. I think they are planning to do that in wrapup.

Mr. HATCH. I will let it go then.

Mr. LEVIN. Mr. President, I ask if Senator REID might yield 5 minutes.

Mr. REID. I yield as much time as the Senator may consume.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, there is plenty of evidence of White House mistakes and errors in the firing. Those have been acknowledged now for years. They have been recounted here again tonight. They have been acknowledged, as they should be. People who had legal fees that resulted from that firing should have those legal fees reimbursed, those who were not indicted. They have been reimbursed except for $50,000. That $50,000 is part of this bill. That is not what is at issue.

What is at issue is the $450,000 which would go to someone who was properly indicted, properly prosecuted, and whether or not this Senate, for the first time in our history, will be approving legal fees to someone who was legally indicted. And that is the issue.

It was not the White House that carried out the criminal investigation of Billy Dale. That was the FBI, and there is no evidence that has been alleged that I know of that the FBI investigation that led to the indictment was improper. There was no allegation at trial, there was no allegation in the House committee report that the FBI investigation that led to the criminal proceeding, that led to the attorney's fees which are at issue here, was an improper investigation.

It was not the White House which decided to prosecute. It was a very professional Department of Justice which made a decision to prosecute based not on anything that the White House had done, but on what Billy Dale had done, relative to the deposit of checks that belonged to the Travel Office, in his own personal account, and relative to

cashing checks that were intended for petty cash that didn't end up going through the petty cash ledger.

It was his actions which the FBI investigation determined were indictable.

It was his actions, not the White House action, it was his deposit of checks in his personal account, mingling money that did not belong to him in his private bank account. It was those actions that led to the indictment, led to the prosecution, not the White House action.

It was his own actions which led to an indictment which resulted in legal fees which are the subject of this issue.

Should we, for the first time without a Senate hearing, without a House report which makes even a reference to any impropriety in the indictment and prosecution, should this Senate decide that this defendant, unlike any other defendant, should have his legal fees paid, although he was indicted?

Our good friend from Utah said, ''What about Ham Jordan?'' Ham Jordan was not indicted. That is the dividing line which we are asked to cross, the dividing line between people who were indicted and people who were not.

The White House Travel Office people, except for Billy Dale, were not indicted. Ham Jordan was not indicted. People who were investigated by the independent counsel who were not indicted are entitled to legal fees if legal fees result because of the existence of an independent counsel. We have provided for legal fee reimbursement for people not indicted. We have awarded legal fees for people not indicted. The independent counsel statute provides for legal fees for people not indicted.

Should we cross that line? I think we ought to be very careful of setting a precedent, so careful that we ought to simply say, OK, these fees will be paid subject to one thing, and that is, that we got a law which says that we can refer a private claim, a private bill, to the Court of Claims, and the Court of Claims can determine if there is a legal or equitable basis for the claim.

Is there an equitable basis for this claim? The Senator from Utah feels that there is. He feels that with great intensity, as does the Senator from Alabama. I would propose to both of them that we test their hypothesis. There is a test. There is a test in law. We wrote the law. It is a reference to the Court of Claims. I propose to them that they test their hypothesis that there was anything wrong, that there was something wrong with the prosecution, investigation and indictment here. Because unless there was, there is no basis for the payment of legal fees. Test that hypothesis.

I call upon them to support an amendment which simply says, yes, we will pay those fees if the Court of Claims finds that there was an inequity here. That is the way to test their hypothesis. We can argue these facts back and forth all night. But one thing is indisputable, we have put in law a process to give us an objective evaluation of a private claim of this kind. Take it out of politics. It does not belong there. When you set a precedent of this kind, be sure you are acting on firm ground, free it from any political taint, any political coloration, refer it to the body that we have set up in law to determine whether or not a claim of this kind is based on an equitable claim.

Mr. President, I made an inquiry of the Chair back on May 14 relative to the Senate bill that Senator HATCH introduced, which would provide relief for the Travel Office employees. That inquiry which I made to the Chair on May 14 was whether or not the bill before us, which was that freestanding bill of Senator HATCH, is a private bill. The Presiding Officer ruled, after, if my recollection is clear, he consulted with the Parliamentarian, that it is a private bill.

My parliamentary inquiry at this time is, is the Senator correct that that was the ruling of the Chair on May 14 relative to that parliamentary inquiry?

The PRESIDING OFFICER. That was the response of the Chair to that inquiry.

Mr. LEVIN. Mr. President, I thank the Chair for that, and I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. There has been some talk about there should not be talk on this floor about the prosecution memo, about a plea of guilty. Mr. President, we are not in court. We are in the Senate of the United States, some say the greatest debating society in the history of the world. I think it is appropriate, in a great debating arena, to talk about the facts. This is not a court of law where there are objections as to hearsay, objections as to questions having already been asked, or it is repetitive, or you do not understand it. We are here to bring out the facts, the facts from wherever we might find them. We have found facts relating to this case that for a long time have been covered up. They have been hidden in the bowels of wherever they are hidden in this big city.

The fact is that in this instance we have learned that there was an instance in a document called the prosecution memo, where among other things they found: ''We propose to charge Billy Ray Dale . . . with converting to his own use approximately $54,000 in checks and $14,000 in cash''—and I put here recognizing that they could only get 1 year of the money that he stole; there was a lot more money he stole, but the records, as indicated, have been destroyed—''received by him in connection with his official duties. The FBI has investigated this matter and strongly supports these charges.'' Justice Department, Public Integrity Section.

We are here in the Senate of the United States to talk about the facts. And the facts are, this man was indicted, and he was properly indicted. There was never a question of whether or not he was properly indicted. Had it been on the basis of the legislation talked about by my friend from Michigan, these facts would have never been given to the American public, they would have never been given to the American public that he wrote a letter through his attorney saying he would plead guilty, that the prosecution memo, line after line, indicates that this man did a lot of things that were criminal in nature. The fact, Mr. President, that he was acquitted by a jury is really too bad. But it happens, it happens in our system of justice.

It is simply wrong to accuse this administration of leaking the memo. I do not think it is my obligation to indicate where the prosecution memo was obtained, but I do know that I obtained it, and I do know it did not come from anybody in the Justice Department, did not come from anybody in the White House, directly or indirectly. It is a reckless charge, lacking in merit. We are entitled, in this Senate Chamber, to talk about letters written admitting guilt. We are entitled, in this Senate Chamber, to talk about facts as determined in a prosecution memo.

Mr. HATCH. Would the Senator yield on that for just a question?

Mr. REID. I will be happy to yield for a question.

Mr. HATCH. I appreciate my colleague yielding.

My question is this. I know the Senator did not get it from the White House directly or from the Justice Department directly, because the Senator told me where he got it. The Senator got it from the House of Representatives, which I presume whomever they got it from got it from the White House or the Justice Department. Those are the only two places it could have been obtained. I am not accusing the Senator from Nevada, although I question—I question—whether a document that so one sided should be used especially a document that is confidential. I question whether that sort of document should be used on the floor of the Senate.

Mr. REID. I say to my friend from Utah, and he is my friend from the neighboring State of Utah, that the prosecution memo sets forth facts in the case. We are entitled in this body to have facts in the case. We have heard a lot of facts over these many months from the other side about this poor Billy Dale, how he has just been put upon by everybody. The fact of the matter is, he has not been. The fact of the matter is, he was indicted, properly indicted. After having been indicted, he had a letter written saying, ''I want to plead guilty.'' And I think we are entitled to hear that. The American taxpayers are entitled to hear it. I think it is important to acknowledge, not only that, but his admissions during the trial phase.

Mr. LEVIN. Will the Senator yield for an additional question?

Mr. REID. I will be happy to yield for an additional question.

Mr. LEVIN. It is in line with the question of the Senator from Utah. Is it not true that when the Justice Department was asked for that prosecution memo by the House, it did everything in its power not to give that prosecution memo to the House, and, as a matter of fact, it was only after the House subpoenaed that prosecution memo that it was then delivered to the House? So it is not as though the Department of Justice just handed it over to the House. They told the House, this is a sensitive document. They did not want to turn that over to the House. The House, Representative Clinger insisted on it, issued a subpoena, and that is when this document was delivered to the House of Representatives. Is that correct?

Mr. REID. Absolutely, that is correct. It is not just that the Justice Department was hoping who would read it. They did not want to give it up.

Mr. HATCH. Will the Senator yield on that point?

Mr. REID. Yes.

Mr. HATCH. The Justice Department was not subpoenaed for that document. If anybody was, it was the White House. Why would they have that document?

Mr. REID. I do not know how they got it. But it was by virtue of the subpoena.

Mr. HATCH. But you do not know?

Mr. REID. I say to my friend from Michigan and my friend from Utah, I do not know how it wound up in the House. It got there as a result of Chairman CLINGER wanting it and having gotten it, and it worked its way to this body, as it should.

Now, I repeat, if the Billy Dale constituency is so confident that they have merits on their side, they should allow for this to be removed from this political arena during this Presidential election time and decided by an independent body. That is why we have the Court of Claims.

There has been a lot of talk here tonight about other Travel Office employees. The other Travel Office employees were not indicted, and they have been or will be fully reimbursed. They have gotten most of their money now, except for a few incidentals, and everyone acknowledges they should be paid. We are willing to do that.

The House and others at the time they acted simply did not have the facts. Billy Dale is not an honest person. The jury did not find that he was honest. They acquitted him. The jury in the Menendez brothers case did not find they were good sons. They acquitted them on the first go-round. They were acquitted. It was a hung jury—hung jury. They did not find that they were nice young men who were good to their parents, just as this jury did not find that Billy Dale was honest. That was not a requirement of their findings. They looked at jury instructions and ruled upon those jury instructions in weighing the fact that he was not guilty as charged.

I disagree with them. I think any reasonable person would. But the prosecution did a lousy job of presenting the case to the jury. It happens.

He admitted being dishonest, and I think it is important we recognize that there are many disputed facts. My good friend, the distinguished senior Senator from Utah, says there are no disputed facts. There are lots of disputed facts. That is why, in my opinion, it is not right to give him attorney's fees. This is raw politics. This money is not for trial. Some of the money in the time sheets that have been presented deal with even press events. He had to appear at press events.

Mr. President, the prosecution memo, we should not leave that memo so soon. We will go to a few pages on the prosecution memo in summation.

Shortly after the Travel Office employees were fired, the FBI began its investigation under our supervision. The vast majority of the allegations we examined prove meritless as to other Travel Office employees. However, we found substantial evidence that Dale, in fact, stole at least $14,000 in petty cash, and he converted approximately $54,000 worth of travel checks to his own use.

We found no evidence of illegal conduct by any other member of the Travel Office. That is why we have agreed to reimburse them. The media checks selected by Dale for deposit in his account were not for Main Street press organizations but English, Japanese, German, and Hispanic media.

The selection is significant. The refunds were generated by the vendors on their own and arrived unexpectedly, and their absence would not be missed. Similarly, the checks from the esoteric news services were less likely to be scrutinized.

Mr. President, I think it is also of note in the prosecution memo—because until I read this, this is the first I knew about this—the petty cash logs covering the period prior to February 1992 are missing. Dale had no explanation for the missing logs. These deal with petty cash. This is where he got the cash. He did not deal with checks in this instance.

Another few lines from the prosecution memo:

> The evidence indicates that Dale stole this missing $14,000 in cash.

Next:

> There was simply no need to cash these sizable checks at the time they were presented.

Next:

> He cannot claim credibly he used the relatively large amounts of unrecorded cash to pay trip expenses during this period.

Finally:

> Dale's explanation is not credible.

That is what this case is all about. That is why the Court of Claims should review this.

Mr. President, this is important that we go forward on this to the Court of Claims. It would take politics out of this. It would send it to a body that is designated under our laws and the Constitution to deal with cases like this. Hundreds and hundreds of cases have been forwarded to them—private claims cases.

Now, if this amendment offered by the Senators from Nevada, Michigan, and Delaware, if it does not pass, if this amendment does not pass, the next thing that will be said is that the Senate approved the payment of $500,000 to Billy Ray Dale. The fact of the matter is that the right way to handle this is not in the political arena, where people are crowing over what was done or not done. The fact is, it should be referred to the Court of Claims, and let this body decide this disputed factual case on the facts and on the money.

We are given $500,000, or $499,999 to approve this. This is the dispute, the amount of money. And there is a dispute whether he is entitled to it and whether he is entitled to the amount of money requested.

We have done, I think, the honorable thing. We have come before this body, as many have suggested, in an outright denial in the amendment of giving him this money. We have done it, we think, in a reasonable manner, and we have an independent third party determine whether or not this money should be paid to Billy Ray Dale and, if so, how much should be paid.

I reserve the balance of my time.

Mr. HATCH. How much time is remaining?

The PRESIDING OFFICER. The Senator has 20 minutes remaining, and the other side has 7 minutes remaining.

Mr. HATCH. Mr. President, let me just say a few words, and then I will again yield the floor. I would like not to use all of my time, if my colleagues are willing to yield back.

The distinguished Senator from Michigan has repeatedly stated time and time again that Mr. Dale put money into his own account. No one disputes that. That is the way it was done through the years, and there was nothing illegal about doing that, either. The White House Travel Office is run for the benefit of the White House and the media. As part of that job, Mr. Dale had to have access to funds on short notice. No one has complained about that fact. Most importantly, the media did not care that Mr. Dale put their money, the media's money, into his account.

However, Mr. Dale does deny, and the jury agreed, that he did not steal or convert that money or those funds, and was found not guilty of the charges that were levied against him. In fact, one of the distinguished members of the media testified for him, Sam Donaldson, one of the most well-known people in the press today, a person for whom I have a lot of respect.

The fact of the matter is that the Justice Department can indict anybody they want to. Grand juries generally do what the prosecutors tell them to do.

That is no big deal. I find it unconscionable that after having been tried, having incurred legal expenses of half a million dollars, and then having a jury of his peers acquit him that my colleagues here on the Senate floor are suggesting that they think Mr. Dale is still guilty.

I do not find that in good form. Frankly, it really is a sin, especially when you go to the real facts of how this man and his partners, his colleagues in the Travel Office, were screwed by the White House, for greedy purposes, by people who just got the White House, thought they had total power, and wanted to move their friends into the lucrative Travel Office business. I am specifically speaking of Mr. and Mrs. Thomasson and a personal relative of the President. Not only did they do that, but they even used White House counsel to intimidate the FBI in this matter. They did an inadequate accounting in this matter. It was anything to get rid of these people so they could put their cronies into this lucrative position.

These people had served the White House for years, various Presidents, and had done so with the respect of all prior White Houses. The White House itself, in the memo I read earlier, found in the material sent by the White House, said they had messed this up, and they had acted improperly.

This is from the White House:

> You all may dimly remember the Travel Office affair, in which a number of the White House staff—many immature and self-promoting—took impulsive and foolhardy actions to root out problems at the beginning of the Clinton administration and to then gallantly recommend that they take over its operation.

That was straight out of a document provided by the White House.

The fact is that I don't think anybody who looks at this fairly could deny that these people deserve to be treated fairly. This is a question of fairness. It is a question of justice. It is a question of making amends for a White House that acted improperly, and did so, for the most part based on personal greed.

To clarify the record, I have done some investigation in the interim period here. I want to discuss, for a minute, the exposure of the plea agreement and the prosecution memo. I believe these are the accurate facts. We have checked with the parties concerned. The White House called us and said they were not responsible. I don't want to accuse the White House. I just said it has to be the Justice Department or the White House, one or the other. That is all it could be. In fact, the plea agreement was leaked from the Department of Justice or the White House to U.S. News and World Report. In addition, the Department of Justice, when they did produce that document to Chairman CLINGER's committee, failed, in violation of their own regulations, to treat that document in a sensitive and confidential manner. The second document, the prosecution memorandum, was produced after the trial to the House of Representatives. Once again, someone on the Democrat side of the House of Representatives leaked this very confidential memo. Once again, it is my contention that this Administration and their friends in Congress would do anything to harass Mr. Dale.

It is hypocritical. It is hypocritical for the White House to take care of their own people and not be willing to right this wrong. I can't imagine anybody who looks at the facts, clearly, coming to any other conclusion other than that this is an injustice to these people, a terrible ordeal to Mr. Dale and his family, and it ought to be rectified. That is what the Congress is trying to do at this point. That is certainly what I am trying to do. I think that is what any fair-minded person would try to do.

To come in here and make a case that they don't believe that Mr. Dale was innocent, after he was proven innocent, after a jury of his peers found him to be innocent, after members of the media, whose money was involved, testified he was innocent, is pretty astounding to me. Once again, I oppose the motion of the Senator from Nevada to strike the language to reimburse the legal expenses of the seven White House Travel Office employees who were victimized by the Clinton administration for nothing more than political favoritism.

The only crime that Mr. Dale and his colleagues committed was having the bad fortune of holding a job which political cronies of the White House wanted. The politicization of the Department of Justice and the FBI in bringing numerous investigations, and finally a bogus prosecution against Mr. Dale, is unconscionable and it should not be tolerated. My colleagues on the other side of the aisle claim that such a payment is unprecedented, in response to which, I say, the circumstances by which Billy Dale was persecuted and smeared, and the others fired, is unprecedented. It deserves unprecedented treatment and resolution. And it should be treated as such. This is a meritorious case. If I have ever seen one, this is one. What was done to these people should never have occurred in this manner. House Republicans and House Democrats recognize this fact. Why can't Senate Republicans and Senate Democrats recognize this fact? I think everybody in this body really knows this to be the fact. If we in Congress are to reimburse legal fees on a case-by-case basis when the case merits it, then that is a good thing. I have never seen a case more worthy than this particular case.

Now, there is no reason to go to the court of claims in this matter. Let's just do what is right. There is no doubt in my mind that part of the reason why our colleagues on the other side want the court of claims to decide this matter is so they get it beyond the election. Frankly, this should not involve the election. This is doing what is right. If I were the President, I would say, if you could get rid of this, do what's right, pass the bill, and let it be forgotten.

But I will tell you some people who are never going to forget this, even if this bill passes and the President signs it into law, and that is Billy Dale and the people with him. No amount of reimbursement of attorney fees, no amount of compensation, no amount of money, compensatory, punitive, or otherwise, will make up for what they have been through. I can tell you right now that Billy Dale undoubtedly has lost 8 or 10 years of his life because of this ordeal, and so would anybody in this body.

I want you to know that if we have any self-respect at all, this body will do what is right here. I am asking my colleagues to do what's right here. I hope there are some on the other side that will see their way clear to do what's right in this matter. That is what I ask.

If my colleagues are prepared to yield back their time, I will yield back mine.

Mr. LEVIN. I ask for 2 additional minutes.

Mr. HATCH. I will reserve the balance of my time then.

Mr. LEVIN. Will the Senator from Nevada yield 2 minutes?

Mr. REID. Yes.

Mr. LEVIN. Mr. President, I have a couple of quick comments. First of all, I believe I heard the Senator from Utah, some minutes back, say that the Justice Department leaked the prosecution memo. I now ask unanimous consent to have printed in the RECORD a letter from the Justice Department to Representative WILLIAM CLINGER, saying that the only reason they are presenting this prosecution memo, as Representative CLINGER was insisting upon, is because they were threatening the Attorney General with contempt, unless that prosecution memo was provided to the House committee.

So this was not a memo that was provided to anybody willingly, as far as I know, by the Justice Department. This was a memo that was subpoenaed and obtained upon threat of contempt of the Attorney General herself.

I ask unanimous consent that the letter from the Department of Justice, not from the White House, to Representative CLINGER, dated May 8, saying that they were now enclosing this, despite their very strong reluctance to do so, and it was all set forth in this letter, be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. What I said was that somebody from either the Justice Department or White House leaked it to the U.S. News & World Report before Chairman CLINGER asked for this material.

Mr. LEVIN. I don't know what the basis of the Senator's statement is—

Mr. HATCH. The U.S. News & World Report.

Mr. LEVIN. The basis of the Senator's statement 10 minutes ago that the Justice Department leaked this, it seems to me, is not established by any factual evidence that he has provided.

Mr. HATCH. If the Senator will yield, the point I was making is this. Although Representative CLINGER had a right to ask for it, I am not sure they should have given it to him. But they did. But at least before they gave it to him, somebody leaked it to U.S. News & World Report. That somebody had to be somebody in the Justice Department or the White House, which were the only two bodies who could possibly have had it. The White House called me, and, in all fairness to them, they said it wasn't them.

So it had to be. If it was not them, the Justice Department, or somebody who got into the Justice Department, stole it. I do not think that is possible.

The PRESIDING OFFICER. Is there objection to the request?

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

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, May 8, 1996.

Hon. WILLIAM F. CLINGER, Jr.,
Chairman, Committee on Government Reform and Oversight, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Based upon my conversation with Barbara Olson this morning, we understand that the Attorney General will be removed from the Committee's contempt proceedings agenda as a result of our providing the enclosed documents.

The enclosed documents are the prosecution memorandum for Billy Ray Dale and a related prosecutorial decisionmaking document plus two declination memoranda concerning decisions not to bring criminal charges against other individuals. As our February 26th letter explained other individuals. As our February 26th letter explained, extremely sensitive criminal justice documents of this kind are made available outside the Department only under the most extraordinary circumstances. We made these particular documents available for committee review only as a result of the Committee's subpoena; we brought them to the Committee's offices for review three times and advised the staff that we would return with them as often as necessary to accommodate the Committee's oversight needs.

We would prefer to continue to provide these core deliberative documents to the Committee on that basis. In light of the Committee's announced intention to hold the Attorney General of the United States in contempt of Congress, we are forwarding these documents to you. In doing so, we do not intend to prejudice in any way the Department's response to any future requests from the Committee or any other congressional committee.

We are very concerned that the public disclosure of this deliberative process and attorney work product material might inhibit the candor of our internal deliberations. We have requested and Committee staff have agreed that access to these types of documents will be limited to Members and Committee staff and that the Committee will not disclose the documents outside the Committee without first affording the Department an opportunity to confer with staff further about our concerns regarding such disclosure. We reiterate that request as to these documents and, further, urge the Committee to limit access to Committee staff only and make no copies.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

Mr. LEVIN. The document in question had been brought to the committees, and I am now here quoting the letter, prior to its being delivered pursuant to the threat of contempt of the Attorney General, that these documents, according to the letter, were made ''available for committee review only as a result of the committee's subpoena; we brought them to the committee's offices for review three times and advised the staff that we would return with them as often as necessary to accommodate the committee's oversight needs. We would prefer to continue to provide these core deliberative documents to the committee on that basis.''

But then they go on to say, ''In light of the committee's announced intention to hold the Attorney General of the United States in contempt of Congress, we are forwarding these documents to you.''

They have previously shared the document with Members three times. So to attribute leaks to any particular source without evidence under these circumstances, it seems to me, is without foundation.

No. 2, I may have misheard the Senator from Utah on this. I may have misheard the Senator from Utah on another point. If I did, then I would stand corrected. I believe, however, that the Senator from Utah said that he had deposited checks that belonged to the Travel Office for 30 years in his own account.

Mr. HATCH. No, I didn't say that. I said he had been depositing some of the checks of the media.

Mr. LEVIN. That this was done regularly.

Mr. HATCH. It was done regularly for years.

Mr. LEVIN. No one knew it.

Mr. HATCH. The people there knew it.

Mr. LEVIN. Oh, no. May I make this very clear? No one knew that he was depositing checks in his own personal checking account.

Mr. HATCH. The media has never objected. The point I was making is the media, when they knew about it, never objected—never objected at any time. And, in fact, one major representative of the media testified—

Mr. LEVIN. His colleagues did not know. The FBI was not informed when they were investigating the practices in the office. Peat Marwick, when they looked at this, were not informed by him that he had done this.

So the point that that practice being somehow or other appropriate because it had been going on for a long time, it seems to me, begs the question.

Finally, I would urge my friend from Utah to test this course of action. He said that he cannot imagine anyone coming to any other conclusion than the one that he has come to, that there was an injustice for these people. Again, I urge him to test that hypothesis by doing what we do regularly with private bills, which is to refer them to the Court of Claims. This will be the only defendant in history legally indicted whose legal fees will be paid. It will be the only defendant whose legal fees will have been paid who was properly indicted.

The Senator from Utah feels, with great certainty under his hypothesis, that no one else can come to any other conclusion that an injustice was done here should be tested by doing what we have done with private bills over and over and over again. This would be the exception to a rule that we do not pay legal fees to people properly indicted.

Test the hypothesis, Senator. Send this claim to the Court of Appeals. And, if you are right, that they find, and that any reasonable person would find, that there was an inequity here, in fact, not only will the fees be paid, but they should be paid. But that should be done by an objective person, an objective party, an objective institution, the Court of Claims, and not by this body 2 months before an election in the heat of a political campaign.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, because the question has been raised from the trial transcript at pages 129 and 130, Dale admitted that he didn't tell anyone else at the Travel Office that he was putting these checks into his own account and not the Travel Office account. He admitted that he didn't even tell the individual he worked with in the Travel Office for 30 years, his chief assistant, Gary Wright, of this practice.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I will take a couple of minutes, Mr. President.

For the record, in the House interview with the Peat Marwick representative that was so mightily represented here, the Peat Marwick representative said that this case, meaning the White House Travel Office audit, was the only one he has been involved in where he was told the outcome before the investigation was completed.

This was a trumped-up case against decent people, and even though everybody admits that it would have been better for Mr. Dale to not have put the money in his account, that it was a mistake to do that, nevertheless, nobody that I know of accuses him of having taken that money for his own use. In fact, to the contrary, the testimony in the trial, and that which resulted in his acquittal, was that he used the money properly, that he had to have access to it to be able to solve the problems with the media.

So I think it is really overreaching to try to say because a person is indicted, that an injustice could not have occurred. I can give a lot of cases where

people have been unjustly indicted. This is one of them. This is an exceptional case. It ought to be treated exceptionally.

The fact of the matter is that the White House was trying to please four people, Harry Thomasson and his wife, Linda, Catherine, Cornelius, and Clerissa Cerda. The David Watkins memo makes that clear. I do not think anybody could read that memo and then fail to get outraged by the way these people were treated.

Finally, just to make the Record clear, the plea agreement was leaked by someone in the Justice Department, or the White House, to U.S. News & World Report. The prosecution memo was provided to Chairman CLINGER, who shared it with his minority counterparts, and somebody on the minority staff gave it to the media. The plea agreement had to be leaked by either the White House or the Justice Department. I am willing to take the White House word that they did not do that. Then, it had to be somebody in the Justice Department who did, because they are the only other people who had access to it. And it was improper. It was wrong. It was unethical.

But be that as it may, that does not change the facts of this case that these were decent people who had served successive Presidencies, who had decent reputations, who did their job well and who pleased both the White House and the media, who were just plain mistreated, unjustly, by a superaggressive White House that was acting in its own greedy interests. And if there is ever a case where we ought to stand up and say this is an exceptional situation, we ought to provide this exceptional remedy, this is the case to do it in.

So I am asking my colleagues to vote for the Hatch amendment, which would grant these funds, and to vote down the Reid-Levin amendment, which would again force this man to get attorneys and go to the Court of Claims to get that which is justly his to begin with. That is what you call justice in America: making wrongs right.

Having said all of that, I understand I still have some time. So I yield the remainder of my time, and I do not want to keep my colleagues any longer than I have to.

The PRESIDING OFFICER. All time is yielded back.

LIVE ANIMAL HOLDING FACILITY AT BOISE STATE UNIVERSITY

Mr. CRAIG. Mr. President, I would like to discuss with the Chairman a process that has been initiated between the General Services Administration [GSA] and several Federal, State and local agencies, of which the Appropriations Committee would want to take cognizance. This process concerns the feasibility of designing and constructing a live animal research and holding facility at Boise State University.

The facility would be used for basic and applied ecological research, providing biological information and related technical support to natural resource managers and policymakers, and education and information transfer. It would directly serve the Raptor Research Center at Boise State University.

A first meeting has been held between GSA representatives and some of the agencies that will use the proposed facility, including the U.S. Fish and Wildlife Service, the Idaho Department of Fish and Game, the Peregrine Fund, and Boise State University, which would be the site of the facility. GSA believes this is the kind of project that falls within its purview and is something that may be beneficial to undertake.

Mr. SHELBY. I thank the Senator from Idaho for providing this information and would ask what are the goals of this process at this time?

Mr. CRAIG. The discussions currently underway are preliminary and should lead to a determination of whether to initiate a formal feasibility study.

Mr. SHELBY. Does the Senator foresee any costs associated with these preliminary steps?

Mr. CRAIG. No. These initial contacts are necessary to determine if the project can and should be pursued by GSA and other agencies involved.

Mr. SHELBY. I thank the Senator for this information and assure him the committee will follow the outcome of these meetings with interest. Such activities would be under this subcommittee's jurisdiction and we will want to continue to monitor any progress on this project and keep it under consideration for the future.

REGULATORY ACCOUNTING

Mr. STEVENS. Mr. President, I want to address the regulatory accounting provision in section 645 of the Treasury-postal appropriations bill, H.R. 3756. I believe the public has the right to know the benefits of Federal regulatory programs, as well as their costs, which have been estimated to be $600 billion per year.

To address concerns raised by Senators GLENN and LEVIN, I made technical changes. First, subsection 645(a)(1) requires OMB to provide estimates of the total annual costs and benefits of Federal regulatory programs in the upcoming fiscal year. This includes impacts from rules issued before fiscal year 1997, not just new rules. But OMB need not assess costs and benefits realized in preceding years. I deleted the word ''cumulative'' to clarify that. OMB should use the valuable information already available, and supplement it where needed. Where agencies have, or can produce, detailed information on the costs and benefits of individual programs, they should use it. I expect a rule of reason will prevail: Where the agencies can produce detail that will be informative to the Congress and the public, they should do so. Where it is extremely burdensome to provide such detail, broader estimates should suffice.

Subsection 645(a)(3) requires OMB to assess the direct and indirect impacts of Federal rules on the private sector, State and local government, and the Federal Government. Beyond compliance costs, regulation also creates a drag on real wages, economic growth, and productivity. OMB should use available information, where relevant, to assess the direct and indirect impacts of Federal rules. OMB also should discuss the serious problem of unfunded Federal mandates and inform Congress what it is doing about the problem.

In the end, I expect OMB to produce a credible and reliable picture of the regulatory process—a picture that highlights the costs and benefits of regulatory programs and that allows Congress to determine which programs and program elements are working well, and which are not.

ERIE FEDERAL COURTHOUSE PROJECT

Mr. SPECTER. Mr. President, I would like to address the issue of funding for the Erie Federal Complex construction project, which includes a courthouse annex. The current courthouse provides inadequate space and is not consolidated at a single location. The new facility will accommodate the existing and anticipated future demands of the courts and will allow for the consolidation of the courts in one convenient location. The House bill for fiscal year 1997 provides the $3.3 million required for site acquisition and design work, as requested by the General Services Administration. I am troubled, however, that the Senate bill does not include funding for the Erie Federal Complex.

I join with my constituents in Erie in recognizing the importance of this project to the community and support funding the Erie project in fiscal year 1997. This project is duly authorized. Further, $3.135 million for site acquisition and design was contained in both the House and Senate versions of the fiscal year 1995 Treasury, postal appropriations bill, but was dropped in conference that year because of an internal House decision to defund certain projects which I am advised was not based on the merits of the proposed Erie project.

I would ask the distinguished Chairman, my good friend from Alabama, for his views on the Erie project and whether he believes it merits favorable consideration during conference.

Mr. SHELBY. I thank my colleague from Pennsylvania for his comments in support of the Federal Complex project, which will benefit the administration of justice in Erie, PA. I regret that the Senate funding levels are constrained and that it has been difficult to identify funds for a number of worthwhile courthouse projects. As we proceed to conference with the House, I intend to work closely with the senior Senator from Pennsylvania to obtain funds for site acquisition and design, as requested by the Administration. The Erie project has been approved for funds by the Senate in previous legislation and thus deserves our best efforts.

Mr. KOHL. Mr. President, I would ask for just a few moments to discuss my amendment, which the Senate unanimously adopted during yesterday's debate. First, let me thank Senators SHELBY and KERREY for their support and hard work in crafting the Treasury-postal appropriations legislation before us.

My amendment, which expresses the sense of the Congress, relates to the Internal Revenue Service telephone assistance program, one which the IRS advertises as a first line of assistance to the American taxpayer. I am pleased that it is now included in this bill because when it comes to telephone assistance, the IRS customer service record is abysmal. In fact, it's an embarrassment.

In fiscal year 1995, IRS assistors reportedly answered 38 percent of taxpayers' calls. In fiscal year 1996, the figure improved slightly, but still only 46 percent of taxpayers got through to IRS assistance personnel. In other words, currently, less than half of the taxpayers in need of help even get through to an IRS assistor, and that may be after trying once or trying 10 times. In terms of pure accessibility, the statistics are even more startling. During the fiscal year 1996 filing season, a mere 20 percent of taxpayers got through to an IRS assistor on their first try.

As many of my colleagues know, before coming to the United States Senate, I ran a business. And if there's one simple bit of wisdom learned from my years in business, and practiced to the best of my ability, it is that the customer always comes first. In adopting my amendment, I am pleased that the Senate has spoken with one voice in sending that same message to the IRS—take whatever steps necessary to put your customers, the taxpayers of this country, first.

I would add that I know customer service is of great concern to the distinguished ranking member, Senator KERREY of Nebraska, who cochairs the National Commission to Restructure the Internal Revenue Service. I hope that we can continue to work together on this issue when the Commission reports to Congress next July.

Mr. President, each year Americans in all walks of life and from every income bracket encounter questions when filling out tax forms and calculating tax obligations. And since few people dispute the challenges of navigating the current tax code, it comes as no surprise that many Americans seek help in order to fulfill their civic duty responsibly and accurately. The IRS' toll free 1–800 assistance service would seem a logical first step. But the IRS, on the receiving end, if you will, picks up the line less than half the time. Thus, the majority of callers do not even have the opportunity to pose, let alone work out, their questions.

This fact is troubling, very troubling, particularly when considered in light of other problems. For example, many constituents in my homestate of Wisconsin who have the good fortune, or should I say the good luck, to get through to IRS assistors, have then been put on hold and subjected to significant waits that have sometimes ended with a random and inexplicable disconnection of the line.

Simply put, this level of service is unacceptable. And in the end, it's not unreasonable to speculate that it works against our overall efforts to streamline the government. After all, if taxpayer questions are not being answered, more mistakes are being made and more IRS follow-up and investigation is required.

The IRS is aware of the problems. The General Accounting Office has issued reports. The Social Security Administration and private sector interests provide numerous examples of ways to improve telephone assistance. And now Congress has made the first of what may be many calls to the IRS, urging them to establish performance goals, operating standards and management practices—whatever it takes to get the lines answered and put the customer first.

ATF ''DISABILITY RELIEF'' PROGRAM

Mr. SIMON. Mr. President, I say to Senator LAUTENBERG, I would like to raise an issue of great importance. The current version of this appropriations bill would not fund the Bureau of Alcohol, Tobacco and Firearms' [ATF] disability relief program. Under current Federal law, someone who has been convicted of a crime punishable by more than 1 year is ineligible, or disabled, from possessing a firearm—a sensible idea. However, Congress created a loophole in 1965 whereby convicted felons could apply to ATF to have their firearm privileges restored, at an estimated taxpayer cost of $10,000 per waiver granted.

We have fought to end this program and have succeeded in stripping the program's funding in annual appropriations bills since 1992.

This year, we face an additional challenge in our efforts to keep guns out of the hands of convicted felons. A recent court case in Pennsylvania has misinterpreted our intentions and opened the door for these convicted felons to apply for judicial review of their disability relief applications.

In this case, Rice versus United States, the Third Circuit Court of Appeals found that the current funding prohibition does not make clear congressional intent to bar all avenues of relief for convicted felons. By their reasoning, since ATF is unable to consider applications for relief, felons are entitled to ask the courts to review their applications.

This misguided decision could flood the courts with felons seeking the restoration of their gun rights, effectively shifting from ATF to the courts the burden of considering these applications. Instead of wasting taxpayer money and the time of ATF agents—which could be much better spent on important law enforcement efforts, such as the investigation of church arsons—we would now be wasting court resources and distracting the courts from consideration of serious criminal cases.

Fortunately, another decision by the fifth circuit in U.S. versus McGill found that congressional intent to prohibit any Federal relief—either through ATF or the courts—is clear. The fifth circuit concluded that convicted felons are therefore not eligible for judicial review of their relief applications.

Given this conflict in the circuit courts, we should clarify our original and sustaining intention. The goal of this provision has always been to prohibit convicted felons from getting their guns back—whether through ATF or the courts. It was never our intention to shift the burden to the courts.

Congressman DURBIN and his colleagues succeeded in their efforts to include language in the House appropriations bill to make clear that convicted felons may not use the courts in their efforts to get their guns back. I applaud the House committee for its wise vote on this issue.

During the same markup, Congressman DURBIN'S efforts were undermined by a related exemption offered by Congressman OBEY. This exemption would allow those individuals convicted of nonviolent felonies the ability to appeal for judicial review of their relief application.

According to Congressman OBEY's amendment, the opportunity to appeal to the courts would be closed to those ''felons convicted of violent crimes, firearms violations, or drug-related crimes.'' All other felons would be allowed to apply to the courts for review of their relief applications.

Mr. OBEY's exemption is clearly inconsistent with the original intent of this provision for three simple reasons:

First, one need only consider people like Al Capone and countless other violent criminals who were convicted of lesser, nonviolent felonies, to understand how dangerous this ''Capone amendment'' will be to public safety. Our intent when we first passed this provision—and every year thereafter—has been to prohibit anyone who was convicted of a crime punishable by more than 1 year from restoring their gun privileges via the ATF procedure or a judicial review.

Second, as Dewey Stokes, the former President of the Fraternal Order of Police noted, most criminals do not commit murder as their first crime. Rather, most criminals start by committing non-violent crimes which escalate into violent crimes. An ATF analysis shows that between 1985 and 1992, 69 non-violent felons were granted firearms relief and subsequently re-arrested for violent crimes such as attempted murder, first degree sexual assault, child molestation, kidnaping/abduction, and drug trafficking.

Third, there is no reason in the world for the taxpayers' money and court resources to be wasted by allowing the review of any convicted felons' application to get their guns back. It made no sense for ATF to take agents away from their important law enforcement work, and it makes even less sense for the courts, which have no experience or expertise in this area, to be burdened with this unnecessary job. Let me make this point perfectly clear: It was never our intent, nor is it now, for the courts to review a convicted felon's application for firearm privilege restoration.

Mr. LAUTENBERG. I thank the Senator for clearly laying out the facts. As the coauthor of this provision, I share his interest and concern about this issue. I agree with his analysis completely and intend to closely follow this situation in the coming year to see if any further legislation is necessary to clarify our intent. I would also like to take this opportunity to let my colleague know how much I enjoyed working on this issue with him as well as so many other matters. I want to ensure him that although he will not be here next year to continue his work in the Senate on this matter, I fully intend to carry on the fight for us both.

FLEXIBILITY FOR TELECOMMUTING CENTERS

Mr. WARNER. Mr. President, in an effort to meet the changing needs of the Federal work force, I rise in support of a provision contained in the Treasury postal appropriations bill which authorizes the General Services Administration to begin work on a series of flexiplace work telecommuting centers.

Currently, many Federal employees from both the legislative and executive branches are enjoying the convenience and efficiency of six completed telecommuting centers located throughout the Metropolitan Washington, DC area.

While Federal employees enjoy the advantages of working at these telecommuting centers, their employer, the Federal Government, reaps the benefits of increased productivity and improved work quality.

As the Senate accepts the important responsibility to reign in Federal spending and control our Federal debt, we surely realize that these telecommuting centers must be economically self-supporting or they will not succeed.

For that reason, I, along with my friend in the House of Representatives, Congressman FRANK WOLF, have asked our respective Appropriations Committees to insert language granting much needed flexibility to the General Services Administration in regard to telecommuting centers.

In order to maintain these centers as self-sufficient entities, the Congress must allow non-Federal employees to fill any vacant slots in the telecommuting centers. Currently, Federal employees cannot fill all of the slots all of the time, so it only makes sense to allow non-Federal employees utilize these facilities and increase the revenue going to these important centers.

This legislation also permits the Administrator of General Services Administration to transfer control of any or all of the telecommuting centers to State, local, or nonprofit organizations. This step will further ensure the economic viability of these telecommuting centers.

While maintaining the necessary commitments to our Federal work force, this language will provide the necessary flexibility to let these telecommuting centers thrive and prosper without Federal micromanagement and increased Government spending.

MORNING BUSINESS

Mr. SHELBY. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 2 minutes each.

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

U.S. FOREIGN OIL CONSUMPTION: HERE IS WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending September 6, the United States imported 7,400,000 barrels of oil each day, 1,300,000 less than the 8,700,000 imported during the same week a year ago.

Nevertheless, Americans relied on foreign oil for 53 percent of their needs last week, and there are no signs that the upward spiral will abate. Before the Persian Gulf war, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil—by U.S. producers using American workers? Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,400,000 barrels a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, September 10, the Federal debt stood at $5,217,211,394,956.03.

Five years ago, September 10, 1991, the Federal debt stood at $3,617,377,000,000.

Ten years ago, September 10, 1986, the Federal debt stood at $2,103,341,000,000.

Fifteen years ago, September 10, 1981, the Federal debt stood at $979,625,000.000.

Twenty-five years ago, September 10, 1971, the Federal debt stood at $415,728,000,000. This reflects an increase of more than $4 trillion ($4,801,483,394,956.03) during the 25 years from 1971 to 1996.

ZION NO. 1, MISSIONARY BAPTIST CHURCH 126TH ANNIVERSARY

Mr. HEFLIN. Mr. President, on Sunday, August 11, 1996, the Zion No. 1, Missionary Baptist Church celebrated its 126th anniversary. Zion No. 1 was formed in 1870, only a few miles from its present location in Barton, AL. It is one of the oldest in the State of Alabama.

Arthur Barton, a white landowner, donated the land for this church as a gift to its organizers, who had a phenomenal zeal for worshipping God. The church they built stood for many years. A second building, home of the Pine Grove Methodist Episcopal Church, located on a hill just off Highway 72 in west Colbert County, was purchased from the Methodist Conference by the small Zion No. 1 congregation in 1891 for $300.

This church building was held together by wooden pegs. It is reported that there are no nails in the building. Kerosene or coal oil lamps were used for light. Two enormous pillars were visible in the center of the sanctuary running from the floor to the ceiling. These are still in place today.

During the Civil War, the Pine Grove Methodist Episcopal Church building had been used as a temporary hospital for wounded soldiers. It is said that two cannon balls were found in the walls as a result of a battle which took place between the town of Barton and the Tennessee River. There were blood stains on the floor and on portions of its baseboards and gunshot holes were visible in the walls. The basic structure which exists today remains largely as it was when it was constructed before the Civil War. Subsequent renovations have hidden evidence that it was once a hospital and church for wounded Confederate soldiers.

In 1969, brick was added, as well as new fixtures, carpeting, and a public address system. In 1977, a new roof was added, carpeting was laid in the educational annex, and folding doors were added.

The years between 1978 and 1986 were a time of rapid growth for Zion No. 1, Missionary Baptist Church. The congregation purchased three acres of land to expand the cemetery, and the central heating system was installed. A second educational annex, which includes a baptismal pool, was constructed. Previously, the Tennessee River had been used for baptizing new members.

The Reverend Wayne S. Bracy became the 16th and current pastor on February 8, 1992. He has brought a fervent spiritual atmosphere and a commitment to teaching and training to Zion No. 1.

I am pleased to congratulate the Zion No. 1, Missionary Baptist Church on the occasion of its 126th anniversary.

Its rich heritage and dedicated leaders and members are testaments to the tremendous role religion continues to play in America's culture and development.

TRIBUTE TO SHERIFF JOHN L. ALDRIDGE

Mr. HEFLIN. Mr. President, my longtime friend, Sheriff John L. Aldridge, is one of the giants of law enforcement in the State of Alabama. He has spent over 30 years in law enforcement and is presently serving his sixth term as sheriff of Colbert County, AL, having first been elected in 1975. He was the commissioner of public safety for the city of Tuscumbia from 1960 through 1969. He is a loyal and dedicated public servant whose service and commitment to law enforcement in general and his community in particular have been impeccable.

Sheriff Aldridge received his bachelor of science degree in law enforcement from the University of North Alabama. He is a past president of the Alabama Sheriff's Association and is a member of the board of trustees of the Alabama Sheriff's Boys-Girls Ranches. He has received many honors and awards, including County Officer of the Year from the Sheffield Elks' Lodge and the Colbert County American Legion. He is a past State Officer of the Year and Officer of the Year for Colbert, Lauderdale, and Franklin Counties. In 1977, he received the Liberty Bell Award from the Colbert County Bar Association. Under former Governor George Wallace, he served on the executive board of the Alabama Law Enforcement Agency.

He is also a past president of the Lions Club and past commander of American Legion Post 31. He is a Mason and first vice president of the Sheffield, Alabama Kiwanis Club, as well as a former member of the Tuscumbia Utility Board and of the Colbert County Hospital Board. He served for a time as a board member of the Colbert-Lauderdale Attention Home for Delinquent Boys and Girls.

He is a loyal Democrat whose enthusiasm for the party has never wavered. In 1992, he served on the Steering Committee for the Clinton-Gore Campaign. He strongly endorsed the ticket that year and, although the Democrats did not carry Alabama, campaigned tirelessly for his party's candidates.

Sheriff Aldridge's leadership and service have gone far beyond what we traditionally think of as law enforcement duties. He initiated a rape counseling program for the Muscle Shoals Mental Health Center to assure victims of rape were interviewed by a female professional counselor rather than a male. When the program was begun, there were no female officers in law enforcement in Colbert County. Sheriff Aldridge made a firm commitment to change this. He received an award from the Muscle Shoals Mental Health Center for initiating this program.

Under his tenure as chairman of the Sheffield Kiwanis Club Major Emphasis Program on ''Safeguard Against Crime,'' the club received the Silver Bell Award for his work in organizing a county-wide program aimed at reducing crime and spurring public interest in law enforcement.

I am proud to commend and congratulate Sheriff John Aldridge for his many years of outstanding leadership in terms of law enforcement and community service. I look forward to seeing more of the fruits of his labors first-hand when I return home to Colbert County next year.

GREATER RECOGNITION FOR TAIWAN

Mr. HELMS. Mr. President, on July 17, the European Parliament passed a resolution urging that Taiwan be granted greater recognition in international organizations, and calling for a study of the issues surrounding Taiwan's participation in the United Nations.

I find this resolution both impressive and appropriate, Mr. President, and I fully agree that Taiwan deserves a greater role in international organizations. The Republic of China is a full democracy, with a remarkably successful economy. Furthermore, Taiwan plays an important role in world affairs.

It is high time that Taiwan be accorded its well-deserved stature in international organizations.

Mr. President, I find it gratifying that Taiwan has won this recognition aforementioned from the European Parliament, and I ask unanimous consent that the resolution be printed in the RECORD at the conclusion of my remarks.

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

EUROPEAN PARLIAMENT

Having regard to Article J.7 of the Treaty on European Union.

A. Satisfied with the current state of Taiwan's democracy and Taiwan's respect for the principles of justice, human rights, and fundamental freedom,

B. welcoming the fact that the elections in Taiwan were conducted democratically and peacefully despite the overt aggression and provocation by the People's Republic of China,

C. having regard to Taiwan's wish to participate in international aid to developing countries,

D. having regard to the significance of developments in the political situation in Taiwan for the whole of East Asia at the geopolitical and economic level and in terms of a policy of stability, security and peace in the Western Pacific region,

E. welcoming the attitude of reconciliation displayed by President Lee Teng-hui towards the People's Republic of China and looking forward to a dialogue spanning both sides of the Taiwan Straits,

F. convinced that the people of Taiwan ought to be better represented in international organizations than they are at present, which would benefit both Taiwan and the whole of the international community,

G. whereas neither the European Union nor any of its Member States have diplomatic relations with the Government of Taiwan, recognizing only the People's Republic of China,

H. whereas Taiwan is very important to the European Union and its Member States as a trade partner,

I. whereas it is important for the European Union and its Member States to develop their relations with the governments of both the People's Republic of China and Taiwan in an amicable and constructive spirit,

J. urging the governments of the People's Republic of China and Taiwan to intensify their cooperation,

K. stressing that participation by Taiwan in certain international organizations can assist with finding common ground between China and Taiwan and facilitate reconciliation between the two sides,

L. regretting the fact that Taiwan at present is prevented from making a full contribution to the United Nations and its agencies, and stressing that, for the efficiency of the UN. Taiwan's participation would be desirable and valuable.

1. Urges:

(a) the Council and Member States to support Taiwan's attempts to secure better representation than it currently enjoys in international organizations in the fields of human and labour rights, economic affairs, the environment and development cooperation following the precedent of certain cases, known to international law, of countries recognized as independent and sovereign even though the nature of their diplomatic connections and the person of then head of state did not display the full symbolic panoply of complete sovereignty (e.g. Her Britannic Majesty's Dominions, American Samoa, or, until recently the Ukraine and Belarus);

(b) the Council and Member States to ask the United Nations to investigate the possibility of setting up a UN working group to study the scopes for Taiwan to participate in the activities of bodies answerable to the UN General Assembly;

(c) the Council and Member States to encourage the governments of the People's Republic of China and Taiwan to intensify their cooperation in a constructive and peaceful spirit;

(d) the Council to Urge the Commission to adopt measures with a view to opening a European Union information office in Taipei;

2. Instructs its President to forward this resolution to the Council and to the Commission.

CAM NEELY

Mr. KERRY. Mr. President, I come to the floor today to recognize the achievements and contributions of one of Massachusetts' most beloved sports personalities, Mr. Cam Neely of the Boston Bruins.

Last week, Cam announced his retirement from the Boston Bruins after 5 years of struggle and pain caused by nagging injuries. He had played 13 years in the National Hockey League, 3 with the Vancouver Canucks and the last 10 seasons with the Bruins. Through his decade with the Bruins, Cam has become the prototype NHL power forward by combining bone-crushing power with overwhelming talent and grace.

In addition to his presence on the ice, he has made a continuing contribution

to the community off the ice by establishing the Cam Neely Foundation and planning the Neely House, which will provide a place to stay in Boston for families of cancer patients undergoing treatment at area hospitals.

Throughout his career, Cam Neely rose to the challenge of being a top tier player in the NHL, setting records, redefining his position, and setting the standard by which forwards in the NHL are measured today. He played with courage and finesse. His career is a string of highlight films peppered with accomplishments and awards. In his first season with the Bruins, he was awarded the coveted Seventh-Player Award which is given to the Bruin who makes the most significant sustained contribution to the club over the duration of the season. That same season he led the team in scoring with 36 goals. In 1988, Cam provided the spark that lit the fire behind the Bruins' playoff series victory over the Montreal Canadiens—the first such victory in 45 years. During the 1989–90 season, Cam became only the fifth Bruin in history to reach the 50 goals mark and in 1990–91 he became only the second Bruin ever to reach 50 goals in consecutive seasons, joining the great Phil Esposito.

Cam was at the height of his talent and skills in the 1991 playoff series against the Pittsburgh Penguins when he suffered an injury that would change his career. The hit resulted in an injury to his thigh that never fully healed. That injury led to another, and then another, and the pain never ceased. For 5 years, Cam Neely was the epitome of perseverance as he worked to keep his body in shape and prepared to play. He never let up and he never gave up. Every season marked a triumphant return to the ice for Boston's most admired hockey player. He would play in pain until the pain became unbearable. He would play whenever he was needed and his body would allow him. He kept coming back, and the Bruins' fans loved him dearly for his efforts.

Cam rose above the issues of money and contracts and salary disputes and always seemed to be smiling and happy. He played hockey because he loved the game and it was part of him. During his announcement last week he said, ''I've always wanted to stay in this game as long as I could [while] achieving results and making positive contributions to my team. I never, ever wanted to play the game for the money or simply to go through the motions. Believe me, I loved playing in the big game. I loved the competitiveness of the sport. Since the day I arrived in Boston, I gave 100 percent to our team, to my teammates, and our fans.''

Nobody would argue that fact. Cam worked hard for the Bruins. Even his teammates, opponents, and coaches agree.

''There'll be a lot of highlight clips. I'll just remember him running over people, things like him grabbing the puck and splitting the defense to score against [Patrick] Roy the year we finally beat the Canadiens,'' Bruins captain Ray Bourque said. ''And I'll remember seeing stars when he ran over me during a Canada Cup practice. It was fun to know you had Cam on your side.''

''You know when I realized how great he was?'' asked Don Sweeney, defenseman and long time teammate of Neely's. ''When he was back for a game and then out for a game, then back for a game, then out for a game. The difference when we had him and when we didn't was tremendous. There was a ripple effect he had on every player in that locker room.''

Adam Oates, Cam's longtime line mate and the man who with him comprised one of the most feared scoring combinations in the NHL, said that Cam's announcement was ''something that we knew was going to happen all along. And today's the black day that it's happening.''

Former Bruin standout Derek Sanderson has always considered Cam Neely one of the game's best forwards. ''His teammates will miss him, and no one will miss him more than Oates. Guys like him don't come along very often. No one can score like Cam; no one can hit like Cam,'' he said. ''You can't replace him, you go along without him.''

Derek's words echo the feelings of most of the Bruins' faithful. Cam Neely cannot be replaced. The team will go on without him. Like Bobby Orr, Gord Kluzak, and Normand Leveille, Cam is forced to leave the game he loves too soon, and before the fans are ready to let him go. But for every game, every period, and every shift, I, and every other Bruins fan, will look to the right wing and imagine the hulking No. 8 streaking along the boards, taking the puck onto his stick, and blazing it past the netminder into the mesh netting of the goal. And, quietly, we will cheer.

TRIBUTE TO HOWELL HEFLIN: MY FRIEND, THE ''JUDGE''

Mr. PRESSLER. Mr. President, today I would like to pay tribute to Senator HOWELL HEFLIN, a dear friend and colleague who is retiring from the Senate this year. Senator HEFLIN and I are classmates, having been elected to the Senate at the same time. During the past 18 years, I have had the opportunity to watch my friend from Alabama establish himself as a distinguished leader and statesman. As a U.S. Senator and Alabama Supreme Court Justice, he has served his country and his State well. Alabamians should be proud of their country judge.

HOWELL HEFLIN continues a family tradition of public service. As the nephew of U.S. Senator Thomas Heflin, Senator HEFLIN brought to the Senate a bloodline of conviction to America's foundation and potential. His character and background as Chief Justice of the Alabama Supreme Court have shone brightly during his chairmanship of the Ethics Committee and during his service on the Senate Judiciary Committee. As a champion of ethics and an independent thinker, it is no wonder Senator HEFLIN still is referred to as the judge by his fellow Senators.

Mr. President, as a farm State Senator, I salute HOWELL HEFLIN's commitment to Alabama agriculture. As chairman of the Senate Commerce, Science, and Transportation Committee, I commend him for his work on rural electrification. As a member of the Senate Agriculture Committee, Nutrition, and Forestry Committee, he has fought for the interests of Alabama's cotton, peanut, and soybean industries. He also has strived for Federal crop insurance and flood relief for Alabama farmers. Alabama farmers and farm families surely will miss his undying dedication to their industry.

Mr. President, one of the toughest jobs for members of Congress occurs when we have to vote on legislation that has sparked strong division within our constituencies. As an infamous storyteller, Senator HEFLIN often relays metaphors that shed light on the difficulty of this predicament. For example, HOWELL HEFLIN once told us a story about a hunter who is caught in a treetop and is being chased by a bobcat. The hunter yells to his friend, ''Hurry up and shoot it!'' Unsure of his aim, his comrade yells back, ''I'm not sure I can hit him. I might hit you!'' In return, the trapped hunter yells, ''Shoot anyway. I need some relief!''

Another account of HOWELL HEFLIN's lightheartedness was a speech he delivered during a Senate floor discussion regarding the status of the rose as the official national flower. As the Senate deliberated whether or not to designate the rose as America's flower, Senator HEFLIN took to the floor with a poem. He remarked that, ''Roses are red, violets are blue, why must I choose between the two?'' Remarks such as this have provided the members of this body—and his Alabama constituents—with many moments of fond repose over the past 18 years. Senator HEFLIN's sense of humor will be missed dearly.

So soon we will bid farewell to our dear friend from Alabama—HOWELL HEFLIN. My wife, Harriet and I wish Senator HEFLIN and his lovely wife, Elizabeth Ann, the very best. They are a wonderful couple, and we will miss them very much. As the 104th Congress draws to a close, they can look forward to being able to return to their home State of Alabama and enjoy one of their favorite pastimes: spending time with their grandchildren. Mr. President, I again would like to wish Senator HEFLIN godspeed as he leaves the U.S. Senate. He leaves in his wake a career, character, and reputation marked by excellence.

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 2:03 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 2428. An act to encourage the donation of food and grocery products to nonprofit organizations for distribution to needy individuals by giving the Model Good Samaritan Food Donation Act the full force and effect of law.

H.R. 4018. An Act to make technical corrections in the Federal Oil and Gas Royalty Management Act of 1992.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2512. An act to provide for certain benefits of the Pick-Sloan Missouri River basin program to the Crow Creek Sioux Tribe, and for other purposes.

H.R. 2710. An act to provide for the conveyance of certain land in the State of California to the Hoopa Valley Tribe.

H.R. 3056. An act to permit a county-operated health insuring organization to qualify as an organization exempt from certain requirements otherwise applicable to health insuring organizations under the Medicaid program notwithstanding that the organization enrolls Medicaid beneficiaries residing in another country.

H.R. 3640. An act to provide for the settlement of issues and claims related to the trust lands of the Torress-Martinez Dzert Cahuilla Indians, and for other purposes.

H.R. 3642. An act to provide for the transfer of public lands to certain California Indian Tribes.

H.R. 3910. An act to provide emergency drought relief to the city of Corpus Christi, Texas, and the Canadian River Municipal Water Authority, Texas, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2710. An act to provide for the conveyance of certain land in the State of California to the Hoopa Valley Tribe; to the Committee on Indian Affairs.

H.R. 3056. An act to permit a county-operated health insuring organization to qualify as an organization exempt from certain requirements otherwise applicable to health insuring organizations under the Medicaid program notwithstanding that the organization enrolls Medicaid beneficiaries residing in another county; to the Committee on Finance.

H.R. 3642. An act to provide for the transfer of public lands to certain California Indian Tribes; to the Committee on Indian Affairs.

H.R. 3910. An act to provide emergency drought relief to the city of Corpus Christi, Texas, and the Canadian River Municipal Water Authority, Texas, and for other purposes; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The following measure was placed on the calendar under the order of February 10, 1995:

S. 391. A bill to authorize and direct the Secretaries of the Interior and Agriculture to undertake activities to halt and reverse the decline in forest health on Federal lands, and for other purposes.

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 2512. An act to provide for certain benefits of the Pick-Sloan Missouri River basin program to the Crow Creek Sioux Tribe, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4004. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the sequestration update report dated August 20, 1996; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Armed Services, to the Committee on Banking, Housing, and Urban Affairs, to the Committee on Commerce, Science, and Transportation, to the Committee on Energy and Natural Resources, to the Committee on Environment and Public Works, to the Committee on Finance, to the Committee on Foreign Relations, to the Committee on Governmental Affairs, to the Committee on the Judiciary, to the Committee on Labor and Human Resources, to the Committee on Rules and Administration, to the Committee on Small Business, to the Committee on Veterans' Affairs, to the Committee on Indian Affairs, and to the Select Committee on Intelligence.

EC–4005. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Revenue Procedure (RP–242645–96), received on September 6, 1996; to the Committee on Finance.

EC–4006. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Notice 96–43, received on September 6, 1996; to the Committee on Finance.

EC–4007. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Revenue Ruling 96–44, received on September 6, 1996; to the Committee on Finance.

EC–4008. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Announcement 96–92, received on September 6, 1996; to the Committee on Finance.

EC–4009. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Revenue Ruling 96–46, received on September 6, 1996; to the Committee on Finance.

EC–4010. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Revenue Procedure 96–47, received on September 6, 1996; to the Committee on Finance.

EC–4011. A communication from the Chief of the Regulations unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, a report concerning a rule regarding Revenue Procedure 96–42, received on September 6, 1996; to the Committee on Finance.

EC–4012. A communication from the Deputy Excecutive Director and Chief Operating Officer of the Pension Benifit Guaranty Coporation, transmitting, pursuant to law, a rule with respect to allocation of assets in single employer plans, received on September 10, 1996; to the Committee on Labor and Human Resources.

EC–4013. A communication from the Acting Director of the Office of Management and Budget in the Executive Office of the President, transmitting, pursuant to law, a report concerning direct spending or receipts legislation within five days of enactment (P.L. 104–193), received on September 10, 1996; to the Committee on Budget.

EC–4014. A communication from the Director of the Fish and Wildlife Service of the U.S. Department of the Interior, transmitting, pursuant to law, a rule entitled ''Endangered and Threatened Wildlife Plants: Listing of the Umpqua River Cutthroat Trout in Oregon'' (RIN 1018–AD96) received on September 10, 1996; to the Committee on Environment and Public Works.

EC–4015. A communication from the Inspector General of the U.S. Railroad Retirement Board, transmitting, pursuant to law, the budget submission for fiscal year 1998; to the Committee on Labor and Human Resources.

EC–4016. A communication from the Assistant Secretary of Labor for Mine Safety and Health in the Department of Labor, transmitting, a report concerning an examination of working places; to the Committee on Labor and Human Resources.

EC–4017. A communication from the Secretary of Health and Human Services, tranmsmitting, pursuant to law, a rule entitled ''Reduction of Reporting Requirements for the State Systems Advance Planning Document (APD) Process,'' (RIN 0970–AB46) received on August 8, 1996; to the Committee on Labor and Human Resources.

EC–4018. A communication from the Executive Director of the U.S. Architectural and Transportation Barriers Compliance Board, transmitting, pursuant to law, a rule entitled ''Americans with Disabilities Act Accessibility Guidelines; Detectable Warnings,'' (RIN 3014–AA18) received on August 7, 1996; to the Committee on Labor and Human Resources.

EC–4019. A communication from the Director of the Office of Regulatory Management and Information, U.S. Environmental Protection Agency, transmitting, pursuant to law, a rule regarding control of air pollution, (FRL5548–8) received on September 10, 1996; to the Committee on Environment and Public Works.

EC–4020. A communication from the Director of the Office of Regulatory Management and Information, U.S. Environmental Protection Agency, transmitting, pursuant to law, three rules including a rule entitled ''Approval and Promulgation of Implementation Plans for Louisiana: General Conformity Rules'' (FRL5549–7, 5549–9, 5549–6) received on September 5, 1996; to the Committee on Environment and Public Works.

EC–4021. A communication from the General Counsel of the U.S. Department of Transportation, transmitting, pursuant to law, a report concerning a rule regarding procedures for abatement of highway traffic noise (RIN 2125–AD97) received on September

5, 1996; to the Committee on Environment and Public Works.

EC–4022. A communication from the Secretary of the Air Force, transmitting, pursuant to law, a report relative to a Program Acquisition Unit Cost(PAUC); to the Committee on Armed Services.

EC–4023. A communication from the Secretary of Defense, transmitting, pursuant to law, a report regarding Cooperative Threat Reduction [CTR]; to the Committee on Armed Services.

EC–4024. A communication from the Under Secretary of Defense, transmitting, pursuant to law, a report regarding Department of Defense purchases from foreign entities for fiscal year 1995; to the Committee on Armed Services.

EC–4025. A communication from the Office of the Secretary of Defense, transmitting, pursuant to law, a rule entitled ''Provision of Early Intervention and Special Education to Eligible DoD Dependents in Overseas Areas,'' (received on September 10, 1996); to the Committee on Armed Services.

EC–4026. A communication from the Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, a report regarding a rule entitled ''Exemptions for Certain Open-End Management Investment Companies to Impose Deferred Sales Loads,'' (RIN 3235–AD18) received on September, 10, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–4027. A communication from the Attorney-Advisor of the Federal Register Certifying Officer, Financial Management Service of the Department of the Treasury, transmitting, pursuant to law, a rule entitled ''Depositaries for Federal Taxes'' (RIN 1510–AA54) received on August 21, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–4028. A communication from the Vice President and Treasurer of Farm Credit Financial Partners, transmitting, a notice regarding the Retirement Plan for Agricultural Credit Associations and Farm Credit Banks in the First Farm Credit District; to the Committee on Govermental Affairs.

EC–4029. A communication from the Deputy Director of the U.S. Office of Personnel Management, transmitting, pursuant to law, a rule entitled ''Prevailing Rate Systems,'' (RIN 3206–AH–60) received on September 10, 1996; to the Committee on Governmental Affairs.

EC–4030. A communication from the Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, a report regarding the Sunshine Act for calendar year 1994; to the Committee on Governmental Affairs.

EC–4031. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled ''The Information Resources Management (IRM) Plan of the Federal Government'' for fiscal year 1995; to the Committee on Governmental Affairs.

EC–4032. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, a rule regarding debarment and suspention in procurement and nonprocurement activities (RIN 1991–AB24) received on August 27, 1996; to the Committee on Governmental Affairs.

EC–4033. A communication from the Administrator of the Agricultural Marketing Service, U.S. Department of Agriculture, transmitting, pursuant to law, a rule entitled ''Termination Order-Black Hills,'' received on September 9, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4034. A communication from the Administrator of the Agricultural Marketing Service, U.S. Department of Agriculture, transmitting, pursuant to law, a rule entitled ''Assessment Rates for Specified Marketing Orders,'' (FV96–927–2 IFR) received on September 9, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4035. A communication from the Congressional Review Coordinator, transmitting, pursuant to law, a rule entitled ''Scrapie Indemnification Program,'' received on September 9, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4036. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 95–01; to the Committee on Appropriations.

EC–4037. A communication from the Deputy Assistant Director for Fisheries, National Marine Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a rule regarding fisheries of the Caribbean, (RIN 0648–AG26) received on September 10, 1996; to the Committee on Commerce, Science, and Transportation.

EC–4038. A communication from the Acting Director Office of Sustainable Fisheries, National Marine Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a rule regarding trip limit reductions (received on September 10, 1996); to the Committee on Commerce, Science, and Transportation.

EC–4039. A communication from the Acting Director Office of Sustainable Fisheries, National Marine Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a rule regarding fisheries of the exclusive economic zone off Alaska (received on September 10, 1996); to the Committee on Commerce, Science, and Transportation.

EC–4040. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report regarding environmental compliance and restoration program for fiscal year 1995; to the Committee on Commerce, Science, and Transportation.

EC–4041. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, a rule regarding revision of class E airspace (RIN 2120–AA66 (1996–0122) received on September 9, 1996); to the Committee on Commerce, Science, and Transportation.

EC–4042. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, a rule entitled ''Compressed Natural Gas Fuel Integrity'' (RIN AF14); to the Committee on Commerce, Science, and Transportation.

EXECUTIVE REPORTS OF COMMITTEES

The following executive report of committees was submitted:

By Mr. Helms, from the Committee on Foreign Relations: Treaty Doc. 103–35 The Chemical Weapons Convention (Exec. Rept. 104–33)

TEXT OF THE COMMITTEE RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That (a) the Senate advise and consent to the ratification of the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, opened for signature and signed by the United States at Paris on January 13, 1993, including the following annexes and associated documents, all such documents being integral parts of and collectively referred to in this resolution as the ''Convention'' (contained in Treaty Document 103–21), subject to the conditions of subsection (b) and the declarations of subsection (e):

(1) The Annex on Chemicals.

(2) The Annex on Implementation and Verification (also known as the ''Verification Annex'').

(3) The Annex on the Protection of Confidential Information (also known as the ''Confidentiality Annex'').

(4) The Resolution Establishing the Preparatory Commission for the Organization for the Prohibition of Chemical Weapons.

(5) The Text on the Establishment of a Preparatory Commission.

(b) CONDITIONS.—The advice and consent of the Senate to the ratification of the Convention is subject to the following conditions, which shall be binding upon the President:

(1) AMENDMENT CONFERENCES.—The United States will be present and participate fully in all Amendment Conferences and will cast its vote, either affirmatively or negatively, on all proposed amendments made at such conferences, to ensure that—

(A) the United States has an opportunity to consider any and all amendments in accordance with its Constitutional processes; and

(B) no amendment to the Convention enters into force without the approval of the United States.

(2) PRESIDENTIAL CERTIFICATION ON DATA DECLARATIONS.—(A) Not later than 10 days after the Convention enters into force, or not later than 10 days after the deposit of the Russian instrument of ratification of the Convention, whichever is later, the President shall either—

(i) certify to the Senate that Russia has complied satisfactorily with the data declaration requirements of the Wyoming Memorandum of Understanding; or

(ii) submit to the Senate a report on apparent discrepancies in Russia's data under the Wyoming Memorandum of Understanding and the results of any bilateral discussions regarding those discrepancies.

(B) For purposes of this paragraph, the term ''Wyoming Memorandum of Understanding'' means the Memorandum of Understanding Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on September 23, 1989.

(3) PRESIDENTIAL CERTIFICATION ON THE BILATERAL DESTRUCTION AGREEMENT.—Before the deposit of the United States instrument of ratification of the Convention, the President shall certify in writing to the Senate that—

(A) a United States-Russian agreement on implementation of the Bilateral Destruction Agreement has been or will shortly be concluded, and that the verification procedures under that agreement will meet or exceed those mandated by the Convention, or

(B) the Technical Secretariat of the Organization for the Prohibition of Chemical Weapons will be prepared, when the Convention enters into force, to submit a plan for meeting the Organization's full monitoring responsibilities that will include United States and Russian facilities as well as those of other parties to the Convention.

(4) NONCOMPLIANCE.—If the President determines that a party to the Convention is in violation of the Convention and that the actions of such party threaten the national security interests of the United States, the President shall—

(A) consult with, and promptly submit a report to, the Senate detailing the effect of such actions on the Convention;

(B) seek on an urgent basis a meeting at the highest diplomatic level with the Organization for the Prohibition of Chemical Weapons (in this resolution referred to as the ''Organization'') and the noncompliant party with the objective of bringing the noncompliant party into compliance;

(C) in the event that a party to the Convention is determined not to be in compliance with the convention, request consultations with the Organization on whether to—

(i) restrict or suspend the noncompliant party's rights and privileges under the Convention until the party complies with its obligations;

(ii) recommend collective measures in conformity with international law; or

(iii) bring the issue to the attention of the United Nations General Assembly and Security Council; and

(D) in the event that noncompliance continues, determine whether or not continued adherence to the Convention is in the national security interests of the United States and so inform the Senate.

(5) FINANCING IMPLEMENTATION.—The United States understands that in order to ensure the commitment of Russia to destroy its Chemical stockpiles, in the event that Russia ratifies the Convention, Russia must maintain a substantial stake in financing the implementation of the Convention. The costs of implementing the Convention should be borne by all parties to the Convention. The deposit of the United States instrument of ratification of the Convention shall not be contingent upon the United States providing financial guarantees to pay for implementation of commitments by Russia or any other party to the Convention.

(6) IMPLEMENTATION ARRANGEMENTS.—If the Convention does not enter into force or if the Convention comes into force with the United States having ratified the Convention but with Russia having taken no action to ratify or accede to the Convention, then the President shall, if he plans to implement reductions of United States Chemical forces as a matter of national policy or in a manner consistent with the Convention.

(A) consult with the Senate regarding the effect of such reductions on the national security of the United States; and

(B) take no action to reduce the United States Chemical stockpile at a pace faster than that currently planned and consistent with the Convention until the President submits to the Senate his determination that such reductions are in the national security interests of the United States.

(7) PRESIDENTIAL CERTIFICATION AND REPORT ON NATIONAL TECHNICAL MEANS.—Not later than 90 days after the deposit of the United States instrument of ratification of the Convention, the President shall certify that the United States National Technical Means and the provisions of the Convention on verification of compliance, when viewed together, are sufficient to ensure effective verification of compliance with the provisions of the Convention. This certification shall be accompanied by a report, which may be supplemented by a classified annex, indicating how the United States National Technical Means, including collection, processing and analytic resources, will be marshalled, together with the Convention's verification provisions, to ensure effective verification of compliance. Such certification and report shall be submitted to the Committee on Foreign Relations, the Committee on Appropriations, the Committee on Armed Services, and the Select Committee on Intelligence of the Senate.

(c) DECLARATIONS.—The advice and consent of the Senate to ratification of the Convention is subject to the following declarations, which express the intent of the Senate:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the Resolution of Ratification with respect to the INF Treaty, approved by the Senate on May 27, 1988. For purposes of this declaration, the term ''INF Treaty'' refers to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter Range Missiles, together with the related memorandum of understanding and protocols, approved by the Senate on May 27, 1988.

(2) FURTHER ARMS REDUCTION OBLIGATIONS.—The Senate declares its intention to consider for approval international agreements that would obligate the United States to reduce or limit the Armed Forces or armaments of the United States in a militarily significant manner only pursuant to the treaty power set forth in Article II, Section 2, Clause 2 of the Constitution.

(3) RETALIATORY POLICY.—The Senate declares that the United States should strongly reiterate its retaliatory policy that the use of chemical weapons against United States military forces or civilians would result in an overwhelming and devastating response, which may include the whole range of available weaponry.

(4) CHEMICAL DEFENSE PROGRAM.—The Senate declares that ratification of the Convention will not obviate the need for a robust, adequately funded Chemical defense program, together with improved national intelligence capabilities in the nonproliferation area, maintenance of an effective deterrent through capable conventional forces, trade-enabling export controls, and other capabilities. In giving its advice and consent to ratification of the Convention, the Senate does so with full appreciation that the entry into force of the Convention enhances the responsibility of the Senate to ensure that the United States continues an effective and adequately funded Chemical defense program. The Senate further declares that the United States should continue to develop theater missile defense to intercept ballistic missiles that might carry Chemical weapons and should enhance defenses of the United States Armed Forces against the use of chemical weapons in the field.

(5) ENFORCEMENT POLICY.—The Senate urges the President to pursue compliance questions under the Convention vigorously and to seek international sanctions if a party to the Convention does not comply with the Convention, including the ''obligation to make every reasonable effort to demonstrate its compliance with this Convention'', pursuant to paragraph 11 of Article IX. It should not be necessary to prove the noncompliance of a party to the Convention before the United States raises issues bilaterally or in appropriate international fora and takes appropriate actions.

(6) APPROVAL OF INSPECTORS.—The Senate expects that the United States will exercise its right to reject a proposed inspector or inspection assistant when the facts indicate that this person is likely to seek information to which the inspection team is not entitled or to mishandle information that the team obtains.

(7) ASSISTANCE TO RUSSIA.—The Senate declares that, if the United States provides limited financial assistance for the destruction of Russian chemical weapons, the United States should, in exchange for such assistance, require Russia to destroy its chemical weapons stocks at a proportional rate to the destruction of United States chemical weapons stocks, and to take the action before the Convention deadline. In addition, the Senate urges the President to request Russia to allow inspections of former military facilities that have been converted to commercial production, given the possibility that these plants could one day be reconverted to military use, and that any United States assistance for the destruction of the Russian chemical stockpile be apportioned according to Russia's openness to these broad based inspections.

(8) EXPANDING CHEMICAL ARSENALS IN COUNTRIES NOT PARTY TO THE CHEMICAL WEAPONS CONVENTION.—It is the sense of the Senate that, if during the time the Convention remains in force the President determines that there has been an expansion of the chemical weapons arsenals of any country not a party to the Convention so as to jeopardize the supreme national interests of the United States, then the President should consult on an urgent basis with the Senate to determine whether adherence to the Convention remains in the national interest of the United States.

(9) COMPLIANCE.—Concerned by the clear pattern of Soviet noncompliance with arms control agreements and continued cases of noncompliance by Russia, the Senate declares the following:

(A) The Convention is in the interest of the United States only if both the United States and Russia, among others, are in strict compliance with the terms of the Convention as submitted to the Senate for its advice and consent to ratification, such compliance being measured by performance and not be efforts, intentions, or commitments to comply.

(B)(i) Given its concern about compliance issues, the Senate expects the President to offer regular briefings, but not less than several times a year, to the Committees on Foreign Relations and Armed Services and the Select Committee on Intelligence of the Senate on compliance issues related to the Convention. Such briefings shall include a description of all United States efforts in diplomatic channels and bilateral as well as the multilateral Organization fora to resolve the compliance issues and shall include, but would not necessarily be limited to a description of—

(I) any compliance issues, other than those requiring challenge inspections, that the United States plans to raise with the Organization; and

(II) any compliance issues raised at the Organization, within 30 days.

(ii) Any Presidential determination that Russia is in noncompliance with the Convention shall be transmitted to the committees specified in clause (i) within 30 days of such a determination, together with a written report, including all unclassified summary, explaining why it is in the national security interests of the United States to continue as a party to the Convention.

(10) SUBMISSION OF FUTURE AGREEMENTS AS TREATIES.—The Senate declares that after the Senate gives its advice and consent to ratification of the Convention, any agreement or understanding which in any material way modifies, amends, or reinterprets United States and Russian obligations, or those of any other country, under the Convention, including the time frame for implementation of the Convention, should be submitted to the Senate for its advice and consent to ratification.

(11) RIOT CONTROL AGENTS.—(A) The Senate, recognizing that the Convention's prohibition on the use of riot control agents as a ''method of warfare'' precludes the use of such agents against combatants, including use for humanitarian purposes where combatants and noncombatants intermingled, urges the President—

(i) to give high priority to continuing efforts to develop effective nonchemical, nonlethal alternatives to riot control agents for

use in situations where combatants and noncombatants are intermingled; and

(ii) to ensure that the United States actively participates with other parties to the Convention in any reassessment of the appropriateness of the prohibition as it might apply to such situations as the rescue of downed air crews and passengers and escaping prisoners or in situations in which civilians are being used to mask or screen attacks.

(B) For purposes of this paragraph, the term ''riot control agents'' is used within the meaning of Article II(4) of the Convention.

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. DOMENICI (for himself and Mr. BINGAMAN):

S. 2063. A bill to limit the authority of the Secretary of the Army to acquire land adjacent to Abiquiu Dam in New Mexico; to the Committee on Environment and Public Works.

By Ms. SNOWE:

S. 2064. A bill to amend the Public Health Service Act to extend the program of research on breast cancer; to the Committee on Labor and Human Resources.

By Mrs. FEINSTEIN:

S. 2065. A bill to amend the Higher Education Act of 1965 to require open campus security crime logs at institutions of higher education; to the Committee on Labor and Human Resources.

By Mr. DASCHLE (for himself, Mr. CONRAD, Mr. DORGAN, Mr. EXON, Mr. KERREY, Mr. WELLSTONE, Mr. PRESSLER, Mr. GRASSLEY, and Mr. HARKIN):

S. 2066. A bill to amend the Northern Great Plains Rural Development Act to the duration of the Northern Great Plains Rural Development Commission, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 2063. A bill to limit the authority of the Secretary of the Army to acquire land adjacent to Abiquiu Dam in New Mexico; to the Committee on Environment and Public Works.

ABIQUIU DAM LEGISLATION

● Mr. DOMENICI. Mr. President, today I introduce a bill that clarifies the intent of Congress regarding Public Law 100–522. That law authorized the Army Corps of Engineers to store water at Abiquiu Dam in northern New Mexico. The law also authorized the corps to acquire lands adjacent to Abiquiu Dam for recreational access purposes.

For the past several years, the corps' Albuquerque office has been working to determine how the area around the dam should be developed. During that time, it became clear that the local community was extremely concerned that the corps might proceed with condemnation of all 6,000 acres of flood easement lands around the lake. Such an action would be extremely disruptive to the Abiquiu community.

In response to those concerns, I introduced legislation last Congress that would have clarified that the acquisition of lands adjacent to the dam by the corps would be from willing sellers only. Since that time, the corps and the local Abiquiu Reservoir Advisory Council have been meeting to address the concerns of the local community.

Both the local community and I are very appreciative of the outreach and involvement that the Army Corps' Albuquerque district engineer has shown on this issue since I introduced my legislation last Congress. Indeed, in July of 1995 the corps released its master plan/environmental assessment for Abiquiu Reservoir, a plan which specifically reflected the intent of Public Law 100–522 by recommending that acquisition of land around the reservoir should only be from willing sellers.

However, because of the inherent short-term nature of the position of Albuquerque district engineer, and because of past concerns about corps policy toward condemnation of land at the reservoir, the local community still believes, as do I, that there should be an express clarification of congressional intent to protect the local community at Abiquiu from unreasonable condemnation proceedings.

Consequently, today I am again introducing legislation that will clarify congressional intent that land acquired by the corps at Abiquiu Dam is to be acquired from willing sellers only. This legislation will give the citizens of the Abiquiu area the peace of mind that they deserve about the integrity of their property. As one long-time Abiquiu resident told me recently, ''I don't want my grandchildren to have to go through this terrible threat of the Government taking away our ranch.'' My legislation will put an end to that threat, and I urge my colleagues to support this bill.

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. 2063

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

SECTION 1. LIMITATION ON LAND ACQUISITION.

Section 1 of the Act entitled ''An Act to authorize continued storage of water at Abiquiu Dam in New Mexico'', approved October 24, 1988 (43 U.S.C. 620a note), is amended by inserting immediately following ''acquire lands'' the following: ''only from willing sellers''.●

By Ms. SNOWE:

S. 2064. A bill to amend the Public Health Service Act to extend the program of research on breast cancer; to the Committee on Labor and Human Resources.

THE BREAST CANCER RESEARCH EXTENSION ACT OF 1996

● Ms. SNOWE. Mr. President, I introduce legislation which authorizes increased funding for breast cancer research.

Over the past 5 years, Congress has demonstrated an increased commitment to the fight against breast cancer. Back in 1991, less than $100 million was spent on breast cancer research. Since then, Congress has steadily increased this allocation. These increases have stimulated new and exciting research that has begun to unravel the mysteries of this devastating disease and is moving us closer to a cure. Today, we must send a message through our authorization level to scientists and research policymakers that we are committed to continued funding for this important research.

This increase in funding is necessary because breast cancer has reached crisis levels in America. This year alone, 184,000 new cases of breast cancer will be diagnosed in this country, and more than 44,000 women will die from this disease. Breast cancer is the most common form of cancer and the second leading cause of cancer deaths among American women. Today, over 2.6 million American women are living with this disease. In my home State of Maine, it is the most commonly diagnosed cancer among women, representing more than 30 percent of all new cancers in Maine women.

In addition to these enormous human costs, breast cancer also exacts a heavy financial toll—over $6 billion of our health care dollars are spent on breast cancer annually.

Today, however, there is cause for hope. Recent scientific progress made in the fight to conquer breast cancer is encouraging. Researchers have isolated the genes responsible for heritable breast cancer, and are beginning to understand the mechanism of the cancer cell itself. It is imperative that we capitalize upon these advances by continuing to support the scientists investigating this disease and their innovative research.

For this reason, my bill increases the fiscal year 1997 funding authorization level for breast cancer research to $575 million. This level is just $20 million over the National Cancer Institute's fiscal year 1997 bypass budget, representing the funding level scientists believe is necessary to make progress against this disease. This increased funding will contribute substantially toward solving the mysteries surrounding breast cancer. Our continued investment will save countless lives and health care dollars, and prevent undue suffering in millions of American women and families.

On behalf of the 2.6 million women living with breast cancer, I urge my colleagues to support this important bill.●

By Mrs. FEINSTEIN:

S. 2065. A bill to amend the Higher Education Act of 1965 to require open campus security crime logs at institutions of higher education; to the Committee on Labor and Human Resources.

THE OPEN CAMPUS POLICE LOGS ACT OF 1996

● Mrs. FEINSTEIN. Mr. President, today I introduce the Open Campus Police Logs Act of 1996.

Mr. President, every year around this time thousands of students leave home to begin their pursuit of a college degree. These students—and their parents—expect not only a quality education, but also a campus on which they can study and live in safety. Yet, statistics show that during a 4-year-period, one in four college students will become a victim of violent crime. And according to the Chronicle of Higher Education, the number of crimes on college campuses are on the rise.

Under the Campus Security Act of 1990, colleges and universities are required to make crime statistics available to students, applicants and school employees. However, under-reporting of crime statistics by school administrators and the utilization of internal campus disciplinary systems, which are protected by privacy laws, have rendered the existing law ineffective.

All too often, we hear stories of college administrators who pressure victims to use discretion and to settle cases internally—without resort to the criminal justice system. Offenders then come before the campus tribunal, and are never publicly processed for the crimes. Sometimes, even the victims themselves cannot find out what happened in these internal trials.

And all too often, Mr. President, colleges and universities concerned about their image have been found to under-report crime and hide the true statistics from applicants and the media.

Students are unable to discover the true rate of campus crime, and are therefore unable to make informed decisions about where to go and how safe certain areas truly are.

The bill I am proposing today would extend the current law, in order to further inform students of the crimes occurring on college campuses so that they can better protect themselves.

This bill would continue to require that schools receiving Federal money compile statistics on crimes like murder and rape. However, it would also require schools to maintain a daily log—one that is open to public inspection—of all crimes committed against person or property.

These daily logs would chronicle not only the time, place and date of the crime, but also the names and addresses of all those arrested by the campus police or security force. No more could colleges hide statistics in annual reports and with secret, unreported disciplinary hearings. Every student or employee would have access, every day, to information about every arrest occurring on campus.

Some colleges and universities will argue that this bill is too burdensome. But this legislation should not be viewed by college administrators as an added burden for the campus security office, but rather as an effective tool to better inform the collegiate community. Students and employees have a right to know what dangers they face on campus. It is through this improved awareness that students and faculty will be able to better protect themselves. After all, one of the best weapons we have for deterring crime is accurate and timely information.

A New York Times reporter recently wrote about a woman who had been raped in February of last year—by a fellow student at her university in Ohio. Although the university's disciplinary board found the accused guilty of violating the student code regarding sexual assault, he was merely placed on student probation. He never went through a criminal trial.

As a result, the offending student was free to come and go on a campus where most women did not—and indeed could not—realize that he had committed any crime at all.

At this same school, Mr. President—where the student rapist was placed on probation—possession of a beer by an underage student can result in automatic suspension.

Furthermore, when the university published their official crime statistics later that fall, no rapes were reported. It is clear that compliance with reporting requirements could be far better.

Colleges and universities have made it their mission to provide a quality education in a suitable environment to America's students. By failing to disclose the true nature of crime on their campuses, administrations are not living up to this goal. We must make our campuses safer, by allowing students to better protect themselves from potential crime through the daily, public disclosure of past incidents and potential dangers.

Mr. President, it is an unfortunate fact that today's students must take care to protect themselves from serious crime on our college campuses. Yes, protecting the privacy of accused students is important. But protecting the safety of potential victims is equally vital to providing an enriching and safe experience for each and every one of the many children who leave home each year in search of a future full of promise and prosperity.

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. 2065

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 ''Open Campus Police Logs Act of 1996''.

SEC. 2. DAILY RECORD AND DISCLOSURE OF REPORTED CRIMES.

(a) AMENDMENT.—Section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f) is amended by adding at the end the following new paragraph:

''(8) Each institution participating in any program under this title which maintains either a police or security department of any kind shall make, keep, and maintain a daily log, written in a form that can be easily understood, recording in chronological order all crimes against persons or property reported to its police or security department, the date, time, and location of such crimes, and, if an arrest has been made, the names and addresses of all persons arrested and charges against such persons arrested. The provision of this paragraph shall not be construed to require an institution to identify in its log, unless otherwise provided by law, the names of the persons reporting the crime, the victim or victims, any witnesses or suspects who have not been arrested, or other information relating to any investigation of the crime. All entries in such daily logs shall, unless otherwise provided by State or Federal law, be open to public inspection.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.●

By Mr. DASCHLE (for himself, Mr. CONRAD, Mr. DORGAN, Mr. EXON, Mr. KERREY, Mr. WELLSTONE, Mr. PRESSLER, Mr. GRASSLEY, and Mr. HARKIN):

S. 2066. A bill to amend the Northern Great Plains Rural Development Act to the duration of the Northern Great Plains Rural Development Commission, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE NORTHERN GREAT PLAINS RURAL DEVELOPMENT ACT AMENDMENT ACT OF 1996

Mr. DASCHLE. 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. 2066

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

SECTION 1. EXTENSION OF NORTHERN GREAT PLAINS RURAL DEVELOPMENT COMMISSION.

Section 11 of the Northern Great Plains Rural Development Act (Public Law 103–318; 7 U.S.C. 2661 note) is amended by striking ''the earlier'' and all that follows through the period at the end and inserting ''September 30, 1997.''.

ADDITIONAL COSPONSORS

S. 607

At the request of Mr. SIMPSON, his name was added as a cosponsor of S. 607, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify the liability of certain recycling transactions, and for other purposes.

S. 684

At the request of Mr. HATFIELD, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 1189

At the request of Mr. DEWINE, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1189, a bill to provide procedures

for claims for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products.

S. 1505

At the request of Mr. LOTT, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1505, a bill to reduce risk to public safety and the environment associated with pipeline transportation of natural gas and hazardous liquids, and for other purposes.

S. 1898

At the request of Mr. SIMON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1898, a bill to protect the genetic privacy of individuals, and for other purposes.

S. 1929

At the request of Mr. WELLSTONE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1929, a bill to extend the authority for the Homeless Veterans' Reintegration Projects for fiscal years 1997 through 1999, and for other purposes.

S. 1944

At the request of Mr. HATFIELD, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 1944, a bill to establish a commission to be known as the Harold Hughes Commission on Alcoholism.

S. 1951

At the request of Mr. FORD, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 1951, a bill to ensure the competitiveness of the United States textile and apparel industry.

S. 1963

At the request of Mr. ROCKEFELLER, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1963, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for Medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 1967

At the request of Mr. BROWN, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Massachusetts [Mr. KERRY], the Senator from Illinois [Mr. SIMON], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1967, a bill to provide that members of the Armed Forces who performed services for the peacekeeping efforts in Somalia shall be entitled to tax benefits in the same manner as if such services were performed in a combat zone, and for other purposes.

S. 2030

At the request of Mr. LOTT, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Kentucky [Mr. FORD], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 2030, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles, and for other purposes.

AMENDMENT NO. 5224

At the request of Mr. THOMAS the names of the Senator from Alaska [Mr. STEVENS], and the Senator from Kansas [Mrs. FRAHM] were added as cosponsors of amendment No. 5224 proposed to H.R. 3756, a bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENT NO. 5232

At the request of Mr. KERREY the names of the Senator from Maine [Ms. SNOWE], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of amendment No. 5232 proposed to H.R. 3756, a bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENTS SUBMITTED

THE TREASURY DEPARTMENT APPROPRIATIONS ACT, 1997

DASCHLE (AND DORGAN) AMENDMENT NO. 5234

(Ordered to lie on the table.)

Mr. DASCHLE (for himself, Mr. DORGAN, and Mr. SIMON) submitted an amendment intended to be proposed by them to the bill (H.R. 3756) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1997, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

TITLE ___—HEALTH INSURANCE EQUITY FOR CONGRESSIONAL AND CONTRACT EMPLOYEES

SEC. ___01. SHORT TITLE OF TITLE.

This title may be cited as the ''Congressional Contractor Health Insurance Equity Act''.

SEC. ___02. DEFINITIONS.

For purposes of this title:

(1) CONTRACT.—The term ''contract'' means any contract for items or services or any lease of Government property (including any subcontract of such contract or any sublease of such lease)—

(A) the consideration with respect to which is greater than $75,000 per year,

(B) with respect to a contract for services, requires at least 1000 hours of services, and

(C) entered into between any entity or instrumentality of the legislative branch of the Federal Government and any individual or entity employing at least 15 full-time employees.

(2) EMPLOYEE.—The term ''employee'' has the meaning given such term under section 3(6) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(6)).

(3) ENTITY OF THE LEGISLATIVE BRANCH.—The term ''entity of the legislative branch'' includes the following:

(A) The House of Representatives.

(B) The Senate.

(C) The Capitol Guide Service.

(D) The Capitol Police.

(E) The Congressional Budget Office.

(F) The Office of the Architect of the Capitol.

(G) The Office of the Attending Physician.

(H) The Office of Compliance.

(4) GROUP HEALTH PLAN.—The term ''group health plan'' means any plan or arrangement which provides, or pays the cost of, health benefits that are actuarially equivalent to the benefits provided under the standard option service benefit plan offered under chapter 89 of title 5, United States Code.

(5) INSTRUMENTALITY OF THE LEGISLATIVE BRANCH.—The term ''instrumentality of the legislative branch'' means the following:

(A) The General Accounting Office.

(B) The Government Printing Office.

(C) The Library of Congress.

SEC. ___03. GENERAL REQUIREMENTS CONCERNING CONTRACTS COVERED UNDER THIS ACT.

(a) IN GENERAL.—Any contract made or entered into by any entity or instrumentality of the legislative branch of the Federal Government shall contain provisions that require that—

(1) all persons employed by the contractor in the performance of the contract or at the location of the leasehold be offered health insurance coverage under a group health plan; and

(2) with respect to the premiums for such plan with respect to each employee—

(A) the contractor pay a percentage equal to the average Government contribution required under section 8906 of title 5, United States Code, for health insurance coverage provided under chapter 89 of such title; and

(B) the employee pay the remainder of such premiums.

(b) OPTION TO PURCHASE.—

(1) IN GENERAL.—Notwithstanding section 8914 of title 5, United States Code, a contractor to which subsection (a) applies that does not offer health insurance coverage under a group health plan to its employees on the date on which the contract is to take effect, may obtain any health benefits plan offered under chapter 89 of title 5, United States Code, for all persons employed by the contractor in the performance of the contract or at the location of the leasehold. Any contractor that exercises the option to purchase such coverage shall make any Government contributions required for such coverage under section 8906 of title 5, United States Code, with the employee paying the contribution required for such coverage for Federal employees.

(2) CALCULATION OF AMOUNT OF PREMIUMS.—Subject to paragraph (3)(B), the Director of the Office of Personnel Management shall calculate the amount of premiums for health benefits plans made available to contractor employees under paragraph (1) separately from Federal employees and annuitants enrolled in such plans.

(3) REVIEW BY OFFICE OF PERSONNEL MANAGEMENT.—

(A) ANNUAL REVIEW.—The Director of the Office of Personnel Management shall review at the end of each calendar year whether the

nonapplication of paragraph (2) would result in higher adverse selection, risk segmentation in, or a substantial increase in premiums for such health benefits plans. Such review shall include a study by the Director of the health care utilization and risks of contractor employees. The Director shall submit a report to the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate which shall contain the results of such review.

(B) NONAPPLICATION OF PARAGRAPH (2).—Beginning in the calendar year following a certification by the Director of the Office of Personnel Management under subparagraph (A) that the nonapplication of paragraph (2) will not result in higher adverse selection, risk segmentation in, or a substantial increase in premiums for such health benefits plans, paragraph (2) shall not apply.

(4) REQUIREMENT OF OPM.—The Director of the Office of Personnel Management shall take such actions as are appropriate to enable a contractor described in paragraph (1) to obtain the health insurance described in such paragraph.

(c) ADMINISTRATIVE FUNCTIONS.—

(1) IN GENERAL.—The office within the entity or instrumentality of the legislative branch of the Federal Government which administers the health benefits plans for Federal employees of such entity or instrumentality shall perform such tasks with respect to plan coverage purchased under subsection (b) by contractors with contracts with such entity or instrumentality.

(2) WAIVER AUTHORITY.—Waiver of the requirements of this title may be made by such office upon application.

SEC. ___04. EFFECTIVE DATE.

(a) IN GENERAL.—This title shall apply with respect to contracts executed, modified, or renewed on or after January 1, 1997.

(b) TERMINATION.—

(1) IN GENERAL.—This title shall not apply on and after October 1, 2001.

(2) TRANSITION RULE.—In the case of any contract under which, pursuant to this title, health insurance coverage is provided for calendar year 2001, the contractor and the employees shall, notwithstanding section ___03(a)(2), pay 1⅓ of the otherwise required monthly premium for such coverage in monthly installments during the period beginning on January 1, 2001, and ending before October 1, 2001.

KASSEBAUM AMENDMENT NO. 5235

Mrs. KASSEBAUM proposed an amendment to the bill, H.R. 3756, supra; as follows:

At the end of the committee amendment, insert the following new section:

SEC. . PROTECTION OF PATIENT COMMUNICATIONS.

(a) FINDINGS.—Congress finds that—

(1) the health care market is dynamic, and the rapid changes seen in recent years can be expected to continue;

(2) the transformation of the health care market has promoted the development of innovative new treatments and more efficient delivery systems, but has also raised new and complex health policy challenges, touching on issues such as access, affordability, cost containment, and quality;

(3) appropriately addressing these challenges and the trade-offs they involve will require thoughtful and deliberate consideration by lawmakers, providers, consumers, and third-party payers; and

(4) the Patient Communications Protection Act of 1996 (S. 2005, 104th Congress) was first introduced in the Senate on July 31, 1996, and has not been subject to hearings or other review by the Senate or any of its committees.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committee on Labor and Human Resources of the Senate, taking into account any relevant findings of the National Commission on Health Care Quality and other public and private entities with expertise in quality health care service delivery, should act expeditiously in the first session of the 105th Congress to schedule hearings and executive session consideration of legislation designed to ensure that patients be given access to all relevant information concerning their health care so as to permit such patients, in consultation with their physicians, to make appropriate decisions regarding their health care, and that the Senate should promptly consider that legislation.

SIMON (AND JEFFORDS) AMENDMENT NO. 5236

(Ordered to lie on the table.)

Mr. SIMON (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill, H.R. 3756, supra; as follows:

At the appropriate place in the bill, insert the following new title:

TITLE ____—PENSION AUDIT IMPROVEMENT ACT OF 1996

SEC. ___. SHORT TITLE.

This title may be cited as the ''Pension Audit Improvement Act of 1996''.

SEC. ___. PROVISIONS RELATING TO LIMITED SCOPE AUDIT.

(a) IN GENERAL.—Subparagraph (C) of section 103(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023(a)(3)(C)) is amended by adding at the end the following new clause:

''(ii) If an accountant is offering his opinion under this section in the case of an employee pension benefit plan, the accountant shall, to the extent consistent with generally accepted auditing standards, rely on the work of any independent public accountant of any bank or similar institution or insurance carrier regulated and supervised and subject to periodic investigation by a State or Federal agency that holds assets or processes transactions of the employee pension benefit plan.''

(b) CONFORMING AMENDMENTS.—

(1) Section 103(a)(3)(A) of such Act (29 U.S.C. 1023(a)(3)(A)) is amended by striking ''subparagraph (C)'' and inserting ''subparagraph (C)(i)''.

(2) Section 103(a)(3)(C) of such Act (29 U.S.C. 1023(a)(3)(C)) is amended by striking ''(C) The'' and inserting ''(C)(i) In the case of an employee benefit plan other than an employee pension benefit plan, the''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to opinions required under section 103(a)(3)(A) of the Employee Retirement Income Security Act of 1974 for plan years beginning on or after January 1 of the calendar year following the date of the enactment of this Act.

SEC. ___. REPORTING AND ENFORCEMENT REQUIREMENTS FOR EMPLOYEE PENSION BENEFIT PLANS.

(a) IN GENERAL.—Part 1 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021 et seq.) is amended—

(1) by redesignating section 111 as section 112, and

(2) by inserting after section 110 the following new section:

''REPORTING OF CERTAIN EVENTS INVOLVING PENSION PLANS

''SEC. 111. (a) REQUIRED NOTIFICATIONS.—

''(1) NOTIFICATIONS BY ACCOUNTANT TO PLAN ADMINISTRATOR.—

''(A) DETERMINATION OF LIKELIHOOD OF CRIMINAL ACTIVITY.—If an accountant engaged by the administrator of an employee pension benefit plan under section 103(a)(3)(A) detects or otherwise becomes aware of information indicating that a criminal activity may have occurred with respect to the plan, the accountant shall, in accordance with generally accepted auditing standards, determine whether it is likely that the criminal activity has occurred.

''(B) NOTIFICATION.—If an accountant determines under subparagraph (A) that it is likely that the criminal activity has occurred, the accountant shall, as soon as practicable—

''(i) notify and fully inform the plan administrator of the criminal activity in writing, or

''(ii) if the accountant has determined that the criminal activity involved an individual who is the plan administrator or who is a senior official of the plan administrator, notify and fully inform the named fiduciary of the plan who is not the plan administrator and who is designated under section 402(b)(5) to receive such notice of the criminal activity in writing.

''(2) NOTIFICATION BY ACCOUNTANT WHERE FAILURE TO TAKE REMEDIAL ACTION.—If, after providing the notification required under paragraph (1)(B), the accountant concludes that—

''(A) the plan administrator or the designated named fiduciary has been fully informed of the criminal activity,

''(B) the criminal activity has a material effect on the financial statements of the plan, and

''(C) the plan administrator or the designated named fiduciary has not taken timely and appropriate remedial actions with respect to the criminal activity,

the accountant shall, as soon as practicable, report its conclusions in writing to the plan administrator or designated named fiduciary, as applicable.

''(3) NOTIFICATION OF SECRETARY.—

''(A) IN GENERAL.—A plan administrator or designated named fiduciary of a plan receiving a report under paragraph (2) shall, not later than 5 business days after receipt of such report—

''(i) notify the Secretary of such report, and

''(ii) furnish to the accountant making such report a copy of the notice furnished to the Secretary under clause (i).

''(B) FAILURE TO RECEIVE NOTICE.—If an accountant does not receive a copy of the notice under subparagraph (A)(ii) within the time period prescribed therein, the accountant shall—

''(i) resign from engagement with the plan, or

''(ii) furnish to the Secretary a copy of its report under paragraph (2) not later than 1 business day following the close of such time period.

''(4) RESPONSE BY SECRETARY.—

''(A) IN GENERAL.—Any investigation by the Secretary in response to the notification under subparagraph (A)(i) or (B)(ii) of paragraph (3) shall be completed within 180 days of the receipt of such notification, unless the Secretary determines that additional time is necessary to complete the investigation due to—

''(i) the complexity of the investigation,

''(ii) the lack of cooperation by plan representatives, or

''(iii) the need for coordination with other law enforcement agencies.

The Secretary's failure to comply with this subparagraph shall not be a defense to any civil complaint or criminal charge arising

from notification under subparagraph (A)(i) or (B)(ii) of paragraph (3).

''(B) DISCLOSURE OF REPORT PROHIBITED.—

''(i) IN GENERAL.—Notwithstanding section 106 and except as provided in clause (ii), an officer or employee of the United States shall not disclose to the public any report described in paragraph (2) which is furnished to the Secretary under paragraph (3).

''(ii) EXCEPTIONS.—Clause (i) shall not be construed to prohibit the disclosure of such report by an officer or employee of the United States—

''(I) in carrying out their duties under this title (other than section 106), or

''(II) to any law enforcement authority of any Federal agency, any State or local government or political subdivision thereof, or any foreign country for purposes of carrying out their official duties.

''(iii) PENALTY FOR DISCLOSURE.—Any person who knowingly or willfully discloses any report in violation of this subparagraph shall, upon conviction, be guilty of a felony and punished by a fine in any amount not exceeding $5,000, or imprisonment of not more than 5 years, or both, together with the costs of prosecution. In addition to any other punishment, such person shall be dismissed from office or discharged from employment upon conviction for such offense.

''(5) CRIMINAL ACTIVITY DEFINED.—

''(A) For purposes of this subsection, the term 'criminal activity' means—

''(i) a theft, embezzlement, or a violation of section 664 of title 18, United States Code (relating to theft or embezzlement from an employee benefit plan);

''(ii) an extortion or a violation of section 1951 of such title 18 (relating to interference with commerce by threats or violence);

''(iii) a bribery, a kickback, or a violation of section 1954 of such title 18 (relating to offer, acceptance, or solicitation to influence operations of an employee benefit plan);

''(iv) a violation of section 1027 of such title 18 (relating to false statements and concealment of facts in relation to employer benefit plan records); or

''(v) a violation of section 411, 501, or 511 of this title (relating to criminal violations).

''(B) The term 'criminal activity' shall not include any act or omission described in this paragraph involving less than $1,000 unless there is reason to believe that the act or omission may bear on the integrity of plan management.

''(b) NOTIFICATION UPON TERMINATION OF ENGAGEMENT OF ACCOUNTANT.—

''(1) NOTIFICATION BY PLAN ADMINISTRATOR.—Within 5 business days after the termination of an engagement for auditing services under section 103(a)(3)(A) with respect to an employee pension benefit plan, the administrator of such plan shall—

''(A) notify the Secretary in writing of such termination, giving the reasons for such termination, and

''(B) furnish the accountant whose engagement was terminated with a copy of the notification sent to the Secretary.

''(2) NOTIFICATION BY ACCOUNTANT.—If the accountant referred to in paragraph (1)(B) has not received a copy of the administrator's notification to the Secretary as required under paragraph (1)(B), or if the accountant disagrees with the reasons given in the notification of termination of the engagement for auditing services, the accountant shall notify the Secretary in writing of the termination, giving the reasons for the termination, within 10 business days after the termination of the engagement.

''(c) DETERMINATION OF PERIODS REQUIRED FOR NOTIFICATION.—In determining whether a notification required under this section with respect to any act or omission has been made within the required number of business days—

''(1) the day on which such act or omission begins shall not be included; and

''(2) Saturdays, Sundays, and legal holidays shall not be included.

For purposes of this subsection, the term 'legal holiday' means any Federal legal holiday and any other day appointed as a holiday by the State in which the person responsible for making the notification principally conducts his business.

''(d) IMMUNITY FOR GOOD FAITH NOTIFICATION OR REPORT.—Except as provided in this Act, no accountant, plan administrator, or designated named fiduciary shall be liable to any person for any finding, conclusion, or statement made in any notification or report made pursuant to subsection (a) or (b), or pursuant to any regulations issued thereunder, if such finding, conclusion, or statement is made in good faith.''

(b) DESIGNATION OF NAMED FIDUCIARY.—Section 402(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1102(b)) is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', and'', and by adding at the end the following new paragraph:

''(5) if such plan engages an independent qualified public accountant under section 103(a)(3)(A), designate a named fiduciary other than the plan administrator to receive any notification from such accountant required under section 111(a)(1)(B)(ii).''

(c) CIVIL PENALTY.—

(1) IN GENERAL.—Section 502(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)) is amended by adding at the end the following new paragraph:

''(5) The Secretary may assess a civil penalty of up to $50,000 against any plan administrator or accountant who knowingly and willfully fails to provide the Secretary with any notification as required under section 111.''

(2) CONFORMING AMENDMENT.—Section 502(a)(6) of such Act (29 U.S.C. 1132(a)(6)) is amended by striking ''subsection (c)(2) or (i) or (l)'' and inserting ''paragraph (2), (4), or (5) of subsection (c) or subsection (i) or (l)''.

(d) CLERICAL AMENDMENTS.—

(1) Section 514(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144(d)) is amended by striking ''111'' and inserting ''112''.

(2) The table of contents in section 1 of such Act is amended by striking the item relating to section 111 and inserting the following new items:

''Sec. 111. Reporting of certain events involving pension plans.

''Sec. 112. Repeal and effective date.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any criminal activity or termination of engagement described in such amendments only if the 5-day period described in such amendments in connection with such criminal activity or termination commences at least 90 days after the date of the enactment of this Act.

SEC. ___. ADDITIONAL REQUIREMENTS FOR QUALIFIED PUBLIC ACCOUNTANTS.

(a) IN GENERAL.—Section 103(a)(3)(D) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023(a)(3)(D)) is amended—

(1) by inserting ''(i)'' after ''(D)'';

(2) by inserting '', with respect to any engagement of an accountant under subparagraph (A)'' after ''means'';

(3) by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II), and (III), respectively;

(4) by striking the period at the end of subclause (III) (as so redesignated) and inserting a comma;

(5) by adding after subclause (III) (as so redesignated), and flush with clause (i), the following:

''but only if such person meets the requirements of clauses (ii) and (iii) with respect to such engagement.''; and

(6) by adding at the end the following new clauses:

''(ii) A person meets the requirements of this clause with respect to an engagement of such person as an accountant under subparagraph (A) if such person—

''(I) has in operation an appropriate internal quality control system;

''(II) has undergone a qualified external quality control review of the person's accounting and auditing practices, including such practices relevant to employee pension benefit plans (if any), during the 3-year period immediately preceding such engagement; and

''(III) has completed, within the 2-year period immediately preceding such engagement, at least 80 hours of continuing education or training which contributes to the accountant's professional proficiency and which meets such requirements as may be prescribed by the Secretary in regulations.

The Secretary shall issue the regulations under subclause (III) no later than December 31, 1997.

''(iii) A person meets the requirements of this clause with respect to an engagement of such person as an accountant under subparagraph (A) if such person meets such additional requirements and qualifications of regulations which the Secretary deems necessary to ensure the quality of plan audits.

''(iv) For purposes of clause (ii)(II), an external quality control review shall be treated as qualified with respect to a person referred to in clause (ii) if—

''(I) such review is performed in accordance with the requirements of external quality control review programs of recognized auditing standard-setting bodies, as determined under regulations of the Secretary, and

''(II) in the case of any such person who has, during the peer review period, conducted one or more previous audits of employee pension benefit plans, such review includes the review of an appropriate number (determined as provided in such regulations, but in no case less than one) of plan audits in relation to the scale of such person's auditing practice.

The Secretary shall issue the regulations under subclause (I) no later than December 31, 1997.''

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply with respect to plan years beginning on or after the date which is 3 years after the date of the enactment of this Act.

(2) RESTRICTIONS ON CONDUCTING EXAMINATIONS.—Clause (iii) of section 103(a)(3)(D) of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)(6)) shall take effect on the date of enactment of this Act.

SEC. ___. CLARIFICATION OF FIDUCIARY PENALTIES.

(a) MODIFICATION OF PROHIBITION OF ASSIGNMENT OR ALIENATION.—

(1) AMENDMENT TO ERISA.—Section 206(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(d)) is amended by adding at the end the following new paragraphs:

''(4) Paragraph (1) shall not apply to any offset of a participant's accrued benefit in an employee pension benefit plan against an amount that the participant is ordered or required to pay to the plan if—

''(A) the order or requirement to pay arises—

''(i) under a judgment of conviction for a crime involving such plan,

''(ii) under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a violation (or alleged violation) of part 4 of this subtitle, or

''(iii) pursuant to a settlement agreement between the Secretary and the participant, or a settlement agreement between the Pension Benefit Guaranty Corporation and the participant, in connection with a violation (or alleged violation) of part 4 of this subtitle,

''(B) the judgment, order, decree, or settlement agreement expressly provides for the offset of all or part of the amount ordered or required to be paid to the plan against the participant's accrued benefit in the plan, and

''(C) if the participant has a spouse at the time at which the offset is to be made—

''(i) such spouse has consented in writing to such offset and such consent is witnessed by a notary public or representative of the plan,

''(ii) such spouse is ordered or required in such judgment, order, decree, or settlement to pay an amount to the plan in connection with a violation of part 4 of this subtitle, or

''(iii) in such judgment, order, decree, or settlement, such spouse retains the right to receive the value of the survivor annuity under a qualified joint and survivor annuity provided pursuant to section 205(a)(1) and under a qualified preretirement survivor annuity provided pursuant to section 205(a)(2), determined in accordance with paragraph (5).

''(5)(A) The value of the survivor annuity described in paragraph (4)(C)(iii) shall be determined as if—

''(i) the participant terminated employment on the date of the offset,

''(ii) there was no offset,

''(iii) the plan permitted retirement only on or after normal retirement age,

''(iv) the plan provided only the minimum-required qualified joint and survivor annuity, and

''(v) the amount of the qualified preretirement survivor annuity under the plan is equal to the amount of the survivor annuity payable under the minimum-required qualified joint and survivor annuity.

''(B) For purposes of this paragraph, the term 'minimum-required qualified joint and survivor annuity' means the qualified joint and survivor annuity which is the actuarial equivalent of a single annuity for the life of the participant and under which the survivor annuity is 50 percent of the amount of the annuity which is payable during the joint lives of the participant and the spouse.''

(2) AMENDMENT TO INTERNAL REVENUE CODE.—Section 401(a)(13) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraphs:

''(C) SPECIAL RULE FOR CERTAIN JUDGMENTS AND SETTLEMENTS.—Subparagraph (A) shall not apply to any offset of a participant's accrued benefit in a plan against an amount that the participant is ordered or required to pay to the plan if—

''(i) the order or requirement to pay arises—

''(I) under a judgment of conviction for a crime involving such plan,

''(II) under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a violation (or alleged violation) of part 4 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, or

''(III) pursuant to a settlement agreement between the Secretary of Labor and the participant, or a settlement agreement between the Pension Benefit Guaranty Corporation and the participant, in connection with a violation (or alleged violation) of part 4 of subtitle B of title I of such Act,

''(ii) the judgment, order, decree, or settlement agreement expressly provides for the offset of all or part of the amount ordered or required to be paid to the plan against the participant's accrued benefit in the plan, and

''(iii) if the participant has a spouse at the time at which the offset is to be made—

''(I) such spouse has consented in writing to such offset and such consent is witnessed by a notary public or representative of the plan,

''(II) such spouse is ordered or required to pay in such judgment, order, decree, or settlement an amount to the plan in connection with a violation of part 4 of subtitle B of title I of such Act, or

''(III) in such judgment, order, decree, or settlement, such spouse retains the right to receive the value of the survivor annuity under a qualified joint and survivor annuity provided pursuant to paragraph (11)(A)(i) and under a qualified preretirement survivor annuity provided pursuant to paragraph 11(A)(ii), determined in accordance with subparagraph (D).

''(D) DETERMINATION OF VALUE OF SURVIVOR ANNUITY IN CONNECTION WITH OFFSET.—The value of the survivor annuity described in subparagraph (C)(iii)(III) shall be determined as if—

''(i) the participant terminated employment on the date of the offset,

''(ii) there was no offset,

''(iii) the plan permitted retirement only on or after normal retirement age,

''(iv) the plan provided only the minimum-required qualified joint and survivor annuity, and

''(v) the amount of the qualified preretirement survivor annuity under the plan is equal to the amount of the survivor annuity payable under the minimum-required qualified joint and survivor annuity.

For purposes of this subparagraph, the term 'minimum-required qualified joint and survivor annuity' means the qualified joint and survivor annuity which is the actuarial equivalent of a single annuity for the life of the participant and under which the survivor annuity is 50 percent of the amount of the annuity which is payable during the joint lives of the participant and the spouse.

''(E) WAIVER OF CERTAIN DISTRIBUTION REQUIREMENTS.—With respect to the requirements of subsections (a) and (k) of section 401, section 403(b), and section 409(d), a plan shall not be treated as failing to meet such requirements solely by reason of an offset under subparagraph (C).''

(3) EFFECTIVE DATE.—The amendment made by this subsection shall apply to judgments, orders, and decrees issued, and settlement agreements entered into, on or after the date of enactment of this Act.

(b) CIVIL PENALTIES FOR BREACH OF FIDUCIARY RESPONSIBILITY.—

(1) IMPOSITION AND AMOUNT OF PENALTY MADE DISCRETIONARY.—Section 502(l)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(l)(1)) is amended—

(A) by striking ''shall'' and inserting ''may'', and

(B) by striking ''equal to'' and inserting ''not greater than''.

(2) APPLICABLE RECOVERY AMOUNT.—Section 502(l)(2) of such Act (29 U.S.C. 1132(l)(2)) is amended to read as follows:

''(2) For purposes of paragraph (1), the term 'applicable recovery amount' means any amount which is recovered from (or on behalf of) any fiduciary or other person with respect to a breach or violation described in paragraph (1) on or after the 30th day following receipt by such fiduciary or other person of written notice from the Secretary of the violation, whether paid voluntarily or by order of a court in a judicial proceeding instituted by the Secretary under subsection (a)(2) or (a)(5). The Secretary may, in the Secretary's sole discretion, extend the 30-day period described in the preceding sentence.''

(3) OTHER RULES.—Section 502(l) of such Act (29 U.S.C. 1132(l)) is amended by adding at the end the following new paragraphs:

''(5) A person shall be jointly and severally liable for the penalty described in paragraph (1) to the same extent that such person is jointly and severally liable for the applicable recovery amount on which the penalty is based.

''(6) No penalty shall be assessed under this subsection unless the person against whom the penalty is assessed is given notice and opportunity for a hearing with respect to the violation and applicable recovery amount.''

(4) EFFECTIVE DATES.—

(A) IN GENERAL.—The amendments made by this subsection shall apply to any breach of fiduciary responsibility or other violation of part 4 of subtitle B of title I of the Employment Retirement Income Security Act of 1974 occurring on or after the date of the enactment of this Act.

(B) TRANSITION RULE.—In applying the amendment made by paragraph (2) (relating to applicable recovery amount), a breach or other violation occurring before the date of the enactment of this Act which continues after the 180th day after such date (and which may be discontinued at any time during its existence) shall be treated as having occurred after such date of enactment.

GRAMS AMENDMENT NO. 5237

(Ordered to lie on the table.)

Mr. GRAMS submitted an amendment intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

At appropriate place insert the following section:

''SEC. . IMPROVEMENT OF THE IRS 1–800 HELP LINE SERVICE.

''(a) Funds made available by this or any other Act to the Internal Revenue Services shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line for taxpayers.

(b) The Commissioner shall make the improvement of the IRS 1–800 help line service a priority and allocate resources necessary to ensure the increase in phone lines and staff to improve the IRS 1-800 help line service.

BRYAN AMENDMENT NO. 5238

(Ordered to lie on the table.)

Mr. BRYAN submitted an amendment intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. ___. FEDERAL RETIREMENT PROVISIONS RELATING TO MEMBERS OF CONGRESS AND CONGRESSIONAL EMPLOYEES.

(a) SHORT TITLE.—This section may be cited as the ''Congressional Annuity Reform Act of 1996''.

(b) RELATING TO THE YEARS OF SERVICE AS A MEMBER OF CONGRESS AND CONGRESSIONAL EMPLOYEES FOR PURPOSES OF COMPUTING AN ANNUITY.—

(1) CSRS.—Section 8339 of title 5, United States Code, is amended—

(A) in subsection (a) by inserting ''or Member'' after ''employee'';

(B) by striking subsections (b) and (c); and

(C) in subsection (h)—

(i) in the first sentence by striking out ''subsections (a), (b)'' and inserting in lieu thereof ''subsections (a),''; and

(ii) in the second sentence by striking out ''subsections (c) and (f)'' and inserting in lieu thereof ''subsections (a) and (f)''.

(2) FERS.—Section 8415 of title 5, United States Code, is amended—

(A) by striking subsections (b) and (c);

(B) in subsections (a) and (g) by inserting ''or Member'' after ''employee'' each place it appears; and

(C) in subsection (g)(2) by striking out ''Congressional employee''.

(c) CONTRIBUTION RATES.—

(1) CSRS.—(A) Section 8334(a)(1) of title 5, United States Code, is amended—

(i) by striking out ''of an employee, 7½ percent of the basic pay of a Congressional employee,'' and inserting in lieu thereof ''of an employee, a Member,''; and

(ii) by striking out ''basic pay of a Member,'' and inserting in lieu thereof ''basic pay of''.

(B) The table under section 8334(c) of title 5, United States Code, is amended—

(i) in the item relating to Member or employee for Congressional employee service by striking out

''	7½.....	After December 31, 1969.''

and inserting in lieu thereof

''	7½.....	December 31, 1969 to (but not including) the effective date of the Congressional Annuity Reform Act of 1996.
''	7.....	On and after the effective date of the Congressional Annuity Reform Act of 1996.'';

and

(ii) in the item relating to Member for Member service by striking out

''	8.....	After December 31, 1969.''

and inserting in lieu thereof

''	8.....	December 31, 1969 to (but not including) the effective date of the Congressional Annuity Reform Act of 1996.
''	7.....	On and after the effective date of the Congressional Annuity Reform Act of 1996.''.

(2) FERS.—Section 8422(a)(2) of title 5, United States Code, is amended—

(A) in subparagraph (A) by striking out ''employee (other than a law enforcement officer, firefighter, air traffic controller, or Congressional employee)'' and inserting in lieu thereof ''employee or Member (other than a law enforcement officer, firefighter, or air traffic controller)''; and

.(B) in subparagraph (B)—

(i) by striking out ''a Member,''; and

(ii) by striking out ''air traffic controller, or Congressional employee,'' and inserting in lieu thereof ''or air traffic controller,''.

(d) ADMINISTRATIVE REGULATIONS.—The Office of Personnel Management, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, may prescribe regulations to carry out the provisions of this section and the amendments made by this section for applicable employees and Members of Congress.

(e) EFFECTIVE DATES.—

(1) SHORT TITLE.—Subsection (a) shall take effect on the date of the enactment of this Act.

(2) COLA ADJUSTMENTS.—The amendments made by subsection (b) shall take effect on the date of the enactment of this Act and shall apply with respect to annuities commencing on or after such date.

(3) YEARS OF SERVICE; ANNUITY COMPUTATION.—(A) The amendments made by subsection (c) shall take effect on the date of the enactment of this Act and shall apply only with regard to the computation of an annuity relating to—

(i) the service of a Member of Congress as a Member or as a Congressional employee performed after such date; and

(ii) the service of a Congressional employee as a Congressional employee performed after such date.

(B) An annuity shall be computed as though the amendments made under subsection (c) had not been enacted with regard to—

(i) the service of a Member of Congress as a Member or a Congressional employee or military service performed before the date of the enactment of this Act; and

(ii) the service of a Congressional employee as a Congressional employee or military service performed before the date of the enactment of this Act.

(4) CONTRIBUTION RATES.—The amendments made by subsection (d) shall take effect on the first day of the first applicable pay period beginning on or after the date of the enactment of this Act.

(5) REGULATIONS.—The provisions of subsection (e) shall take effect on the date of the enactment of this Act.

(6) ALTERNATIVE EFFECTIVE DATE RELATING TO MEMBERS OF CONGRESS.—If a court of competent jurisdiction makes a final determination that a provision of this subsection violates the 27th amendment of the United States Constitution, the effective date and application dates relating to Members of Congress shall be January 3, 1997.

FAIRCLOTH AMENDMENT NO. 5239

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

At the appropriate place, insert the following:

SEC. . (a) SENSE OF THE SENATE REGARDING TRANSFERS FROM MEDICARE TRUST FUNDS.—It is the sense of the Senate that none of the funds made available in this Act under the heading ''Title II—Department of Health and Human Services—Health Care Financing Administration—Program Management'' for transfer from the Federal Hospital Insurance Trust Fund or the Federal Supplementary Medical Insurance Trust Fund should be used for expenditures for official time for employees of the Department of Health and Human Services pursuant to section 7131 of title 5, United States Code, or for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title.

(b) SENSE OF THE SENATE REGARDING TRANSFERS FROM OASDI TRUST FUND.—It is the sense of the Senate that none of the funds made available in this Act under the heading ''Title IV—Related Agencies—Social Security Administration—Limitation on Administrative Expenses'' for transfer from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund should be used for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, or for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title.

WARNER AMENDMENT NO. 5240

Mr. WARNER proposed an amendment to the bill, H.R. 3756, supra; as follows:

One page 53, beginning on line 23, strike ''and in compliance with the reprogramming guidelines of the appropriate Committee of the House and Senate.''

LAUTENBERG AMENDMENTS NOS. 5241–5243

(Ordered to lie on the table.)

Mr. LAUTENBERG submitted three amendments intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

AMENDMENT NO. 5241

At the end of the committee amendment insert the following:

SEC. . GUN BAN FOR INDIVIDUALS COMMITTING DOMESTIC VIOLENCE.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

''(33) The term 'crime involving domestic violence' means a felony or misdemeanor crime of violence, regardless of length, term, or manner of punishment, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim under the domestic or family violence laws of the jurisdiction in which such felony or misdemeanor was committed.''.

(b) UNLAWFUL ACTS.—Section 922 of title 18, United States Code, is amended—

(1) in subsection (d)—

(A) by striking ''or'' at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting ''; or''; and

(C) by inserting after paragraph (8) the following new paragraph:

''(9) has been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel.'';

(2) in subsection (g)—

(A) by striking ''or'' at the end of paragraph (7);

(B) in paragraph (8), by striking the comma and inserting ''; or''; and

(C) by inserting after paragraph (8) the following new paragraph:

''(9) has been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel,''; and

(3) in subsection (s)(3)(B)(i), by inserting before the semicolon the following: ''and has not been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel''.

(c) RULES AND REGULATIONS.—Section 926(a) of title 18, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) regulations providing for the effective receipt and secure storage of firearms relinquished by or seized from persons described in subsection (d)(9) or (g)(9) of section 922.''.

AMENDMENT NO. 5242

At the end of amendment No. — insert the following:

SEC. . GUN BAN FOR INDIVIDUALS COMMITTING DOMESTIC VIOLENCE.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is emended by adding at the end the following new paragraph:

''(33) The term 'crime involving domestic violence' means a felony or misdemeanor crime of violence, regardless of length, term, or manner of punishment, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim under the domestic or family violence laws of the jurisdiction in which such felony or misdemeanor was committed.''.

(b) UNLAWFUL ACTS.—Section 922 of title 18, United States Code, is amended—

(1) in subsection (d)—

(A) by striking ''or'' at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting ''; or''; and

(C) by inserting after paragraph (8) the following new paragraph:

''(9) has been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel.'';

(2) in subsection (g)—

(A) by striking ''or'' at the end of paragraph (7);

(B) in paragraph (8), by striking the comma and inserting ''; or''; and

(C) by inserting after paragraph (8) the following new paragraph:

''(9) has been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel,''; and

(3) in subsection (s)(3)(B)(i), by inserting before the semicolon the following: ''and has not been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel''.

(c) RULES AND REGULATIONS.—Section 926(a) of title 18, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) regulations providing for the effective receipt and secure storage of firearms relinquished by or seized from persons described in subsection (d)(9) or (g)(9) of section 922.''.

AMENDMENT NO. 5243

At the appropriate place, insert the following:

SEC. . GUN BAN FOR INDIVIDUALS COMMITTING DOMESTIC VIOLENCE.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

''(33) The term 'crime involving domestic violence' means a felony or misdemeanor crime of violence, regardless of length, term, or manner of punishment, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim under the domestic or family violence laws of the jurisdiction in which such felony or misdemeanor was committed.''.

(b) UNLAWFUL ACTS.—Section 922 of title 18, United States Code, is amended—

(1) in subsection (d)—

(A) by striking ''or'' at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting ''; or''; and

(C) by inserting after paragraph (8) the following new paragraph:

''(9) has been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel.'';

(2) in subsection (g)—

(A) by striking ''or'' at the end of paragraph (7);

(B) in paragraph (8), by striking the comma and inserting ''; or''; and

(C) by inserting after paragraph (8) the following new paragraph:

''(9) has been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel.''; and

(3) in subsection (s)(3)(B)(i), by inserting before the semicolon the following: ''and has not been convicted in any court of any crime involving domestic violence, if the individual has been represented by counsel or knowingly and intelligently waived the right to counsel''.

(c) RULES AND REGULATIONS.—Section 926(a) of title 18, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) regulations providing for the effective receipt and secure storage of firearms relinquished by or seized from persons described in subsection (d)(9) or (g)(9) of section 922.''.

KOHL AMENDMENT NO. 5244

(Ordered to lie on the table.)

Mr. KOHL submitted an amendment intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

At the appropriate place in the bill, add the following new section:

SEC. . PROHIBITION.

Section 922(q) of title 18, United States Code, is amended to read as follows:

''(q)(1) The Congress finds and declares that—

''(A) crime, particularly crime involving drugs and guns, is a pervasive, nationwide problem;

''(B) crime at the local level is exacerbated by the interstate movement of drugs, guns, and criminal gangs;

''(C) firearms and ammunition move easily in interstate commerce and have been found in increasing numbers in and around schools, as documented in numerous hearings in both the Committee on the Judiciary the House of Representatives and the Committee on the Judiciary of the Senate;

''(D) in fact, even before the sale of a firearm, the gun, its component parts, ammunition, and the raw materials from which they are made have considerably moved in interstate commerce;

''(E) while criminals freely move from State to State, ordinary citizens and foreign visitors may fear to travel to or through certain parts of the country due to concern about violent crime and gun violence, and parents may decline to send their children to school for the same reason;

''(F) the occurrence of violent crime in school zones has resulted in a decline in the quality of education in our country;

''(G) this decline in the quality of education has an adverse impact on interstate commerce and the foreign commerce of the United States;

''(H) States, localities, and school systems find it almost impossible to handle gun-related crime by themselves—even States, localities, and school systems that have made strong efforts to prevent, detect, and punish gun-related crime find their efforts unavailing due in part to the failure or inability of other States or localities to take strong measures; and

''(I) the Congress has the power, under the interstate commerce clause and other provisions of the Constitution, to enact measures to ensure the integrity and safety of the Nation's schools by enactment of this subsection.

''(2)(A) It shall be unlawful for any individual knowingly to possess a firearm that has moved in or that otherwise affects interstate or foreign commerce at a place that the individual knows, or has reasonable cause to believe, is a school zone.

''(B) Subparagraph (A) does not apply to the possession of a firearm—

''(i) on private property not part of school grounds;

''(ii) if the individual possessing the firearm is licensed to do so by the State in which the school zone is located or a political subdivision of the State, and the law of the State or political subdivision requires that, before an individual obtains such a license, the law enforcement authorities of the State or political subdivision verify that the individual is qualified under law to receive the license;

''(iii) that is—

''(I) not loaded; and

''(II) in a locked container, or a locked firearms rack that is on a motor vehicle;

''(iv) by an individual for use in a program approved by a school in the school zone;

''(v) by an individual in accordance with a contract entered into between a school in the school zone and the individual or an employer of the individual;

''(vi) by a law enforcement officer acting in his or her official capacity; or

''(vii) that is unloaded and is possessed by an individual while traversing school premises for the purpose of gaining access to public or private lands open to hunting, if the entry on school premises is authorized by school authorities.

''(3)(A) Except as provided in subparagraph (B), it shall be unlawful for any person, knowingly or with reckless disregard for the safety of another, to discharge or attempt to discharge a firearm that has moved in or that otherwise affects interstate or foreign commerce at a place that the person knows is a school zone.

''(B) Subparagraph (A) does not apply to the discharge of a firearm—

''(i) on private property not part of school grounds;

''(ii) as part of a program approved by a school in the school zone, by an individual who is participating in the program;

''(iii) by an individual in accordance with a contract entered into between a school in a school zone and the individual or an employer of the individual; or

''(iv) by a law enforcement officer acting in his or her official capacity.

''(4) Nothing in this subsection shall be construed as preempting or preventing a State or local government from enacting a statute establishing gun free school zones as provided in this subsection.''.

GRAHAM AMENDMENTS NOS. 5245–5246

(Ordered to lie on the table.)

Mr. GRAHAM submitted two amendments intended to be proposed by him to the bill, H.R. 5245, supra; as follows:

AMENDMENT NO. 5245

At the appropriate place, insert the following:

SEC. . REQUIREMENTS FOR MEDICARE MANAGED CARE.

(a) ACCESS TO EMERGENCY SERVICES.—Subparagraph (B) of section 1876(c)(4) of the Social Security Act (42 U.S.C. 1395mm(c)(4)) is amended to read as follows:

''(B) meet the requirements of section 3 of the Access to Emergency Medical Care Act of 1995 with respect to members enrolled with an organization under this section.''.

(b) TIMELY AUTHORIZATION FOR PROMPTLY NEEDED CARE IDENTIFIED AS A RESULT OR REQUIRED SCREENING EVALUATION.—Section 1876(c) of such Act (42 U.S.C. 1395mm(c)) is amended by adding at the end the following:

''(9)(A) The organization must provide access 24 hours a day, 7 days a week to individuals who are authorized to make any prior authorizations required by the organization for coverage of items and services (other than emergency services) that a treating physician or other emergency department personnel identify, pursuant to a screening evaluation required under section 1867(a), as being needed promptly by an individual enrolled with the organization under this part.

''(B) The organization is deemed to have approved a request for such promptly needed items and services if the physician or other emergency department personnel involved—

''(i) has made a reasonable effort to contact an individual described in subparagraph (A) for authorization to provide an appropriate referral for such items and services or to provide the items and services to the individual and access to the person has not been provided (as required in subparagraph (A)), or

''(ii) has requested such authorization from the person and the person has not denied the authorization within 30 minutes after the time the request is made.

''(C) Approval of a request for a prior authorization determination (including a deemed approval under subparagraph (B)) shall be treated as approval of a request for any items and services that are required to treat the medical condition identified pursuant to the required screening evaluation.

''(D) In this paragraph, the term 'emergency services' means—

''(i) health care items and services furnished in the emergency department of a hospital (including a trauma center), and

''(ii) ancillary services routinely available to such department, to the extent they are required to evaluate and treat an emergency medical condition (as defined in subparagraph (E)) until the condition is stabilized.

''(E) In subparagraph (D), the term 'emergency medical condition' means a medical condition, the onset of which is sudden, that manifests itself by symptoms of sufficient severity, including severe pain, that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

''(i) placing the person's health in serious jeopardy,

''(ii) serious impairment to bodily functions, or

''(iii) serious dysfunction of any bodily organ or part.''.

''(F) In subparagraph (D), the term 'stabilization' means, with respect to an emergency medical condition, that no material deterioration of the condition is likely, within reasonable medical probability, to result or occur before an individual can be transferred in compliance with the requirements of section 1867 of the Social Security Act.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be effective for contract years beginning on or after the date of this Act.

AMENDMENT NO. 5246

At the appropriate place, insert the following:

TITLE ____—WELFARE FORMULA FAIRNESS COMMISSION

SECTION ____01. SHORT TITLE.

This title may be cited as the ''Welfare Formula Fairness Commission Act of 1996''.

SEC. ____02. WELFARE FORMULA FAIRNESS COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Welfare Formula Fairness Commission (in this title referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 13 members, of whom—

(A) 3 shall be appointed by the President, of whom not more than 2 shall be of the same political party;

(B) 3 shall be appointed by the Majority Leader of the Senate;

(C) 2 shall be appointed by the Minority Leader of the Senate;

(D) 3 shall be appointed by the Speaker of the House of Representatives; and

(E) 2 shall be appointed by the Minority Leader of the House of Representatives.

(2) DATE.—The appointments of the members of the Commission shall be made not later than 30 days after the date of the enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) MEETINGS.—The Commission shall meet at the call of the Chair.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIR AND VICE CHAIR.—The Commission shall select a Chair and Vice Chair from among its members.

(h) DUTIES OF THE COMMISSION.—

(1) STUDY.—The Commission shall study—

(A) the temporary assistance for needy families block grant program established under part A of title IV of the Social Security Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; and

(B) the funding formulas applied, the bonus payments provided, the penalties imposed, and the work requirements established under such program.

(2) CONSULTATION.—In addressing the issue described in paragraph (1)(B), the Commission shall consult with the Comptroller General of the United States and shall consider the following:

(A) The rate of poverty in each State.

(B) The total taxable resources in each State.

(C) Differences in the efficient operation of the temporary assistance for needy families block grant program among the States.

(D) Per capita income in each State.

(E) The cost of living in each State.

(3) REPORTS.—

(A) FIRST REPORT.—

(i) IN GENERAL.—The Commission shall submit a first report to the Congress by not later than June 1, 1997.

(ii) REQUIREMENT.—The report submitted to the Congress under clause (i) shall include the Commission's recommendation with respect to the issue described in paragraph (1)(B) in the form of an implementation bill containing such statutory provisions as the Commission may determine are necessary or appropriate to implement such recommendation. Only an implementation bill submitted to the Congress under this paragraph shall be considered under the procedures established under section ____03.

(B) SUBSEQUENT REPORTS.—The Commission shall issue subsequent reports to the Congress by not later than December 31, 1997, and December 31, 1998.

(i) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this title.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chair of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(j) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall serve without compensation. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) STAFF.—

(A) IN GENERAL.—The Chair of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) COMPENSATION.—The Chair of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed

the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chair of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(k) TERMINATION OF THE COMMISSION.—The Commission shall terminate not later than December 31, 1998.

(l) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Commission such sums as are necessary to carry out the purposes of this title.

SEC. ___03. CONGRESSIONAL CONSIDERATION OF COMMISSION RECOMMENDATIONS.

(a) IMPLEMENTING BILL.—An implementing bill described in section ___02(h)(3)(A)(ii) shall be considered by the Congress under the procedures for consideration described in subsection (b).

(b) CONGRESSIONAL CONSIDERATION.—

(1) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of an implementing bill described in subsection (a), and supersedes other rules only to the extent that such rules are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(2) INTRODUCTION AND REFERRAL.—On the day on which the implementing bill described in subsection (a) is transmitted to the House of Representatives and the Senate, such bill shall be introduced (by request) in the House of Representatives by the Majority Leader of the House, for himself or herself and the Minority Leader of the House, or by Members of the House designated by the Majority Leader and Minority Leader of the House and shall be introduced (by request) in the Senate by the Majority Leader of the Senate, for himself or herself and the Minority Leader of the Senate, or by Members of the Senate designated by the Majority Leader and Minority Leader of the Senate. If either House is not in session on the day on which the implementing bill is transmitted, the bill shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. If the implementing bill is not introduced within 5 days of its transmission, any Member of the House and of the Senate may introduce such bill. The implementing bill introduced in the House of Representatives and the Senate shall be referred to the appropriate committees of each House.

(3) PERIOD FOR COMMITTEE CONSIDERATION.—If the committee or committees of either House to which an implementing bill has been referred have not reported the bill at the close of July 1, 1997 (or if such House is not in session, the next day such House is in session), such committee or committees shall be automatically discharged from further consideration of the implementing bill and it shall be placed on the appropriate calendar.

(4) FLOOR CONSIDERATION IN THE SENATE.—

(A) IN GENERAL.—Within 5 days after the implementing bill is placed on the calendar, the Majority Leader, at a time to be determined by the Majority Leader in consultation with the Minority Leader, shall proceed to the consideration of the bill. If on the sixth day after the bill is placed on the calendar, the Senate has not proceeded to consideration of the bill, then the presiding officer shall automatically place the bill before the Senate for consideration. A motion in the Senate to proceed to the consideration of an implementing bill shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) TIME LIMITATION ON CONSIDERATION OF BILL.—

(i) IN GENERAL.—Debate in the Senate on an implementing bill, and all amendments and debatable motions and appeals in connection therewith, shall be limited to not more than 30 hours. The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(ii) DEBATE OF AMENDMENTS, MOTIONS, POINTS OF ORDER, AND APPEALS.—In the Senate, no amendment which is not relevant to the bill shall be in order. Debate in the Senate on any amendment, debatable motion or appeal, or point of order in connection with an implementing bill shall be limited to—

(I) not more than 2 hours for each first degree relevant amendment,

(II) one hour for each second degree relevant amendment, and

(III) 30 minutes for each debatable motion or appeal, or point of order submitted to the Senate,

to be equally divided between, and controlled by, the mover and the manager of the implementing bill, except that in the event the manager of the implementing bill is in favor of any such amendment, motion, appeal, or point of order, the time in opposition thereto, shall be controlled by the Minority Leader or designee of the Minority Leader. The Majority Leader and Minority Leader, or either of them, may, from time under their control on the passage of an implementing bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal, or point of order.

(C) OTHER MOTIONS.—A motion to recommit an implementing bill is not in order.

(D) FINAL PASSAGE.—Upon the expiration of the 30 hours available for consideration of the implementing bill, it shall not be in order to offer or vote on any amendment to, or motion with respect to, such bill. Immediately following the conclusion of debate in the Senate on an implementing bill that was introduced in the Senate, such bill shall be deemed to have been read a third time and the vote on final passage of such bill shall occur without any intervening action or debate.

(E) DEBATE ON DIFFERENCES BETWEEN THE HOUSES.—Debate in the Senate on motions and amendments appropriate to resolve the differences between the Houses, at any particular stage of the proceedings, shall be limited to not more than 5 hours.

(F) DEBATE ON CONFERENCE REPORT.—Debate in the Senate on the conference report shall be limited to not more than 10 hours.

(5) FLOOR CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—

(A) PROCEED TO CONSIDERATION.—On the sixth day after the implementing bill is placed on the calendar, it shall be privileged for any Member to move without debate that the House resolve itself into the Committee of the Whole House on the State of the Union, for the consideration of the bill, and the first reading of the bill shall be dispensed with.

(B) GENERAL DEBATE.—After general debate, which shall be confined to the implementing bill and which shall not exceed 4 hours, to be equally divided and controlled by the Chairman and Ranking Minority Member of the Committee or Committees to which the bill had been referred, the bill shall be considered for amendment by title under the 5-minute rule and each title shall be considered as having been read. The total time for considering all amendments shall be limited to 26 hours of which the total time for debating each amendment under the 5-minute rule shall not exceed one hour.

(C) RISE AND REPORT.—At the conclusion of the consideration of the implementing bill for amendment, the Committee of the Whole on the State of the Union shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto, and the House shall proceed to vote on final passage without intervening motion except one motion to recommit.

(6) COMPUTATION OF DAYS.—For purposes of this subsection, in computing a number of days in either House, there shall be excluded—

(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain, or an adjournment of the Congress sine die; and

(B) any Saturday and Sunday not excluded under subparagraph (A) when either House is not in session.

INHOFE AMENDMENT NO. 5247

(Ordered to lie on the table.)

Mr. INHOFE submitted an amendment intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

On page 60, strike lines 19 through 21.

HATFIELD AMENDMENT NO. 5248

(Ordered to lie on the table.)

Mr. HATFIELD submitted an amendment intended to be proposed by him to the bill, H.R. 3756, supra; as follows:

TITLE —LOCAL EMPOWERMENT AND FLEXIBILITY PILOT ACT OF 1996

SECTION 01. SHORT TITLE.

This Act may be cited as the ''Local Empowerment and Flexibility Pilot Act of 1996.''

SEC. 02. FINDINGS.

The Congress finds that—

(1) historically, Federal programs have addressed the Nation's problems by providing categorical financial assistance with detailed requirements relating to the use of funds;

(2) while the assistance described in paragraph (1) has been directed at critical problems, some program requirements may inadvertently impede the effective delivery of services;

(3) the Nation's State, local, and tribal governments and private, nonprofit organizations are dealing with increasingly complex problems which require the delivery of many kinds of services;

(4) our nation's communities are diverse and many have innovative planning and community involvement strategies to comprehensively meet their particular service needs for providing service, but Federal,

State, and local grant and other requirements often hamper effective implementation of such strategies.

(5) it is more important than ever to provide programs that—

(A) promote more effective and efficient delivery of services at all levels of government to meet the full range of needs of individuals, families, and society;

(B) respond flexibly to the diverse needs of the Nation's communities;

(C) reduce the barriers between programs that impede the State, local, and tribal governments' ability to effectively deliver services; and

(D) empower State, local, and tribal governments and private, nonprofit organizations to be innovative in creating programs that meet the unique needs of their communities while continuing to address national policy goals; and

SEC. 03. PURPOSES.

The purposes of this Act are to—

(1) improve the delivery of services to the public;

(2) promote State, local and tribal governments and private, non-profit organizations and consortiums to identify goals to improve their communities and the lives of their citizens;

(3) enable eligible applicants to adapt programs of Federal financial assistance to the particular needs of their communities by integrating programs and program funds across existing Federal financial assistance programs that have similar purposes;

(4) more effectively meet the goals and purposes of Federal, State and local financial assistance programs;

(5) empower eligible applicants to work together to build stronger cooperative, intergovernmental and private partnerships to address critical service problems;

(6) place less emphasis in Federal financial assistance programs on complying with procedures and more emphasis on achieving Federal, State, local and tribal policy goals;

(7) facilitate State, local, and tribal government efforts to develop regional or metropolitan solutions to shared problems;

(8) improve intergovernmental efficiency.

SEC. 04. DEFINITIONS.

For purposes of this Act:

(1) AFFECTED FEDERAL AGENCY.—The term ''affected Federal agency'' means the Federal agency with principal authority for the administration of an eligible Federal financial assistance program included in a plan.

(2) AFFECTED STATE AGENCY.—The term ''affected State agency'' means—

(A) any State agency with authority for the administration of any State program or eligible Federal financial assistance program; and

(B) with respect to education programs, the term shall include the State Education Agency as defined by the Elementary and Secondary Education Act and the Higher Education Act.

(3) APPROVED FLEXIBILITY PLAN.—The term ''approved flexibility plan'' means a flexiblility plan or the part of a flexibility plan, that is approved by the Community Empowerment Board under section 8.

(4) BOARD.—The term ''Board'' means the Community Empowerment Board established under section 5.

(5) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.

(6) ELIGIBLE APPLICANT.—The term ''eligible applicant'' means a State, local, or tribal government, qualified organization, or qualified consortium that is eligible to receive financial assistance under 1 or more eligible Federal financial assistance programs.

(7) ELIGIBLE FEDERAL FINANCIAL ASSISTANCE PROGRAM.—The term ''eligible Federal financial assistance program''—

(A) except as provided in subparagraph (B), means a domestic assistance program (as defined under section 6101(4) of title 31, United States Code) under which financial assistance is available, directly or indirectly, to a State, local, or tribal government or a qualified organization to carry out activities consistent with national policy goals; and

(B) does not include—

(i) a Federal program under which direct financial assistance is provided by the Federal Government directly to an individual beneficiary of that financial assistance, or to a State to provide direct financial assistance, or to a State to provide direct financial or food voucher assistance directly to an individual beneficiary;

(ii) a program carried out with direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)); or

(iii) a program of assistance referred to in section 6101(4)(A)(ix) of title 31, United States Code or Section 3(10) of the Congressional Budget Act of 1974.

(8) EMPOWERMENT ZONE-ELIGIBLE AREA.—The term ''empowerment zone-eligible area'' means any area nominated for designation under subchapter U of chapter I of the Internal Revenue Code of 1986 that was ruled as meeting the technical eligibility standards established for that Federal policy.

(9) FLEXIBILITY PLAN.—The term ''flexibility plan'' means a comprehensive plan or part of such plan for the integration and administration by an eligible applicant of financial assistance provided by the Federal Government under 2 or more eligible Federal financial assistance programs that includes funds from Federal, State, local, or tribal government or private sources to address the service needs of a community.

(10) LOCAL GOVERNMENT.—The term ''local government'' means—

(A) a political subdivision of a State that is a unit of general local government (as defined under section 6501 of title 31, United States Code);

(B) any combination of political subdivisions described in subparagraph (A) that submits an application to the Board; or

(C) a local educational agency as defined under section 14101(18) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(18)).

(11) QUALIFIED CONSORTIUM.—The term ''qualified consortium'' means a group that is composed of 2 or more qualified organizations, State, local, or tribal agencies that receive federally appropriated funds.

(12) QUALIFIED ORGANIZATION.—The term ''qualified organization'' means a private, nonprofit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) that is exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 (26 U.S.C. 501(a)).

(13) SMALL GOVERNMENT.—The term ''small government'' means any small governmental jurisdiction defined in section 601(5) of title 5, United States Code, and a tribal government.

(14) STATE.—The term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, American Samoa, Guam, and the Virgin Islands.

(15) STATE LEGISLATIVE OFFICIAL.—The term ''State legislative official'' means—

(A) the presiding officer of a chamber of a State legislature; and

(B) the minority leader of a chamber of a State legislature.

(14) TRIBAL GOVERNMENT.—The term ''tribal government'' means the governing entity of an Indian tribe, as that term is defined in the Indian Self Determination and Education Assistance Act (25 U.S.C. 450b).

SEC. 05. ESTABLISHMENT OF COMMUNITY EMPOWERMENT BOARD.

(a) IN GENERAL.—There is established a Community Empowerment Board, which shall consist of—

(1) the Secretary of Housing and Urban Development;

(2) the Secretary of Health and Human Services;

(3) the Secretary of Agriculture;

(4) the Secretary of Transportation;

(5) the Secretary of Education;

(6) the Secretary of Commerce;

(7) the Secretary of Labor;

(8) the Secretary of the Treasury;

(9) the Attorney General;

(10) the Secretary of the Interior;

(11) the Secretary of Energy;

(12) the Secretary of Veterans Affairs;

(13) the Secretary of Defense;

(14) the Director of the Federal Emergency Management Agency;

(15) the Administrator of the Environment Protection Agency;

(16) the Director of the National Drug Control Policy;

(17) the Administrator of the Small Business Administration;

(18) the Director of the Office of Management and Budget;

(19) the Administator of General Services; and

(20) other officials of the Executive Branch as directed by the President.

(b) CHAIR.—The President shall designate the Chair of the Board from among its members.

(c) FUNCTIONS.—

(1) IN GENERAL.—The Board shall—

(A) no later than 180 days after implementation of this Act, select 6 states to participate in this Act;

(B) receive, review, and approve or disapprove flexibility plans in accordance with section 7;

(C) consider all requests for technical assistance from eligible applicants and, when appropriate, provide or direct that an affected Federal agency provide the head of an agency that administers an eligible Federal financial assistance program under which substantial Federal financial assistance would be provided under the plan to provide technical assistance to the eligible applicant, and to the extent permitted by law, special assistance to interested small governments to support the development and implementation of a flexibility plan, which may include expedited processing;

(D) in consultation with the Director, monitor the progress of development and implementation of flexibility plans;

(E) in consultation with the Director, coordinate and assist Federal agencies in identifying regulations of eligible Federal financial assistance programs for revision, repeal and coordination;

(F) evaluate performance standards and evaluation criteria for eligible Federal financial assistance programs, and make specific recommendations to agencies regarding how to revise such standards and criteria in order to establish specific performance and outcome measures upon which the success of such programs and the success of the plan may be compared and evaluated; and

(G) designate a Federal agency to be primarily responsible for the oversight, monitoring, and evaluation of the implementation of a plan.

(2) QUALIFICATIONS FOR STATES.—Of the 6 States selected for participation under paragraph 1 (A)—3 States shall each have a population of 3,500,000 or more as determined under the most recent decennial census; and

(B) 3 States shall each have a population of 3,500,000 or less as determined under the most recent decennial census.

(d) COORDINATION AND ASSISTANCE.—The Director, in consultation with the Board, shall coordinate and assist Federal agencies in creating—

(1) a uniform application to be used to apply for assistance from eligible Federal financial assistance programs;

(2) a release form to be used by grantees to facilitate, where appropriate and otherwise lawful, the sharing of information across eligible Federal financial assistance programs; and

(3) a system wherein an organization or consortium of organizations may use one proposal to apply for funding from multiple eligible Federal financial assistance programs.

(e) DETAILS AND ASSIGNMENTS TO BOARD.—At the request of the Board and with the approval of the appropriate Federal agency, staff of the agency may be detailed or assigned to the Board on a nonreimbursable basis.

(f) INTERAGENCY FINANCING.—Notwithstanding any other law, interagency financing is authorized to carry out the purposes of this Act.

(g) JUDICIAL REVIEW.—The actions of the Board shall not be subject to judicial review.

SEC. 06. APPLICATION FOR APPROVAL OF FLEXIBILITY PLAN.

(A) IN GENERAL.—An eligible applicant may submit to the Board in accordance with this section an application for approval of a flexibility plan.

(b) CONTENTS OF APPLICATION.—An application submitted under this section shall include—

(1) a proposed flexibility plan that complies with subsection (c);

(2) written certification by the chief executive of the applicant, and such additional assurances as may be required by the Board, that—

(A) the applicant has the ability, authority, and resources to implement the proposed plan, throughout the geographic area in which the proposed plan is intended to apply; and

(B) amounts are available from non-Federal sources to pay the non-Federal share of all eligible Federal financial assistance programs included in the proposed plan;

(C) the flexibility plan prohibits the integration or combination of program funds across existing Federal financial assistance programs which do not have similar purposes.

(3) all comments on the proposed plan submitted under subsection (d) by a Governor, affected State agency, State legislative official, or a chief executive of a local or tribal government that would be directly affected by implementation of the proposed plan, and the applicant's responses to those comments;

(4) written documentation that the eligible applicant informed the affected community of the contents of the plan and gave the public opportunity to comment upon the plan, including at least one public hearing involving agencies, qualified organizations, eligible intended beneficiaries of the plan, and others directly affected by the plan;

(5) a summary of the public comment received on the plan and the applicant's responses to the significant comments;

(6) other relevant information the Board may require to review or approve the proposed plan.

(c) CONTENTS OF PLAN.—A flexibility plan submitted by an eligible applicant under this section shall include—

(1) the geographic area and timeframe to which the plan applies and the rationale for selecting the area and timeframe;

(2) the particular groups of individuals, by service needs, economic circumstances, or other defining factors, who currently receive services and benefits under the eligible Federal financial assistance programs included in the plan and the particular groups of individuals, by service needs, economic circumstances, or other defining factors who would receive services and benefits under the plan;

(3) the specific goals and measurable performance criteria that demonstrate how the plan is expected to improve the delivery of services to the public including—

(A) a description of how performance shall be measured under the plan when compared to the current performance of the eligible Federal financial assistance programs included in the plan; and

(B) a system for the comprehensive evaluation of the impact of the plan on individuals who receive services and benefits in the community affected by the plan, that shall include—

(i) a list of goals to improve the community and the lives of its citizens in the geographic area covered by the plan;

(ii) a list of goals identified by the State in which the plan is to be implemented, if such goals have been established by the State; and

(iii) a description of how the plan will—

(I) attain the goals listed in clauses (i) and (ii);

(II) measure performance; and

(III) collect and maintain data;

(4) the eligible Federal financial assistance programs included in the plan and the specific services and benefits to be provided under the plan under such programs, including—

(A) criteria for determining eligibility for services and benefits under the plan;

(B) the services and benefits available under the plan;

(C) the amounts and form (such as cash, in-kind contributions, or financial instruments) of non-service benefits; and

(D) any other descriptive information the Board considers necessary to approve the plan;

(5) a description of the statutory goals and purposes of each Federal financial assistance program included in the plan and how the goals and purposes of such programs shall more effectively be met at the State, local and tribal level;

(6) a general description of how the plan appropriately addresses any effect that administration of each eligible Federal financial assistance program included in the plan would have on the administration of programs not included in the plan;

(7) a description of how the flexibility plan will adequately achieve the purposes of this Act;

(8) except for the requirements described under section 7(f)(3), any Federal statutory or regulatory requirement of an eligible Federal financial assistance program included in the plan, the waiver of which is necessary to implement the plan, and the detailed justification for the waiver request;

(9) any State, local, or tribal statutory, regulatory, or other requirement, the waiver of which is necessary to implement the plan, and an indication of commitment of the appropriate State, local, or tribal governments to grant such waivers;

(9) a description of the Federal fiscal control and related accountability procedures applicable under the plan;

(10) a description of the sources and amounts of all non-Federal funds that are required to carry out eligible Federal financial assistance programs included in the plan;

(11) verification that Federal funds made available under the plan will not supplant non-Federal funds for existing services and activities that promote the goals of the plan;

(12) verification that none of the Federal funds under the plan would be used to—

(A) meet maintenance of effort requirements of such an activity, or

(B) meet State, local, or tribal matching shares; and

(13) any other relevant information the Board may require to approve the plan;

(d) PROCEDURE FOR APPLYING.—

(1) SUBMISSION TO AFFECTED STATE AND LOCAL GOVERNMENTS.—An eligible applicant shall submit an application for approval of a proposed flexibility plan to each State government and each local government that the applicant deems to be directly affected by the plan, at least 60 days before submitting the application to the Board.

(2) REVIEW BY AFFECTED GOVERNMENT.—The Governor, affected State agency head, State legislative official, and the chief executive officer of a local government that receives an application submitted under paragraph (1) may each, by no later than 60 days after the date of that receipt—

(A) prepare comments on the proposed flexibility plan included in the application;

(B) describe and make commitments to waive any State or local laws or other requirements which are necessary for successful implementation of the proposed plan; and

(C) submit the comments and commitments to the eligible applicant.

(3) SUBMITTAL TO BOARD.—Applications for approval of a flexibility plan shall only be submitted to the Board between—

(A) October 1, 1997 and March 31, 1998; or

(B) October 1, 1998 and March 31, 1999.

(4) ACTION BY AFFECTED GOVERNMENT.—If the Governor, affected State agency head, State legislative official or the chief executive officer of a local government—

(A) fails to act on or otherwise endorse a plan application within 60 days after receiving an application under paragraph (1);

(B) does not make and submit to the eligible applicant the commitments described in paragraph (2) (A) and (B); or

(C) disagrees with all or part of the proposed flexibility plan;

the eligible applicant may submit the application to the Board if the application is amended as necessary for the successful implementation of the proposed plan without the commitment made under paragraph (2)(B), including by adding an updated description of the ability of the proposed flexibility plan to meet plan goals and satisfy performance criteria in the absence of statutory and regulatory waivers and financial and technical support from the State or local government.

(e) TRIBAL SOVEREIGNTY.—Nothing under this Act shall be construed to affect, or otherwise alter, the sovereign relationship between tribal governments and the Federal Government.

(f) ELIGIBILITY FOR OTHER ASSISTANCE.—Disapproval by the Board of a flexibility plan submitted by an eligible applicant under this Act shall not affect the eligibility of the applicant for assistance under any Federal program.

(g) STATE, LOCAL OR TRIBAL AUTHORITY.—Nothing in this Act shall be construed to grant the Board, Federal agency, or any eligible applicant authority to waive or otherwise preempt—

(1) any State, local, or tribal law or regulation including the legal authority under State law of any affected State agency, State entity, or public official over programs that are under the jurisdiction of the agency, entity or official; or

(2) the existing authority of a State, local, or tribal government or qualified organization or consortium with respect to an eligible Federal financial assistance program included in the plan unless such entity has consented to the terms of the plan.

SEC. 07. REVIEW AND APPROVAL OF FLEXIBILITY PLANS AND WAIVER REQUESTS.

(a) REVIEW OF APPLICATIONS.—Upon receipt of an application for approval of a proposed flexibility plan, the Board shall notify the eligible applicant as to whether or not the plan is complete. If the Board determines a plan is complete, the Board shall—

(1) establish procedures for consultation with the applicant during the review process;

(2) publish notice of the application for approval in the Federal Register and make available the contents to any interested party upon written request;

(3) if appropriate, coordinate public hearings on the plan by either the Board or the appropriate Federal agency;

(4) approve or disapprove plans submitted under—

(i) section 6(d)(3)(A) no later than July 31, 1998; or

(ii) section 6(d)(3)(B) no later than July 31, 1999;

(5) in the case of any disapproval of a plan, include written justification of the reasons for disapproval in the notice of disapproval sent to the applicant;

(6) publicly announce and forward to Congress on July 31, 1998 and July 31, 1999, the list of approved flexibility plans, including an identification of approved plans that request statutory or regulatory waivers and the identification of such requested waivers.

(b) APPROVAL—

(1) IN GENERAL.—The Board may approve a flexibility plan for which an application is submitted by an eligible applicant under this Act, if the Board determines that—

(A) the contents of the application for approval of the plan comply with the requirements of this Act; and

(B) the contents of the flexibility plan indicate that the plan will effectively achieve the purposes of this Act described in section 3 by adhering to the conditions described in sections 6 and 7;

(2) RESTRICTION.—(A) The Board may approve no more than 30 plans; and

(B) only three approved plans may be submitted by state applicants.

(3) REQUIREMENT TO DISAPPROVE PLAN.—The Board must disapprove a flexibility plan if the Board determines that—

(A) implementation of the plan would result in any increase in the total amount of obligations or outlays of discretionary appropriations or direct spending under Federal financial assistance programs, over the amounts of such obligations and outlays that would occur under those programs without implementation of the plan; or

(B) the flexibility plan fails to comply with paragraph (1).

(4) SPECIFICATION OF PERIOD OF EFFECTIVENESS.—In approving any flexibility plan, the Board shall specify the period during which the plan is effective, which is no case shall be greater than 5 years from the date of approval.

(d) MEMORANDA OF UNDERSTANDING REQUIRED.—

(1) IN GENERAL.—An approved flexibility plan may not take effect until the Board receives a signed memorandum of understanding agreed to by the eligible applicant that would receive Federal financial assistance administered under the flexibility plan and by each affected Federal agency.

(2) CONTENTS.—A memorandum of understanding under this subsection shall specify all understanding that have been reached by the affected Federal agencies and the eligible applicant. The memorandum shall include understanding with respect to—

(A) the conditions described in sections 6 and 7;

(B) the effective dates of all State; local or tribal government waivers;

(C) technical or special assistance being provided to the eligible applicant; and

(D) the effective date and timeframe of the plan and each Federal waiver approved in the plan;

(E)(i) the total amount of Federal funds that will be provided as services and benefits under or used to administer eligible Federal financial assistance programs included in the plan; or

(ii) a mechanism for determining that amount, including specification of the total amount of Federal funds that will be provided or used under each eligible Federal financial assistance program included in the plan.

(e) LIMITATION ON CONFIDENTIALITY REQUIREMENTS.—The Board may not, as a condition of approval of flexibility plan or with respect to the implementation of an approved flexibility plan, establish any confidentiality requirement that would—

(1) impede the exchange of information needed for the design or provision of services and benefits under the plans; or

(2) conflict with law.

(f) LIMITATION ON THE USE OF FUNDS.—The Board may not approve any plan that includes funds under an eligible Federal financial assistance program to—

(1) support tuition vouchers for children attending private elementary or secondary schools; or

(2) otherwise pay their cost of attending such schools.

(g) WAIVERS OF FEDERAL REQUIREMENTS.—

(1) IN GENERAL.—Notwithstanding any other law and subject to paragraphs (2) and (3), affected Federal agencies may waive, for a period of time not to exceed 5 years from the date the Board receives a signed memorandum of understanding, any statutory or regulatory requirement of an eligible Federal assistance program included in an approved flexibility plan of an eligible applicant if that waiver is—

(A) necessary for implementation of the flexibility plan;

(B) not disapproved by the Board; and

(C) necessary to effectively achieve the purposes of this Act described in section 3 by adhering to the conditions described in sections 6 and 7.

(2) EFFECTIVE PERIOD OF WAIVER.—A waiver granted under this section shall terminate on the earlier of—

(A) the expiration of a period specified by the affected Federal agency not to exceed five years from the date the Board receives the signed memorandum of understanding; or

(B) any date on which the flexibility plan for which the waiver is granted ceases to be effective.

(3) RESTRICTION ON WAIVER AUTHORITY.—Any affected Federal agency may not grant a waiver for a statutory or regulatory requirement of an eligible Federal financial assistance program requested under this section that—

(A) may be waived under another provision of law except in accordance with the requirements and limitations imposed by that other provision of law;

(B) enforces statutory or constitutional rights of individuals including the right to equal access and opportunity in housing and education, including any requirement under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq);

(C) enforces any civil rights that prohibit discrimination on the basis of race, color, religion, sex, national origin, age, handicap, or disability;

(D) protects public health and safety, the environment, labor standards, or worker safety;

(E) provides for a maintenance of effort, matching share or prohibition on supplanting; or

(F) grants any person a cause of action.

SEC. 08. IMPLEMENTATION, AMENDING AND TERMINATION OF APPROVED FLEXIBILITY PLANS.

(a) IMPLEMENTATION.—

(1) The Board, in consultation with the Director, shall issue guidance to implement this Act within 180 days after the date of enactment of this Act.

(2) Notwithstanding any other law, any service or benefit that is provided under an eligible Federal financial assistance program included in an approved flexibility plan shall be paid and administered in the manner specified in the approved flexibility plan.

(3) The authority provided under this Act to waive provisions of grant agreements may be exercised only as long as the funds provided for the grant program in question are available for obligation by the Federal Government.

(b) AMENDING OF FLEXIBILITY PLAN.—

(1) In the event that an eligible applicant—

(A) desires an amendment to an approved flexibility plan in order to better meet the purposes of this Act; or

(B) requires an amendment to ensure continued implementation of an approved flexibility plan, the applicant shall—

(i) submit the proposed amendment to the Board for review and approval; and

(ii) upon approval, enter into a revised memorandum of understanding with the affected Federal agency.

(2) Approval of the Board and, when appropriate, affected Federal agency, shall be based upon the same conditions required for approval of a flexibility plan.

(c) TERMINATION OF PLAN.—

(1) TERMINATION OF PLAN BY BOARD.—

(A) IN GENERAL.—The Board shall terminate an approved flexibility plan, if, after consultation with the affected Federal agencies, the Board determines that—

(i) the applicant of the approved flexibility plan is unable to meet the commitments under this Act; or

(ii) audit or oversight activities determine there has been fraud or abuse involving Federal funds under the plan.

(B) TRANSITION PERIOD.—In terminating an approved flexibility plan under this paragraph, the Board shall allow a reasonable period of time for appropriate Federal agencies and eligible applicants to resume administration of Federal programs that are eligible Federal financial assistance programs included in the plan.

(2) REVOCATION OF WAIVER.—

(A) The Board may recommend that an affected Federal agency, and an affected Federal agency may, revoke a waiver under section 7(f) if the applicant of the approved flexibility plan fails to—

(i) comply with the requirements of the plan;

(ii) make acceptable progress towards achieving the goals and performance criteria set forth in the plan; or

(iii) use funds in accordance with the plan.

(B) Affected Federal agencies shall revoke all waivers issued under section 7(f) for a flexibility plan if the Board terminates the plan.

(C) EXPLANATION REQUIRED.—In the case of termination of a plan or revocation of a waiver, as appropriate, the Board or affected Federal agencies shall provide for the former eligible applicant a written justification of the reasons for termination or revocation.

SEC. 09 EVALUATIONS AND REPORTS.

(a) APPROVED APPLICANTS.

(1) IN GENERAL.—An applicant of an approved flexibility plan, in accordance with guidance issued by the Board, shall—

(A) submit any reports on and cooperate in any audits of the implementation of its approved flexibility plan; and

(B) monitor the effect implementation of the plan has had on—

(i) individuals who receive services and benefits under the plan;

(ii) communities in which those individuals live;

(iii) costs of administering and providing assistance under eligible Federal financial assistance programs included in the plan; and

(iv) performance of the eligible Federal financial assistance programs included in the plan compared to the performance of such programs prior to implementation of the plan.

(2) INITIAL 1-YEAR REPORT.—No later than 90 days after the end of the 1-year period beginning on the date the plan takes effect, and annually thereafter, the approved applicant, respectively, shall submit to the Board a report on the principal activities, achievements, and shortcomings under the plan during the period covered by the report, comparing those achievements and shortcomings to the goals and performance criteria included in the plan under section 6(c)(3).

(3) FINAL REPORT.—No later than 120 days after the end of the effective period of an approved flexibility plan, the approved applicant shall submit to the Board a final report on implementation of the plan, including a full evaluation of the successes and shortcomings of the plan and the effects of that implementation on individuals who receive benefits under the eligible Federal financial assistance programs under the plan.

(b) BOARD.—No later than two years after the date of the enactment of this Act, and annually thereafter, the Board shall submit a report to the President and the Congress on the Federal statutory and regulatory requirements of eligible Federal financial assistance programs that are most frequently waived under section 7(f) with respect to approved flexibility plans. The President shall review the report and identify those statutory and regulatory requirements that the President determines should be amended or repealed.

(c) DIRECTOR.—Two years after this Act goes into effect, and no less than 60 days after repeal of this Act, the Director shall report on its progress in achieving the functions outlined in section 5(d).

(c) GENERAL ACCOUNTING OFFICE.—

(1) Beginning on the date of enactment of this Act, the General Accounting Office shall—

(A) evaluate the effectiveness of eligible Federal financial assistance programs included in flexibility plans approved pursuant to this Act compared with such programs not included in a flexibility plan;

(B) establish and maintain, through the effective date of this statute, a program for the ongoing collection of data and analysis of each eligible Federal financial assistance program included in an approved flexibility plan.

(2) No later than January 1, 2005, the General Accounting Office shall submit a report to Congress and the President that describes and evaluates the results of the evaluations conducted pursuant to paragraphs (1) and any recommendations on how to improve flexibility in the administration of eligible Federal Financial assistance programs.

(d) ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS.—No later than January 1, 2005, the Advisory Commission on Intergovernmental Relations shall submit a report to the Congress and President that—

(1) describes the extent to which this Act has improved the ability of State, local and tribal governments, particularly smaller units of government, to make more effective use of two or more Federal financial assistance programs included in a flexibility plan;

(2) evaluates if or how the Flexibility provided by this Act has improved the system of Federal financial assistance to State, local and tribal governments, and enabled governments and community organizations to work together more effectively; and

(3) includes recommendations with respect to flexibility for State, local and tribal governments.

SEC. 010. REPEAL.

This Act is repealed on January 1, 2005.

SEC. 011. DELIVERY DATE OF FEDERAL CONTRACT, GRANT, AND ASSISTANCE APPLICATIONS.

(a) GENERAL RULES.—

(1) DATE OF DELIVERY.—The Director of the Office of Management and Budget shall direct all Federal agencies to develop a consistent policy relating to Federal contract, grant, and other assistance applications which stipulated that if any bid, grant application, or other document required to be filled within a prescribed period or on or before a prescribed date is, after such period or such date delivered by United States mail to the agency, officer, or office with such bid, grant application, or other document is required to be made, the date of the United States postmark stamped on the cover in which such bid, grant application, or other document is mailed shall be deemed to be the date of delivery, as the case may be.

(2) MAILING REQUIREMENTS.—This subsection applies only if—

(A) the postmark date falls within the prescribed period or on or before the prescribed date for the filing (including any extension granted for such filing) of the bid, grant application, or other document; and

(B) the bid, grant application, or other document was, within the time prescribed in subparagraph (A), deposited in the mail in the United States in an envelope or other appropriate wrapper, postage prepaid, properly addressed to the agency, officer, or office with which the bid, grant application, or other document is required to be made.

(b) POSTMARKS.—This section shall apply in the case of postmarks not made by the United States Postal Service only if and to the extent provided by the regulations prescribed by Federal agencies.

(c) REGISTERED AND CERTIFIED MAILING.—

(1) REGISTERED MAIL.—For purposes of this section, if any such bid, grant application, or other document is sent by United States registered mail—

(A) such registration shall be prima facie evidence that the bid, grant application, or other document was delivered to the agency, officer, or office to which addressed; and

(B) the date of registration shall be deemed the postmark date.

(2) CERTIFIED MAIL.—Federal agencies are authorized to provide by regulations the extent to which the provisions of paragraph (1) of this subsection with respect to prima facie evidence of delivery and the postmark date shall apply to certified mail.

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act and shall remain in effect notwithstanding section 10 of this Act.

STEVENS AMENDMENT NO. 5249

Mr. SHELBY (for Mr. STEVENS) proposed an amendment to the bill, H.R. 3756, supra; as follows:

SEC. . Notwithstanding the provision under the heading ''ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS'' under title IV of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (Public Law 104–52; 109 Stat. 480), the Advisory Commission on Intergovernmental Relations may continue in existence during fiscal year 1997 and each fiscal year thereafter.

INOUYE AMENDMENT NO. 5250

Mr. SHELBY (for Mr. INHOFE) proposed an amendment to the bill, H.R. 3756, supra; as follows:

On page 60, line 19 strike all through line 21.

MCCAIN AMENDMENT NO. 5251

Mr. SHELBY (for Mr. MCCAIN) proposed an amendment to the bill, H.R. 3756, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) No later than 45 days after the date of the enactment of this Act, the Inspector General of each Federal department or agency that uses administratively uncontrollable overtime in the pay of any employee shall—

(1) conduct an audit on the use of administratively uncontrollable overtime by employees of such department or agency, which shall include—

(A) an examination of the policies, extent, costs, and other relevant aspects of the use of administratively uncontrollable overtime at the department or agency; and

(B) a determination of whether the eligibility criteria of the department or agency and payment of administratively uncontrollable overtime comply with Federal statutory and regulatory requirements; and

(2) submit a report of the findings and conclusions of such audit to—

(A) the Office of Personnel Management;

(B) the Government Affairs Committee of the Senate; and

(C) the Government Reform and Oversight Committee of the House of Representatives.

(b) No later than 30 days after the submission of the report under subsection (a), the Office of Personnel Management shall issue revised guidelines to all Federal departments and agencies that—

(1) limit the use of administratively uncontrollable overtime to employees meeting the statutory intent of section 5545(c)(2) of title 5, United States Code; and

(2) expressly prohibit the use of administratively uncontrollable overtime for—

(A) customary or routine work duties; and

(B) work duties that are primarily administrative in nature, or occur in noncompelling circumstances.

HOLLINGS AMENDMENT NO. 5252

Mr. SHELBY (for Mr. HOLLINGS) proposed an amendment to the bill, H.R. 3756, supra; as follows:

At the appropriate place, insert the following:

SEC. . Notwithstanding section 8116 of title 5, United States Code, and in addition to any payment made under 5 U.S.C. 8101 et seq., beginning in fiscal year 1997 and thereafter, the head of any department or agency is authorized to pay from appropriations made available to the department or agency a death gratuity to the personal representative (as that term is defined by applicable law) of a civilian employee of that department or agency whose death resulted from an injury sustained in the line of duty on or after August 2, 1990: *Provided*, That payments made pursuant to this section, in combination with the payments made pursuant to sections 8133(f) and 8134(a) of such title 5 and section 312 of Public Law 103–332 (108 Stat. 2537), may not exceed a total of $10,000 per employee.

SHELBY (AND KERREY) AMENDMENT NO. 5253

Mr. SHELBY (for himself and Mr. KERREY) proposed an amendment to the bill, H.R. 3756, supra; as follows:

At the appropriate place in the bill insert the following new section:

SEC. . EXPLOSIVES DETECTION CANINE PROGRAM.

(a) AUTHORIZATION.—

(1) The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by federal agencies, or other agencies providing explosives detection services at airports in the United States.

(2) The Secretary of the Treasury shall establish an explosives detection canine training program for the training of canines for explosives detection at airports in the United States.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

SHELBY AMENDMENT NO. 5254

Mr. SHELBY proposed an amendment to the bill, H.R. 3756, supra; as follows:

At the appropriate place in the bill, insert the following;

SEC. . DESIGNATION OF MARK O. HATFIELD UNITED STATES COURTHOUSE.

The United States Courthouse under construction at 1030 Southwest 3d Avenue in Portland, Oregon, shall be known and designated as the ''Mark O. Hatfield United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the courthouse referred to in section 1 shall be deemed to be a reference to the ''Mark O. Hatfield United States Courthouse''.

SEC. 3. EFFECTIVE DATE.

This section shall take effect on January 2, 1997.

BROWN AMENDMENT NO. 5255

Mr. SHELBY (for Mr. BROWN) proposed an amendment to the bill, H.R. 3756, supra; as follows:

At the end of the bill, add the following new title:

TITLE ___—FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Federal Financial Management Improvement Act of 1996''.

SEC. ___02. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, Federal accounting standards have not been uniformly implemented in financial management systems for agencies.

(2) Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to—

(A) identify costs fully;

(B) reflect the total liabilities of congressional actions; and

(C) accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not accurately report financial results of the Federal Government or the full costs of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data and encourages already widespread Government waste, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in the Federal Government undermine the confidence of the American people in the Government and reduce the Federal Government's ability to address vital public needs adequately.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, agencies must incorporate accounting standards and reporting objectives established for the Federal Government into their financial management systems so that all the assets and liabilities, revenues, and expenditures or expenses, and the full costs of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout the Federal Government.

(6) Since its establishment in October 1990, the Federal Accounting Standards Advisory Board (hereinafter referred to as the ''FASAB'') has made substantial progress toward developing and recommending a comprehensive set of accounting concepts and standards for the Federal Government. When the accounting concepts and standards developed by FASAB are incorporated into Federal financial management systems, agencies will be able to provide cost and financial information that will assist the Congress and financial managers to evaluate the cost and performance of Federal programs and activities, and will therefore provide important information that has been lacking, but is needed for improved decisionmaking by financial managers and the Congress.

(7) The development of financial management systems with the capacity to support these standards and concepts will, over the long term, improve Federal financial management.

(b) PURPOSES.—The purposes of this title are to—

(1) provide for consistency of accounting by an agency from one fiscal year to the next, and uniform accounting standards throughout the Federal Government;

(2) require Federal financial management systems to support full disclosure of Federal financial data, including the full costs of Federal programs and activities, to the citizens, the Congress, the President, and agency management, so that programs and activities can be considered based on their full costs and merits;

(3) increase the accountability and credibility of Federal financial management;

(4) improve performance, productivity and efficiency of Federal Government financial management;

(5) establish financial management systems to support controlling the cost of Federal Government;

(6) build upon and complement the Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838), the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285), and the Government Management Reform Act of 1994 (Public Law 103–356; 108 Stat. 3410); and

(7) increase the capability of agencies to monitor execution of the budget by more readily permitting reports that compare spending of resources to results of activities.

SEC. ___03. IMPLEMENTATION OF FEDERAL FINANCIAL MANAGEMENT IMPROVEMENTS.

(a) IN GENERAL.—Each agency shall implement and maintain financial management systems that comply with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

(b) PRIORITY.—Each agency shall give priority in funding and provide sufficient resources to implement this title.

(c) AUDIT COMPLIANCE FINDING.—

(1) IN GENERAL.—Each audit required by section 3521(e) of title 31, United States Code, shall report whether the agency financial management systems comply with the requirements of subsection (a).

(2) CONTENT OF REPORTS.—When the person performing the audit required by section 3521(e) of title 31, United States Code, reports that the agency financial management systems do not comply with the requirements of subsection (a), the person performing the audit shall include in the report on the audit—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) all facts pertaining to the failure to comply with the requirements of subsection (a), including—

(i) the nature and extent of the noncompliance;

(ii) the primary reason or cause of the noncompliance;

(iii) any official responsible for the noncompliance; and

(iv) any relevant comments from any responsible officer or employee; and

(C) a statement with respect to the recommended remedial actions and the timeframes to implement such actions.

(d) COMPLIANCE DETERMINATION.—

(1) IN GENERAL.—No later than the date described under paragraph (2), the Director, acting through the Controller of the Office of Federal Financial Management, shall determine whether the financial management systems of an agency comply with the requirements of subsection (a). Such determination shall be based on—

(A) a review of the report on the applicable agency-wide audited financial statement;

(B) the agency comments on such report; and

(C) any other information the Director considers relevant and appropriate.

(2) DATE OF DETERMINATION.—The determination under paragraph (1) shall be made no later than 90 days after the earlier of—

(A) the date of the receipt of an agency-wide audited financial statement; or

(B) the last day of the fiscal year following the year covered by such statement.

(e) COMPLIANCE IMPLEMENTATION.—

(1) IN GENERAL.—If the Director determines that the financial management systems of an agency do not comply with the requirements of subsection (a), the head of the agency, in consultation with the Director, shall establish a remediation plan that shall include the resources, remedies, and intermediate target dates necessary to bring the agency's financial management systems into compliance.

(2) TIME PERIOD FOR COMPLIANCE.—A remediation plan shall bring the agency's financial management systems into compliance no later than 2 years after the date on which the Director makes a determination under paragraph (1), unless the agency, with concurrence of the Director—

(A) determines that the agency's financial management systems are so deficient as to preclude compliance with the requirements of subsection (a) within 2 years;

(B) specifies the most feasible date for bringing the agency's financial management systems into compliance with the requirements of subsection (a); and

(C) designates an official of the agency who shall be responsible for bringing the agency's

financial management systems into compliance with the requirements of subsection (a) by the date specified under subparagraph (B).

(3) TRANSFER OF FUNDS FOR CERTAIN IMPROVEMENTS.—For an agency that has established a remediation plan under paragraph (2), the head of the agency, to the extent provided in an appropriation and with the concurrence of the Director, may transfer not to exceed 2 percent of available agency appropriations to be merged with and to be available for the same period of time as the appropriation or fund to which transferred, for priority financial management system improvements. Such authority shall be used only for priority financial management system improvements as identified by the head of the agency, with the concurrence of the Director, and in no case for an item for which Congress has denied funds. The head of the agency shall notify Congress 30 days before such a transfer is made pursuant to such authority.

(4) REPORT IF NONCOMPLIANCE WITHIN TIME PERIOD.—If an agency fails to bring its financial management systems into compliance within the time period specified under paragraph (2), the Director shall submit a report of such failure to the Committees on Governmental Affairs and Appropriations of the Senate and the Committees on Government Reform and Oversight and Appropriations of the House of Representatives. The report shall include—

(A) the name and position of any officer or employee responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) the facts pertaining to the failure to comply with the requirements of subsection (a), including the nature and extent of the noncompliance, the primary reason or cause for the failure to comply, and any extenuating circumstances;

(C) a statement of the remedial actions needed; and

(D) a statement of any administrative action to be taken with respect to any responsible officer or employee.

(f) PERSONAL RESPONSIBILITY.—Any financial officer or program manager who knowingly and willfully commits, permits, or authorizes material deviation from the requirements of subsection (a) may be subject to administrative disciplinary action, suspension from duty, or removal from office.

SEC. ___04. APPLICATION TO CONGRESS AND THE JUDICIAL BRANCH.

(a) IN GENERAL.—The Federal financial management requirements of this title may be adopted by—

(1) the Senate by resolution as an exercise of the rulemaking power of the Senate;

(2) the House of Representatives by resolution as an exercise of the rulemaking power of the House of Representatives; or

(3) the Judicial Conference of the United States by regulation for the judicial branch.

(b) STUDY AND REPORT.—No later than October 1, 1997—

(1) the Secretary of the Senate and the Clerk of the House of Representatives shall jointly conduct a study and submit a report to Congress on how the offices and committees of the Senate and the House of Representatives, and all offices and agencies of the legislative branch may achieve compliance with financial management and accounting standards in a manner comparable to the requirements of this title; and

(2) the Chief Justice of the United States shall conduct a study and submit a report to Congress on how the judiciary may achieve compliance with financial management and accounting standards in a manner comparable to the requirements of this title.

SEC. ___05. REPORTING REQUIREMENTS.

(a) REPORTS BY DIRECTOR.—No later than March 31 of each year, the Director shall submit a report to the Congress regarding implementation of this title. The Director may include the report in the financial management status report and the 5-year financial management plan submitted under section 3512(a)(1) of title 31, United States Code.

(b) REPORTS BY THE COMPTROLLER GENERAL.—No later than October 1, 1997, and October 1, of each year thereafter, the Comptroller General of the United States shall report to the appropriate committees of the Congress concerning—

(1) compliance with the requirements of section ___03(a) of this title, including whether the financial statements of the Federal Government have been prepared in accordance with applicable accounting standards; and

(2) the adequacy of uniform accounting standards for the Federal Government.

SEC. ___06. CONFORMING AMENDMENTS.

(a) AUDITS BY AGENCIES.—Section 3521(f)(1) of title 31, United States Code, is amended in the first sentence by inserting ''and the Controller of the Office of Federal Financial Management'' before the period.

(b) FINANCIAL MANAGEMENT STATUS REPORT.—Section 3512(a)(2) of title 31, United States Code, is amended by—

(1) in subparagraph (D) by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following:

''(E) a listing of agencies whose financial management systems do not comply substantially with the requirements of the Federal Financial Management Improvement Act of 1996, the period of time that such agencies have not been in compliance, and a summary statement of the efforts underway to remedy the noncompliance; and''.

SEC. ___07. DEFINITIONS.

For purposes of this title:

(1) AGENCY.—The term ''agency'' means a department or agency of the United States Government as defined in section 901(b) of title 31, United States Code.

(2) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.

(3) FEDERAL ACCOUNTING STANDARDS.—The term ''Federal accounting standards'' means applicable accounting principles, standards, and requirements consistent with section 902(a)(3)(A) of title 31, United States Code, and includes concept statements with respect to the objectives of Federal financial reporting.

(4) FINANCIAL MANAGEMENT SYSTEMS.—The term ''financial management systems'' includes the financial systems and the financial portions of mixed systems necessary to support financial management, including automated and manual processes, procedures, controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions.

(5) FINANCIAL SYSTEM.—The term ''financial system'' includes an information system, comprised of one or more applications, that is used for—

(A) collecting, processing, maintaining, transmitting, or reporting data about financial events;

(B) supporting financial planning or budgeting activities;

(C) accumulating and reporting costs information; or

(D) supporting the preparation of financial statements.

(6) MIXED SYSTEM.—The term ''mixed system'' means an information system that supports both financial and nonfinancial functions of the Federal Government or components thereof.

SEC. ___08. EFFECTIVE DATE.

This title shall take effect on October 1, 1996.

REID (AND OTHERS) AMENDMENT NO. 5256

Mr. REID (for himself, Mr. LEVIN, and Mr. BIDEN) proposed an amendment to the bill, H.R. 3756, supra; as follows:

On page 91, line 3, strike ''The'' and insert ''Except as provided in subsection (f), the''.

On page 92, between lines 21 and 22, add the following:

(f)(1) Any former employee of the White House Travel Office whose employment in that office was terminated on May 19, 1993, and who was subject to criminal indictment for conduct in connection with such employment, shall be reimbursed for attorney fees and costs under this section but only if the claim for such attorney fees and costs, which shall be referred to the chief judge of the United States Court of Federal Claims, is determined by the chief judge to be a legal or equitable claim, as provided in paragraph (2).

(2) The chief judge shall—

(A) proceed according to the provisions of sections 1492 and 2509 of title 28, United States Code; and

(B) report back to the Senate, at the earliest practicable date, providing—

(i) such findings of fact and conclusions that are sufficient to inform the Congress of the nature, extent, and character of the claim for compensation referred to in this section as a legal or equitable claim against the United States or a gratuity; and

(ii) the amount, if any, legally or equitably due from the United States to any individual referred to in this section.

HATCH AMENDMENT NO. 5257

Mr. HATCH proposed an amendment to amendment No. 5256 proposed by Mr. REID to the bill, H.R. 3756, supra; as follows:

Strike all after the first word and insert the following:

(2) VERIFICATION REQUIRED.—The Secretary shall pay an individual in full under paragraph (1) upon submission by the individual of documentation verifying the attorney fees and costs.

(3) NO INFERENCE OF LIABILITY.—Liability of the United States shall not be inferred from enactment of or payment under this subsection.

(b) LIMITATION ON FILING OF CLAIMS.—The Secretary of the Treasury shall not pay any claim filed under this section that is filed later than 120 days after the date of the enactment of this Act.

(c) LIMITATION.—Payments under subsection (a) shall not include attorney fees or costs incurred with respect to any Congressional hearing or investigation into the termination of employment of the former employees of the White House Travel Office.

(d) REDUCTION.—The amount paid pursuant to this section to an individual for attorney fees and costs described in subsection (a) shall be reduced by any amount received before the date of the enactment of this Act, without obligation for repayment by the individual, for payment of such attorney fees and costs (including any amount received from the funds appropriated for the individual in the matter relating to the ''Office of the General Counsel'' under the heading ''Office of the Secretary'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1994).

(c) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—Payment under this section, when accepted by an individual described in subsection (a), shall be in full satisfaction of all claims of, or on behalf of, the individual against the United States that arose out of the termination of the White House Travel Office employment of that individual on May 19, 1993.

SEC. 529. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 528. (a) REIMBURSEMENT OF CERTAIN ATTORNEY FEES AND COSTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay from amounts appropriated in title I of this Act under the heading, ''Departmental Offices, Salaries and Expenses'', up to $499,999 to reimburse former employees of the White House Travel Office whose employment in that Office was terminated on May 19, 1993, for any attorney fees and costs they incurred with respect to that termination.

NOTICE OF HEARING

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I wish to announce that the Special Committee on Aging will hold a hearing on Thursday, September 19, 1996, at 9:30 a.m., in room 562 of the Dirksen Senate Office Building. The hearing will discuss Social Security reform.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SHELBY. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, September 11, 1996, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this meeting is to consider pending calendar business.

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

COMMITTEE ON THE JUDICIARY

Mr. SHELBY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, September 11, 1996, at 2 p.m. to hold a hearing on ''Mergers and Competition in the Telecommunications Industry.''

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. SHELBY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 11, 1966, at 9 a.m. to hold a closed business meeting.

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

SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

Mr. SHELBY. Mr. President, I ask unanimous consent that the Subcommittee on International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 11, at 2 p.m.

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

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. SHELBY. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing Wednesday, September 11, at 9:30 a.m., Hearing Room (SD–406) on the Intermodal Surface Transportation Efficiency Act and the role of Federal, State, and local governments in surface transportation.

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

ADDITIONAL STATEMENTS

REGARDING PUERTO RICO ECONOMIC INCENTIVES

● Mr. D'AMATO. Mr. President, I have said in the past, and continue to believe, that the action taken by Congress in eliminating section 936 without a permanent replacement program that provides a major stimulus to economic development in Puerto Rico and the creation of well-paying and stable jobs was unfortunate.

We have the seeds of a replacement program in new Internal Revenue Code section 30A that provides a targeted wage credit to companies currently doing business in Puerto Rico based upon the compensation paid to their qualified employees. Although this is certainly movement in the right direction, it does not allow new business starts, and the credit will sunset in 10 years. As such, it does not provide the permanency that is needed to maintain the economic development of Puerto Rico, and will adversely impact States like New York.

Corporations headquartered in New York State that have invested in Puerto Rico employ over 39,000 persons in New York. Moreover, Puerto Rican subsidiaries of mainland companies purchase approximately $195 million per year worth of supplies and services from New York. Consequently, when the wage credit sunsets in 2006 and corporations are drawn to other regions where there are tax incentives, New York State will lose not only jobs, but a significant amount of income from goods and services.

Mr. President, Congress needs to work with the elected representatives of Puerto Rico to expand section 30A into a dynamic and effective job creation incentive that helps to bring new and high-paying jobs to Puerto Rico. By doing so, we will raise Puerto Rico's economic standards and provide efficient Federal incentives to accomplish those goals. I firmly believe that Congress, working with Governor Rossello and other elected leaders from Puerto Rico, can successfully fashion a program that achieves economic progress for Puerto Rico and efficiency in Federal expenditures.●

SHOULD WE TROT OUT THE NEW DEAL AGAIN?

● Mr. SIMON. Mr. President, one of the ablest aldermen in the city of Chicago, Burton F. Natarus, recently had a commentary in the Chicago Tribune in which he calls for a public works program along the lines of the WPA. It makes eminent good sense.

We can learn from history, but we're apparently unwilling to do it.

The welfare bill that passed is going to cause huge problems in our society if we don't come up with something better and do it quickly.

A WPA type of welfare reform would cost a little more initially, but saves huge amounts of money in the long run and be of great assistance to impoverished areas, whether rural or urban.

Right now we are trying to have welfare reform but do it without creating jobs for the unskilled and without having day care for their children.

Anything labeled ''welfare reform'' that doesn't provide the jobs and doesn't provide day care is not really welfare reform.

Mr. President, I ask that Alderman Natarus' article be printed in the RECORD.

The article follows:

[From the Chicago Tribute, Aug. 22, 1996]

SHOULD WE TROT OUT THE NEW DEAL AGAIN?

(By Burton F. Natarus)

On July 24, the Senate approved a comprehensive welfare bill, the most sweeping change since the creation of the New Deal 60 years ago. Federal guarantees of cash assistance for the nation's poorest children have evaporated and states will be given new powers to run welfare on their own. The measure also imposes a five-year lifetime limit on cash assistance payments to any family and requires the head of every family on welfare to work within two years or lose benefits.

While we laud the new thrust toward the self-sufficiency of our population, and the end of the obsolete aspects of the 60-year-old welfare system, we have serious concerns about jobs. Where are they to come from? Where is the new workforce to go? To Bainbridge Island, Wash., to work for Microsoft? To the high-tech Naperville corridor for that chemical engineering position? The welfare reform bill, which President Clinton is expected to sign, presumes there will be jobs available for the workforce. These jobs may or may not exist and we have to face the brutal fact that generations of welfare families have no saleable working skills. Recall the controversial ''workfare'' Comprehensive Employment and Training Act program from the Nixon administration in the flush, moneyed '70s, when Congress tried to create jobs accompanied by teaching and skills

training. Limited in scope and a short-term solution to unemployment, it finally ended with the Reagan era and here we are 10 years later with no significant federal jobs program as we throw the poor out on their own.

With the CETA program, the private sector created low-level and semi-skilled jobs, which concentrated in the food service, truck driving and clerical fields. There were considerable financial incentives for the private sector to participate in CETA. These incentives do not exist today and the private sector may not be willing nor is it able to create entry-level jobs in sufficient numbers.

In 1929, the Depression commenced its sad and ugly course and by 1933 12 million able-bodied Americans were out of work. No work. No money. The country was, however, fortunate enough to have Franklin Roosevelt as its 32nd president. We know of his long roster of massive relief measures and social programs to cope with the Depression and a country in crisis: farm relief, unemployment insurance, Social Security, fair bankruptcy and foreclosure procedures and numerous federal jobs measures. At the 1932 Democratic National Convention in Chicago, Roosevelt declared, ''I pledge myself to a new deal. . . . This is more than a political campaign; it is a call to arms.''

What we need is a ''new'' New Deal and a call to arms. Let us recall some of those job-creating public works bills of the Roosevelt administration.

In March 1933, his recovery plan included the Civilian Conservation Corps, which gave 250,000 young men meals, housing, wages and the necessities of life for their work in the national forests and other government properties.

There was the Works Progress Administration and in the words of Sen. Paul Simon (D–Ill.) 10 years ago, it was ''refreshingly sensible.'' The WPA put 8.5 million people to work building bridges, airports, highways and developing programs to foster cultural awareness. The Federal Art Project's works are still seen today in murals at such places as Lane Tech and the Lakeview Post Office. Hundreds of thousands of Chicagoans worked for the WPA during these years, including thousands of laborers, artists and writers who worked for $95 a month. In Illinois, from 1935–38, these new hires built 28 million square feet of sidewalks, 1,895 rural bridges, 300,000 public artworks. A recent New York Times Magazine article entitled, ''When Work Disappears'' recounts the staggering national accomplishments of the administration, from playgrounds, athletic fields, viaducts and culverts, to LaGuardia Airport and FDR Drive. This week it has been nationally reported that the cities with the most decrepit crumbling and unsafe bridges in the country are New York and Washington, D.C. In Chicago, we could also use the help of our citizens in repairing old infrastructure.

The Public Works Administration created jobs and stimulated business between 1933 and 1939. The federal government spent $6 billion on construction of the Washington, D.C. Mall, Hoover Dam, the Lincoln Tunnel and Ft. Knox. This bureau also created jobs geared toward the preservation of public works.

The creation of the Tennessee Valley Authority put the government in the electric power business, selling electricity in competition with private firms, and giving the government ownership of hydroelectric plants in large rivers. Under the program, Norris Dam was built on the Tennessee River and the Bonneville and Grand Coulee on the Columbia River. These dams employed hundreds of thousands of people who ended up not only supporting themselves and their families but constructing enduring legacies for the country. How many flood plains could use dams right here in Illinois?

World War II eventually solved the unemployment problem but you can imagine how bereft the country would have been for those 10 years without the PWA, the WPA, the CCC and the TVA. One powerful reason why it makes good economic sense to place people on the federal payroll is that the jobs are taxable and the tax monies revert to the federal government as wages are disbursed. Programs such as the WPA pay for themselves in the long run, which is so much more financially efficient than a dole or handout.

Furthermore, when the federal worker leaves his public sector job he will be ready, or at least more ready, for private sector employment, having received on-the-job training in a specific field. Incidentally, the jobs would not be ad aeternitum nor for the lifetime of an individual. They would be for a finite period after which time others would be hired and given a chance to learn replicable skills. By creating these government jobs an economic rippling effect inevitably occurs in which private industry is stimulated.

A federal public jobs program would not carry the stigma of welfare so public jobs must be made available for those who will no longer be on the dole. We owe our citizens this much. This is indeed a call to arms and in this matter we have no choice.

'The WPA was the most beneficial project in the history of the United States. Bringing it back is long overdue . . . There are plenty of projects now without having to make work. Everything is deteriorating—bridges, buildings, roads, schools, everything.'●

TRIBUTE TO OATS

● Mr. BOND. Mr. President, I rise today to pay a special tribute to Older Adults Transportation Service, Inc. [OATS]. It is a great pleasure to recognize OATS for its 25 years of loyal service to residents in the State of Missouri.

OATS was founded in November 1971, as the Cooperative Transportation Service, to provide reliable transportation to seniors, people with disabilities and rural residents of Missouri in order to increase their mobility to live independently in their own communities. Since then, the not-for-profit corporation has grown from 3 buses serving 8 mid-Missouri counties, into a fleet of over 300 vehicles serving 87 out of Missouri's 113 counties. Today, over 1,000 volunteers and 342 drivers and staff dedicate their time and energy to increasing mobility and extending a lifeline for those with special transportation needs.

As OATS celebrates its 25th anniversary on September 25, 1996, it is an honor to congratulate its members on their long lasting commitment to Missourians. I wish OATS the best of luck in all its future endeavors and continued success in its service to others.●

WHY DO WE KEEP STIFFING THE UNITED NATIONS?

● Mr. SIMON. Mr. President, the Los Angeles Times recently carried an op-ed piece by James P. Muldoon, Jr., and Rafael Moreno under the title, ''Why Do We Keep Stiffing the U.N.?''

My colleagues know of my unhappiness with our failure to pay the debt we owe.

Our provincialism is astounding. The article refers to our debt as being $1.5 billion. That may be a slight exaggeration, but it is at least $1.2 billion and probably somewhat higher than that.

What is also of interest is their paragraph on relative cost paid by different countries. They write:

It's difficult for Europeans to accept that the U.N. is a budget-buster for the U.S. The costs to Americans for the U.N. in general and U.N. peacekeeping in particular are significantly lower than they are for Europeans. The U.S. costs for the 1996 U.N. regular budget come to only $1.24 per American, while the people of San Marino owe $4.75 each. Luxembourg $2.06 each and for the Swedes $1.57 each. The U.S. per capita cost for 16 U.N. peacekeeping operations in 1994 was less than $4.

I ask my colleagues to read what Mr. Muldoon and Mr. Moreno have to say.

I ask that the op-ed piece be printed in the RECORD.

The op-ed piece follows:

WHY DO WE KEEP STIFFING THE U.N.?

(By James P. Muldoon Jr. and Rafael Moreno)

Italian President Oscar Scalfaro, in an address to the U.N. General Assembly earlier this year, diplomatically yet firmly took the United States to task about its mountain of debt to the United Nations. Sadly, Scalfaro's message is hardly new. Over the past few months, nearly all our European partners have expressed similar discontent with U.S. leadership at the U.N.

This week the Council on Foreign Relations issued a report by a bipartisan group of U.S. foreign-policy experts, who warn that Washington's hostility to the U.N. is damaging both the world organization and America's national interests. The report says that politicians have misrepresented U.N. activities in such trouble spots as Somalia and Bosnia in order to cover up their own policy failures.

America's U.N. debt now tops $1.5 billion. French President Jacque Chirac chided members of Congress, in a joint session, saying their shortsightedness was weakening America's position of global leadership. Behind the scenes, similar messages of concern are being registered across Europe. America's allies are confounded by the intense anti-U.N. rhetoric that has emerged during the U.N.'s 50th anniversary year, intensifying as the presidential election nears.

Since the end of the Cold War, the major powers have recognized that the U.S. could not (and would not) be the world's policeman. For that reason, many countries, including the U.S. attempted to make the U.N.'s ''collective security'' machinery function in response to a range of conflicts over the past five years that were not imagined by the drafters of the U.N. Charter. Yet when the peacekeeping missions in Somalia, the former Yugoslavia and Haiti lost their way, the ''great powers'' who approved and mandated these missions conveniently shifted most of the blame onto the secretary-general and the U.N. secretariat, distancing themselves from their decisions and mandates in the Security Council. When the bills came due, the greatest power—the United States—said it was unable to pay.

It's difficult for Europeans to accept that the U.N. is a budget-buster for the U.S. The costs to Americans for the U.N. in general and U.N. peacekeeping in particular are significantly lower than they are for Europeans. The U.S. costs for the 1996 U.N. regular budget come to only $1.24 per American, while the people of San Marino owe $4.75

each. Luxembourg $2.06 each and for the Swedes $1.57 each. The U.S. per capita cost for 16 U.N. peacekeeping operations in 1994 was less than $4.

Making matters worse is the U.S. arrogance when discussing problems of U.N. peacekeeping, especially regarding the U.N. troops in the former Yugoslavia, and the disavowal of Washington, particularly Congress, for America's part in the ''failure'' of the U.N. in the Balkans. The real facts regarding the limitations of U.N. peacekeeping in the post-Cold War period is a shameful record of ''great power'' mismanagement and unrealistic mandates. The vast majority of U.N. Troops in peacekeeping missions are from such member states as Fiji, Pakistan, Malaysia, Italy and Spain. The permanent members of the Security Council—the U.S., Britain, France, Russia and China—have extraordinary power and can stop the expansion or addition of U.N. missions simply by voting no. The fact that they hold such power is the primary reason that they are expected to pay more for these missions and to deploy larger troop contingents.

European concerns go well beyond the matter of America's $1.5-billion U.N. debt. One thing that most bothers our allies is the cynical American tendency to take advantage of the organization when it serves our national interest—as it did with Haiti—or to use it as an excuse to hide behind when it doesn't—Bosnia, for example.

This is not a debate about the $4.40 that each American owes the U.N. but about the kind of world we want in the 21st century. Will it be one with the U.S. as the haughty and lonely superpower or one with nations and peoples following America's moral leadership and working out differences through dialogue, cooperation and common will, something very similar to what the U.N. is all about?●

THE 50TH ANNIVERSARY OF UNIROYAL GOODRICH PLANT IN TUSCALOOSA, AL

● Mr. SHELBY. Mr. President, I rise today in honor of the Uniroyal Goodrich Tire Manufacturing facility in Tuscaloosa, AL, which is celebrating its 50th year of successful production and community service. For half a century, the Uniroyal Goodrich plant has been an important part of Tuscaloosa's economic and social fabric as well as a source of great pride within the community.

For the last 50 years, the history of the Uniroyal Goodrich plant has reflected that of our Nation. In 1946, as our Nation was moving from wartime to a peacetime economy, BF Goodrich was leading the way, purchasing an unfinished tire plant from the Federal Government, and on October 23, 1946, rolling the first tire off the assembly line. Since then, a long series of ambitious modernizations and expansions have enabled the Tuscaloosa facility to keep pace with the constant business and technological innovations which have been the hallmark of American industry. Although Tuscaloosa's tire manufacturing plant began by producing belted bias tires in an 860,000-square-foot structure, today the facility is double its original size, 40 acres under one roof, and produces high performance radial tires 24 hours a day, 7 days a week.

America's post-war success, like the success of the Tuscaloosa facility, has been a product of teamwork. In 1986, BF Goodrich joined forces with the Uniroyal Co. to produce high-quality tires. In 1990, the Uniroyal Goodrich Tire Co. became part of Michelin North America. This new team promises to be a leader in American industry for many years to come.

The important role the Uniroyal Goodrich plant has played in the development of Tuscaloosa as a growing and prosperous community cannot be overstated. It is a rare Tuscaloosa family who does not have a father, son, brother, sister, or cousin who is a current or previous employee of the plant. The plant's first weekly payroll, back in 1946, was $542.23 for 12 employees. This payroll has grown to over $1.3 million for 2,000 hard-working local men and women. This income rolls over many times in the local economy, benefiting all of Tuscaloosa's businesses and individuals.

I am immensely grateful for, and proud of, the Uniroyal Goodrich Tire Manufacturing plant and the men and women who work hard there every day. On behalf of all Tuscaloosans, I would therefore like to congratulate the Uniroyal Goodrich Tire Manufacturing plant for 50 years of outstanding production and community service. I wish them another 50 years of success and prosperity.●

IF WE WERE SERIOUS

● Mr. SIMON. Mr. President, when Richard Darman served as The Office of Management and Budget Director, I sometimes disagreed with him; but I always had great respect for him.

He had an op-ed piece in The New York Times on September 1 that contains a great deal of common sense; and as we know, common sense is all too often the last thing that gets discussed during a political campaign.

He says correctly that we have to look at the entitlement picture. To pretend that we can balance the budget without looking at entitlements is living in a dream world, even if both political parties were not asking for tax cuts. The request for tax cuts simply compounds this problem.

Second, he suggests that we have to look at urban problems. If I can expand that to say we ought to be looking at the question of poverty, which is what he is really suggesting. That means looking at education and some other basics.

I have long favored having a WPA type of jobs program where we would pay people the minimum wage for 4-days a week. The fifth day they would have to be out trying to find a job in the private sector. When people cannot read and write, we would get them into a program. If their literacy and educational background was woefully inadequate, we would get them into a program to get their GED. If they have no marketable skill, we would get them to a community college or technical school.

The reality is there is no way of achieving the kind of society we should have on the cheap, as Darman points out.

The third reality that he mentions in his article is that we are growing older and obviously that has a huge impact on the entitlement scene.

There is one other reality that he does not mention that ought to be put on the table and that is in terms of taxation. Contrary to the general myth, the percentage of our taxes that goes for government support is lower than any of the countries of western Europe or Japan, Australia, and New Zealand, if the Japanese industrial compact is considered. The lone exception to that is Turkey.

We ought to be looking at a value-added tax; we ought to be looking at a more realistic gasoline tax; we ought to be raising cigarette taxes, both for our economic health and our physical health.

In any event, the Darman discussion should move us a little more toward reality.

Mr. President, I ask that this article from The New York Times be printed in the RECORD.

The article follows:

[From the New York Times, Sept. 1, 1996]

IF WE WERE SERIOUS

(By Richard Darman)

The prime-time convention shows have come to their balloon-drop endings. The mini-movies, zingers and dramatic speeches are over. What follows now, we are told, is the ''serious campaign.''

That is a notion which many would dismiss as oxymoronic. But it has the virtue of suggesting an interesting question: What important issues might the candidates address if the campaign actually were serious?

The question is not put to dismiss what has been presented so far. Bill Clinton and Bob Dole have both recognized that a governing majority requires far broader appeal than either party's traditional base provides. They have both broadened their reach.

Bob Dole has distanced himself from the dour anti-government focus of the House Republicans by selecting Jack Kemp—signaling an interest in growth, while underlining his commitment to equal opportunity, inclusiveness and tolerance. Bill Clinton has adopted a Reaganesque command of symbols and ceremony, declaring ''hope is back.'' And he has again reversed himself on welfare and taxes, asserting ''the era of big government is over.''

How much of this is to be taken seriously, others may judge. Choices have been framed: whether to continue on the current path or pursue a bolder reach for growth; to rely on government or ''trust the people''; to ''bridge'' forward or back to the future. The problem is that such formulations, though important, are abstract. As presented by the major candidates, they barely touch fundamental issues America must face.

One such issue, growing middle-class entitlements, was mentioned in a convention speech, but not by any of the candidates. Colin Powell warned of ''condemning our children and grandchildren with a crushing burden of debt that will deny them the American Dream.'' He noted, ''We all need to understand it is the entitlement state that

must be reformed, and not just the welfare state.'' Virtually all serious analysts agree: if entitlements are not reformed before the baby-boom generation reaches age 60, the feel-good talk about recent progress on the deficit will be replaced by a sense of crisis.

The sensible course is to avoid a baby-boomer retirement shock by addressing the problem well in advance. But the major candidates either pretend the problem does not exist, propose to hand it to a commission, or wish it away with heroic assumptions about economic growth. Indeed, while sidestepping the problem, the candidates actually act as if government were going to be long, not short, on revenue. Without providing credible proposals for spending reduction, both candidates offer the voters attractive tax cuts—what Ross Perot has termed ''free candy just before elections.''

The facts are these, however: There are good reasons public policy should seek to increase growth. These range from interests in reducing the deficit and financing Social Security to increasing opportunity for the poor and improving the quality of life for all. But growth is limited by labor-force participation and the rate of increase in productivity. These can and should be improved by cutting marginal tax rates and the tax on capital gains. But significant improvements in productivity also require radical improvements in education and training, and major breakthroughs in research and development. These, in turn, require the expenditure of political and financial capital. Even with these, the likely increase in growth would not suffice to offset too much free candy.

In any case, major improvements in long-term productivity growth take time to achieve. Meanwhile, the deficit cannot be eliminated by focusing on non-entitlements and using the new line-item veto. The ''anti-government'' public and politicians care too much about expenditures for law enforcement, immigration control, drug abuse prevention, air safety, environmental protection, biomedical research, and so on. So if the baby-boomers are to avoid a shock, if the deficit is to be kept under control, and if a tax increase is to be avoided, entitlement reform will have to be faced promptly.

This issue is at the heart of the budget problem. Yet if it were merely budgetary, it would long since have been solved. The dilemma is that entitlements principally involve the broad American middle that is key to electoral success. That is why entitlements are the ''third rail'' of American politics and lend themselves to demagoguery. They are treated simplistically though they involve complex questions: Who in the middle class should be protected against exactly what risks? What should be the relative responsibility of government and individuals in assuring risk protection? What are the obligations of working generations to generations too young or too old to work? Leadership is needed to help frame responsible answers to just such difficult questions. Yet no candidate has trusted the people enough to risk a serious discussion.

A second fundamental problem is as obvious as the first and as unattended: America's deposing inner cities. Clearly, talk of hope, history and the American Dream is hollow if it does not address the large population trapped in ghettos. Urban ghettos represent a moral failure and a substantial economic cost. Indeed, if left unattended, the decivilizing effects of urban neglect may pose a more widespread threat to the American Dream. Yet this problem, too, has difficulty attracting a serious word.

Jack Kemp deserves credit for being among the few major politicians to put the urban problem on the national agenda. But, unfortunately, putting this problem on the agenda and offering viable solutions are not necessarily the same. Jobs must be created near blighted areas, and tax incentives could help. but they cannot possibly suffice. A zero capital gains rate will not counter the fear of random violence or organized mayhem. Low marginal rates alone will not produce healthy role models or families, effective education, a reduction in drug abuse, or the basics of a civilized infrastructure. Given the scale of the urban problem, very large amounts of public and private investment are required. And while the investment may pay for itself over generations, in the near term it means that in addition to tax incentives there must be significant spending. Yet these days, no major politician seems willing to admit publicly that great dreams cannot be achieved on the cheap.

A third fundamental problem is not quite as obvious as the first two. It is the flip side of a good thing: Americans can expect to live longer. The Census Bureau estimates that, in 2010, there will be more than 40 million Americans aged 65 and over. Six million will be 85 and over—and that is before the baby-boomers reach 85. with breakthroughs in biomedical research, these numbers will be even more compelling. There is not only a very large generation headed toward retirement. But in the move from the 20th to the 21st century, something close to an additional generation is being added to expected life.

This will necessitate a minor cultural and economic revolution. It is not merely an issue of entitlement finance. Retirement ages will have to increase. Job and retraining opportunities will have to be developed. New community-living arrangements will have to be expanded. Profound issues of morality will have to be confronted.

Bob Dole has spoken eloquently of the ''gracious compensations of age.'' At 73, he is healthy and active—a symbol of the enormous potential represented by the growing numbers of healthy older Americans. He is perfectly positioned to raise national consciousness about the risks and opportunities presented by the aging of America.

As the campaign moves into its ''serious'' phase, however, it may be naive to imagine that candidates might actually treat us as if we could face serious problems seriously. Bill Clinton has had four years to address these problems and has not yet done so. And while elections elicit new proposals, they rarely produce serious discussion. The politicians are, naturally enough, trying to get elected. To get them to be serious, we ourselves would have to be serious. And if balloons, simple nostrums and promises of free candy are all we demand, that is probably about all we will get.●

TRIBUTE TO THE TOWN OF HOLLIS, NH, ON THE OCCASION OF THEIR 250TH ANNIVERSARY

● Mr. SMITH. Mr. President, I rise today to pay tribute to the people of Hollis, NH, on their town's 250th anniversary. Since April, the residents of Hollis have been celebrating their town's anniversary with numerous festivities including the strawberry festival, a museum opening, a civic profile, a firemen's muster, an apple festival, a marathon road race and many other enjoyable events. The town's celebration on September 14th will mark their official 250th anniversary and is certain to bring the whole town together for this historic event.

The history of Hollis dates back to the year 1746 when the area of West Dunstable was divided into four different parts—Dunstable, Monson, Merrimack, and Hollis. Later on April 3, 1746, then-Governor Benning Wentworth signed the town's first charter officially naming the town Holles. It was on this date that the people from a loose settlement of families gathered under one wing of a church in the Hollis area to join together to unite their town.

Originally, Hollis was granted the name of Holles after Governor Wentworth's friend, the Duke of Newcastle. Eventually, the town residents changed the spelling of Holles to Hollis in honor of an English merchant they admired for his high level of intellect and his generosity to Harvard College. Many descendants of the town's first settlers still live in Hollis today. Before the signing of the charter, there were 75 families that resided in the geographical location of Hollis. When the charter was signed, 20 families were forced to reside in the Dunstable area. These 20 families fought for 30 years to be reunited with their fellow neighbors and their home, Hollis. To this day, the residents of Hollis use this example as an illustration of their town's commitment of unity.

The passage of 250 years of history has changed the way of life for the people of Hollis. Some of the minor changes include the tithing men and fence viewers who have disappeared from election ballots and the decay of the whipping post in the town common. Nevertheless, these few minor changes have not changed the bond the families feel for Hollis, nor the civic responsibilities they have held in the town since 1746. Joan Tinklepaugh, who wrote a history for the town, states it best when she says, ''we are all joined together by the stitches of the quilt of humanity that makes up the town called Hollis.''

I congratulate the many residents of Hollis on this festive occasion, and for their sense of unity and dedication. Enjoy the celebration and may the years to come be as prosperous as your last 250 years. Happy birthday Hollis.●

ORDERS FOR THURSDAY, SEPTEMBER 12, 1996

Mr. SHELBY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Thursday, September 12; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, the Senate immediately resume consideration of the Treasury-postal appropriations bill, and further there be 15 minutes of debate equally divided in the usual form in regard to the pending amendments offered by Senators HATCH and REID. I further ask that prior to the second vote there be 2 minutes of debate equally divided.

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

PROGRAM

Mr. SHELBY. Under a previous order, there will be two consecutive rollcall votes beginning at 9:45 tomorrow morning. The first will be on the Hatch amendment regarding the White House Travel Office, to be followed by a vote on or in relation to the Reid amendment. Following those votes, the Senate will remain on the Treasury-postal appropriations bill, and it is hoped we will complete action on that matter as early as possible so that the Senate may begin consideration of the Chemical Weapons Convention Treaty during Thursday's session. The majority leader has announced that rollcall votes will occur throughout the day on Thursday and Senators should plan their schedules accordingly.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. SHELBY. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate now stand in adjournment under the previous order.

There being no objection, the Senate, at 10:21 p.m., adjourned until Thursday, September 12, 1996, at 9:30 a.m.

EXTENSIONS OF REMARKS

SALUTE TO LEMOYNE COLLEGE'S 50TH ANNIVERSARY

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. WALSH. Mr. Speaker, this year as we celebrate the 50th anniversary of LeMoyne College, I would like to applaud an outstanding Jesuit institution in Central New York. This is a college which prides itself on its value-oriented education, a campus whose achievements truly stand apart from the rest.

LeMoyne College was founded by the Jesuits in 1946. On September 5, 1947 the college began classes with an enrollment of 450 students. Recently LeMoyne was nationally recognized in U.S. News and World Report as ranking second among the top 10 regional liberal arts colleges in the north. The total number of undergraduate degrees awarded through June 1996 was 16,700.

LeMoyne prides itself on being the first Jesuit college in the world to open its doors to both men and women. However, their accomplishments do not end there. They created a center for continuous learning, an adult education division, to meet the needs of nontraditional students. Every student is viewed as an individual with different ethnic, geographic and academic interests. Each receives personal consideration in small class settings. This classroom atmosphere strengthens the special bond that develops between the professors and students alike.

The Panasci Family Chapel, built in 1994, enhances the spirit of family, tradition and values that distinguish LeMoyne from any other university. Campus Ministry conducts programs such as PIC-projects in the community, which allows students to be active in community service.

I am proud to recognize LeMoyne's many successes. We are fortunate to have an institution such as this in central New York. I congratulate LeMoyne's administration, faculty and staff for their efforts in providing men and women with a well-rounded, family-oriented education.

I would like to take a moment to commend those who were instrumental in the founding and development of LeMoyne. Without their hard work, dedication and devotion, the college would not be the institution of higher learning that it is today. They are: The Most Reverend Walter A. Foery, D.D.; Rev. Robert F. Grewen, S.J.; Leonard P. Markert; Edward P. Eagan; W. Marcus Crahan; and T. Frank Dolan. I also salute LeMoyne's president, Rev. Robert A. Mitchell, S.J. and the interim academic vice president, Rev. Edmund G. Ryan, S.J., for their valuable leadership.

I ask my colleagues to join me today in wishing this extraordinary institution all the best in what is certain to be an outstanding future.

TAX CUTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 28, 1996, into the CONGRESSIONAL RECORD.

THE RIGHT KIND OF TAX CUTS

Bob Dole has recently proposed $550 billion in tax cuts. Tax cuts are certainly a popular thing to propose, but there is a right way and a wrong way to cut taxes. Tax cuts need to be targeted to those who need them most, they should expand investment and opportunity, and they must be fully paid for so they don't balloon the budget deficit.

OVERALL TAX BURDEN

Over the last 25 years, taxes paid by Americans at the federal, state, and local levels have risen from around 29% of the national income—gross domestic product—to 31% today. Of that, the share going to federal income taxes—both corporate and individual—has dropped from 12% to 11%. The share going to federal social security taxes has increased from 5% to 8%, and the share going to state and local taxes has also risen, from 10% of GDP to 11%. For most individuals, the biggest direct tax bite comes from state and local taxes, then social security taxes, and then federal income taxes.

PROPOSED PLAN

Of these various components, the Dole plan proposes reducing federal income taxes, but has no provisions that would reduce the burden on working families of social security taxes. Moreover, his plan to shift more federal responsibilities back to the states and localities would make it more difficult for them to reduce their taxes.

The Dole tax plan includes a reduction in the top capital gains tax rate, a $500 per child tax credit expanded Individual Retirement Accounts, a lower tax on social security benefits for upper-income retirees, and some education and training tax breaks. But the centerpiece of the plan—accounting for three-fourths of the cuts—is a 15% reduction in income tax rates. Since the income tax rate for most Americans is currently 15%, the plan would bring that down to around 13%. Higher income people pay taxes at a higher rate, so they would benefit more from the rate cut. The main benefit for average income families is the $500 per child tax credit.

QUESTIONS

The tax cut plan is currently getting careful scrutiny, and several questions have been raised about it.

The first question is why propose such a major change in tax policy when the economy seems to be doing fairly well. Four years ago, we faced runaway budget deficits approaching $300 billion per year, sluggish job growth, and weak business investment growth. But today, the deficit has been cut in more than half, unemployment is down to 5.4%, business investment is up, inflation is in check, the economy is expanding at a solid pace. Stronger growth in the economy would be helpful, but this is not the kind of economic picture overall that would seem to call for a major shift in fiscal policy.

A second question is how much of this is economic ''smoke and mirrors'' and rosy scenarios. The proposed $550 billion tax cut could balloon the deficit, since it relies on ''supply side'' assumptions that the tax cuts will to a large extent pay for themselves by encouraging greater work effort. Similar supply-side arguments were heard in the early 1980s to justify a tax cut that was supposed to lead to a balanced budget; instead it helped quadruple the national debt. If it weren't for the interest we are paying on the debt built up during the 1980s, the federal budget would be in balance today.

A third question is who gets the tax cuts. It has been estimated that more than 40% of the benefits would go to families making over $100,000—the top 50% of taxpayers. That's better than those proposed by House Speaker Newt Gingrich which gave more than half of the tax cuts to the richest 5%, but it is still tilted too much to the wealthy.

A fourth question is what spending cuts will be required to help pay for the tax cuts. Certainly a significant part of such a tax cut should be paid for by spending reductions. But what specific programs would have to be cut? The Dole plan is short on specifics, and several of his spending cut proposals are huge but vague or not politically feasible. Yet this tax plan is much larger than the one House Speaker Newt Gingrich proposed last year, and to finance that he wanted to sharply cut back Medicare, cut drug abuse prevention, and cut environmental protections. The Dole plan would require spending reductions far greater than anything proposed in recent years. We should not threaten Medicare and Social Security as well as important investments in our young people with tax cuts going to the wealthy.

Assessment. The bottom line for me on any tax cut proposal is whether it improves the lot of the ordinary Hoosier. It doesn't help the ordinary Hoosier if a specific tax cut balloons the deficit and results in much higher interest rates and mortgage rates. It doesn't help the ordinary Hoosier if a specific tax cut provides enormous tax breaks for people making well over $100,000, paid for by cutting back Medicare, student loans, and environmental protections. And it doesn't help the ordinary Hoosier if a specific tax cut reverses the progress we have made on the economy in recent years. Every tax cut proposal needs to be carefully and thoroughly analyzed.

I favor tax cuts, but they must be set up in the right way. First, they must be targeted largely to those who need tax relief the most. Various proposed tax breaks should be phased out for those at the highest income levels who need them much less than ordinary taxpayers. Second, tax cuts should encourage savings, investment, and opportunity. Thus I favor, for example, tax breaks for education and skills training, which promote investment in our nation's future and expands opportunity for our young people. Third, tax cuts must be paid for. The costs to the Treasury must be fully offset by savings elsewhere—savings that are real, rather than phony ''smoke and mirrors'' projections, specific, and made today, rather than promised several years down the road. We have made major progress in recent years in reducing the budget deficit from $290 billion four

years ago to less than $120 billion today. We should not give up on deficit reduction. Until we balance the budget, every dollar in new tax cuts not paid for is borrowed from our children.

Conclusion. The current national debate on tax cuts is a healthy one. We need an informed policy debate, going beyond the rhetoric and slogans, looking at the details of the specific plans, looking at the hard numbers, and carefully assessing the impact on the overall economy. I favor a simpler and fairer tax system, one that improves—rather than worsens—the lot of ordinary Hoosiers.

TRIBUTE TO ROBERT LADD ON THE OCCASION OF HIS RETIREMENT FROM THE AMERICAN LEGION POST 183

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. GILLMOR. Mr. Speaker, I firmly believe that we can never thank our veterans enough for putting their lives on the line in defense of our Nation. As a veteran myself, I am aware of the tremendous service veterans organizations give to their communities and the country as a whole.

For this reason, I am proud to rise today and recognize Mr. Robert Ladd of American Legion Post 183, Pemberville, OH, on the occasion of his 50 years of service to the post. Robert is a veteran of World War II and has been the post's finance officer since 1962.

Mr. Speaker, Robert Ladd's distinguished military service is a model of patriotism and citizenship. His commitment to the American Legion continues this exemplary service. I ask my colleagues to join me in wishing Robert and his family well as they begin this new chapter in their lives.

May they fully enjoy the blessings of peace and freedom that Robert Ladd has so ably defended as a U.S. veteran.

DESCENDANTS' DAY PROCLAMATION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. CLEMENT. Mr. Speaker, I am proud to submit this declaration by Trust for the Future to the U.S. House of Representatives to honor the work of Trust for the Future and its president, Charles A. Howell III.

Be it known by all present, that, from this day forward, the last Sunday of June is to be known as Descendants' Day. Henceforth, this shall be the day in each year when all the world's citizens take an accounting of their activities during the preceding year which have impacted our descendants and our neighbors across time.

Be it further proclaimed, that the ultimate goal of this endeavour is to reach the day when we can celebrate a year where the consequences of our actions have no measurable negative impact on our descendants and neighbors across time and instead we can measure the residual impact of our human activities and find them to be undeniably sustainable and beneficial.

We aspire to encourage others around the world to join in this yearly celebration of courageous accountability in the sure knowledge that we will be followed, as we have been preceded, by billions of persons who will either damn us or praise us for the efforts we may or may not expend on their behalf.

Whatever the consequences may be to our present generations we must immediately recognize this opportunity for high service to those we will never know or who will never look up to us in love and gratitude for our steadfastness in this effort. We ask the God of all Humankind to help us achieve our high calling for we can only be successful if we have Divine Guidance and Undergirding.

On this the Eleventh day of the Ninth month in the year of Our Lord One Thousand Nine Hundred and Ninety Six, we affirm our desire to pursue this course with all diligence and hereunto set our hand.

TRIBUTE TO RETIREES OF STERLING HEIGHTS FIRE DEPARTMENT

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. LEVIN. Mr. Speaker, on Friday, September 27, I will be privileged to attend the 10th annual dinner dance held by the Sterling Heights Fire Fighters Union Local No. 1557. Five retiring firefighters will be recognized on that occasion. Among them are distinguished captains, and a fire inspector, training chief, and fire marshal—all recipients of honor awards and letters of gratitude. Together they have given over 123 years of dedicated service to the citizens of the city of Sterling Heights. Repeatedly over the past three decades each of them has unselfishly risked his life to protect the safety and property of Sterling Heights residents.

The Sterling Heights Fire Department doesn't just fight fires—they are called upon by the community for other kinds of service, too. And so these men will also be remembered for their individual qualities—for fine drawing work on fire pumper proposals, for fine departmental photographic work, for the quality of prayer offered and a divine singing voice when it was needed, for their work on previous retirement parties, and for citizen training and community open house participation.

Mr. Speaker, I mention each individual firefighter's name and years of service today so that all Americans will know of their outstanding contribution and commitment to the people of Sterling Heights and surrounding communities: Capt. David W. Hagen, hired as a fireman January 15, 1973, died October 31, 1995—in memoriam; Chief of Training John Frisch, hired as a fireman August 23, 1971; Fire Inspector Bruce N. Cann, hired as a fireman January 4, 1971; Capt. Edward J. Burley, hired as a fireman January 4, 1971; and Inspector John (Jack) Swiatkowski, hired as a fireman January 4, 1971.

Jack and Marge Swiatkowski, have been friends of mine for many years. They have been active in government—Marge is a former Commissioner, the community, and the union for a long time. I offer special congratulations to him.

These gentlemen have earned the appreciation and respect of their community. Mr. Speaker, for this dedication, and uncommon valor, I pay tribute to these gentlemen and I join my neighbors in saluting them on the occasion of their retirement.

HONORING LOU LAWLER

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. BENTSEN. Mr. Speaker, I rise to honor Lou Lawler, a community leader in my congressional district and a true heroine to many of us. Lou has brightened the lives of her neighbors in La Porte, TX, through a lifetime of selfless service, and she has touched the lives of seafarers from around the world through her work at the Barbours Cut Seafarers Center, which provides a home away from home for seafarers passing through the busy Port of Houston. I can think of no more appropriate way to honor Lou than by renaming the center the Lou Lawler Seafarers Center, and I am proud to join so many others in our community in congratulating and thanking Lou as she is so honored this Friday, September 13, 1996.

Lou has been active in her community from the day she arrived in La Porte with her husband Jack in 1947. She has been an adviser to mayors, Members of Congress, and Governors. Organizations in which she has been active have included the American Cancer Society, American Heart Association, Rehabilitation Foundation for East Harris County, Salvation Army, American Red Cross, and Air National Guard. As a lifetime member of the PTA, she has worked tirelessly to improve our schools. As a member of the First United Methodist Church of La Porte, she serves on the inter-church council and the social concerns committee. She served on the board of directors of La Porte State Bank and Charter Bank. She has been an election precinct chairman for years. And in 1981, she became the first woman president of the La Porte-Bayshore Chamber of Commerce.

But such lists alone do not come close to doing her justice to Lou Lawler. They do not do justice to her tireless energy, her amazing creativity, her can-do attitude, and her tremendous love.

These qualities are most evident in Lou's work with the seafarers center, which she helped establish in 1983. The center likely would not exist at all if not for Lou's unflagging efforts, and it has flourished because of her. The center provides many necessary services, from the spiritual to the medical to the social, for the more than 100,000 seafarers who pass each year through the Port of Houston, the busiest trade port in the United States. The seafarers center truly does provide a home away from home for these seafarers, and it better enables the port to serve its vital function in our region's economy.

Lou Lawler has done just about everything at the seafarers center, from volunteering to serving as chairman of the board. She currently serves as vice president of the Houston International Seafarers Center and is a board member of the North American Maritime Ministry Association. She was one of the first women to graduate from the Seafarers Center's Chaplaincy Training School. In 1992, Lou

was presented a special recognition from the Vatican for her efforts in working with the Apostleship of the Sea World Conference held in Houston. And last year, the seafarers center presented her with the Tall Ship Award, which goes to an individual not directly involved in the maritime field who has served the seafarers center.

A recent profile of Lou Lawler in the Houston Chronicle had this headline: ''The Jewel of La Porte: Lou Lawler Loves to Give to the Community.'' Through her work at the seafarers' center, Lou's love has rippled around the world. Although we will never be able to match what Lou has done for us, this Friday is an opportunity for our community to give some of that love back to Lou. We thank her for her friendly smile and her warm greeting. We thank her for her leadership by example. We thank her for reminding us every day how much difference one person can make.

TRIBUTE TO NICHOLAS POLONSKI

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mrs. MALONEY. Mr. Speaker, I rise today to pay tribute to Nicholas Polonski, the founder of the Northside Community Development Council in the Greenpoint-Williamsburg section of Brooklyn, NY. Mr. Polonski has been a tireless advocate for the residents of the Northside neighborhood of Brooklyn for over 40 years.

The Northside Community Development Council was formed by Nick Polonski after he had led a successful fight against a large paper machinery company located in Greenpoint. His experience in community advocacy is vast. He has successfully advocated for tenants' rights, for welfare for needy people, and against the planned closure of a firehouse, among many other causes.

As a serviceman in World War II he was awarded the Silver Star for Gallantry in Action for having saved the lives of wounded officers during enemy combat. He repeated such valiant acts following his return to civilian life by saving the life of a police officer in a motorcycle accident many years later.

The Northside Community Development Council celebrated its success on September 6, 1996 by holding its annual dinner and dance. At that dinner-dance, the council honored Brooklyn Borough president Howard Golden; Monsignor David Cassato of Our Lady of Mount Carmel; Pat Ferris, district coordinator for senator Martin Connor; John Talmage, executive assistant to councilman Ken Fisher; David Sweeney, executive director for Greenpoint Manufacturing & Design Center; James Mallon, executive director for Northside and Peter McGuiness Senior Citizen Centers; Tillie Tarantino, executive director of Swinging 60's Senior Center; Captain Fries, commanding officer of the 94th Precinct; and John McDonough, vice president of Republic Bank.

Mr. Speaker, I ask my colleagues to join with me today in tribute to Nicholas Polonski for his commitment to the well-being of his community. I also want to stand in recognition and appreciation of the success of the Northside Community Development Council and to the talent and dedication to public service of those honored at its annual dinner dance celebration.

BIPARTISANSHIP

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, August 14, 1996, into the CONGRESSIONAL RECORD.

LEGISLATIVE WRAPUP: A CASE FOR BIPARTISANSHIP

Only a few months ago the 104th Congress was being widely criticized as one of the least productive sessions in modern history: a Congress long on promise but short on results, a Congress that was very busy, spending long hours in session, but achieving very little. Its sessions were as contentious and uncompromising as any in memory, epitomized by the bitter fight over the budget that closed much of the government for a total of 27 days and set a new low for harsh debate. This Congress was on the brink of failure, blocked by the ideological fervor of the majority that could not be translated into laws.

But that changed in the last week of the congressional session before the August recess. In a flurry of legislative activity; Congress, with my strong support, approved several important bills, including: landmark welfare legislation, a health insurance bill, a catch-up minimum wage bill, a rewrite of the safe drinking water laws, and a package of incentives for small business. This Congress can now boast a stronger record of achievement after a very rocky and unproductive start.

WHAT HAPPENED

What brought the majority and minority together after months of gridlock was a shared fear on the part of the Members of returning to their constituents this fall empty handed and the willingness to compromise on extreme positions. Ideology quickly gave way to pragmatism, and Republicans and Democrats struck deals with each other and the President to shape legislation. They decided that they needed laws enacted, not just confrontational issues. The difference in attitude was most striking among the House leadership. The Speaker, who shunned compromise only last year, is now praising the importance of compromise.

Now there is a scramble among the parties to claim credit for the recent successes. Some Members claimed it was the greatest week in the history of the Congress and the most significant Congress in a generation, but by any reasonable measure that is overstating the record. This Congress' modest accomplishments scarcely measure up to the Congresses of the past which adopted the Bill of Rights, emancipated the slaves, approved the Social Security Act, or oversaw two world wars. But without any doubt the last week of July saw the most serious legislative week in the 104th Congress. The virtues of bipartisanship have been rediscovered and there has been a rush of important legislation.

WHAT WAS APPROVED

The bills that were passed in a burst of lawmaking do alter the lives of millions of Americans. The bills impact on everything from paychecks to the purity of tap water. They include:

Welfare reform.—Congress passed a major overhaul of the federal welfare program by ending the federal guarantee to the poor, limiting assistance to five years requiring recipients to work in exchange for benefits, and giving states more flexibility to administer their programs.

Health insurance.—Congress approved a modest health insurance bill which expands access to health insurance by making it easier for people to get coverage when they have pre-existing medical conditions, and to keep it when they change or lose jobs. The measure also gradually increases the deductibility of self-employed health costs from 30% to 80%.

Minimum wage.—Congress increased the minimum wage for the first time in five years, raising the hourly wage from $4.25 to $5.15 over a two-year period.

Small business incentives.—The minimum wage bill also includes incentives for small businesses: an increased deduction for business-related equipment costs, more flexible rules on subchapter S corporations, and several other measures to encourage business growth.

Environmental laws.—Congress also approved two important environmental bills. It passed a rewrite of the safe drinking water law which gives the Environmental Protection Agency more flexibility in regulating contaminants in drinking water and provides assistance to states and localities in complying with the law. Congress also revised food safety laws to increase protections for children while easing burdensome restrictions on helpful pesticides.

Among the other important achievements of this Congress are a sweeping overhaul of the telecommunications law, the most significant rewrite of federal farm programs since the Great Depression, and a long-awaited measure to give the President a line-item veto power.

GENERAL ASSESSMENT

It is important, however, not to overstate the legislative success of the last week. After all, the minimum wage and the health insurance bills are fairly modest and conventional pieces of legislation. The minimum wage increase simply compensates for some of the effects of inflation, and is not really an advance. The health insurance bill makes a modest improvement in the health care system by making it easier for people who already have insurance to keep it if they can afford it. That is a useful step, but it does not begin to deal with the two great problems of health care: the rapidly escalating cost of care and the fact that one-seventh of the population of the country is still uninsured. The safe drinking water bill was enacted because it promises a large amount of federal aid to communities to improve their water systems.

CONCLUSION

I think the legislative legacy of the 104th Congress has for all practical purposes been written in the last few weeks. In September the Congress might add to its list of accomplishments as it finishes work on bills to crack down on illegal immigration, take new steps to combat terrorism, and reform some other programs like housing. But most of the rest of the session will be dominated by work on routine appropriations bills and on a few hot button social issues, such as an override vote on the President's veto of a bill outlawing late term abortions, a bill to make English the official language of the United States, and a bill to allow states to deny recognition to same-sex marriages.

I think the Nation has been well-served as Congress has moved from gridlock to a more positive phase. People have been turned off by efforts to promote a revolutionary agenda, to shut government down, and to fight ideological wars. I've always felt the American people have a strong strain of pragmatism about them and my guess is they

will approve the pragmatic methods and incremental bills that have been passed in recent weeks.

TRIBUTE TO KENNETH BOCKBRADER ON THE OCCASION OF HIS RETIREMENT FROM THE AMERICAN LEGION POST 183

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. GILLMOR. Mr. Speaker, I firmly believe that we can never thank our veterans enough for putting their lives on the line in defense of our Nation. As a veteran myself, I am aware of the tremendous service veterans organizations give to their communities and the country as a whole.

For this reason, I am proud to rise today and recognize Mr. Kenneth Bockbrader of American Legion Post 183, Pemberville, OH on the occasion of his 50 years of service to the post. Kenneth is a veteran of World War II and is presently a member of Freedom Post 183 Color Guard.

Mr. Speaker, Kenneth Bockbrader's distinguished military service is a model of patriotism and citizenship. His commitment to the American Legion continues this exemplary service. I ask my colleagues to join me in wishing Kenneth and his family well as they begin this new chapter in their lives.

May they fully enjoy the blessings of peace and freedom that Kenneth Bockbrader has so ably defended as a U.S. veteran.

COLUMBIA GOOD GOVERNMENT WEEK

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. CLEMENT. Mr. Speaker, as we enter the election season, which is the true test of our democracy, debates about the future of our country echo throughout American communities—from the Alaskan frontier to the Florida Keys. Yet in November, when it is time to vote, nearly half of Americans stay at home.

The President and Congress must address the financial and structural challenges of our Medicare Program, which faces bankruptcy. Governors and State legislators must assure that a healthy Medicaid Program continues to provide health care access to the States' most vulnerable children and adults. Local leaders must address issues related to health care delivery, taxes, education, and jobs.

Because more American should register to vote and exercise their right to vote;

Because none of the critical issues facing us can be resolved effectively and no long-term solutions can be reached without the input of informed, concerned voters;

And because employers must do more in communities to help foster enthusiasm for participation in the democratic process,

I congratulate Columbia/HCA Healthcare Corporation for their designation of September 8 through 14 as ''Columbia Good Government Week.'' And I encourage Columbia's 285,000 employees and 90,000 associated physicians in 38 States to register to vote, to share their opinions with Federal, State, and local candidates, to encourage others in their communities to learn more about the issues facing American, and to encourage everyone to exercise their right to vote.

TRIBUTE TO OFFICER MARK OLIVERIO

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. LEVIN. Mr. Speaker, I rise today to commend Officer Mark Oliverio of the Sterling Heights Police Department on his receipt of the 1996 DARE Officer of the Year Award for Michigan.

Through the Drug Abuse and Resistance Education Program, Officer Oliverio has been a positive influence in the lives of hundreds of children in Sterling Heights, MI. For the last 5½ years, Officer Oliverio has taught 5th and 6th graders how to say ''no'' to the dangers of drug and alcohol abuse. In his own words, Officer Oliverio said ''I wanted to get in, and in my own way, fight the drug problem.'' Clearly, Officer Oliverio is achieving this goal.

The DARE Officer of the Year Award recognizes Officer Oliverio's contributions to the community which extend beyond DARE instruction. Officer Oliverio still maintains a close relationship with the students of Havel Elementary School. He often ate lunch with students and attended extra curricular activities. In addition, he provided crisis counseling to students following a fatal bicycle accident. Havel Principal Robert Koenigsknecht said, ''He is always here for us.''

Over the years, my staff and I have attended many successful DARE graduations under the able guidance of Officer Oliverio. His compassion and dedication to his students is unmistakable.

Mr. Speaker, I would like to extend my congratulations to Officer Oliverio on behalf of the children whose lives he has touched and the community he has enriched.

IN MEMORY OF RICHARD SAMUEL MANNE

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. BENTSEN. Mr. Speaker, I rise on behalf of myself and my colleague from Houston, Congressman GENE GREEN, to remember a great civil rights and civic leader, Richard Samuel Manne, of Baytown, TX, who passed away on September 5, 1996. In his memory, we wish to include in the RECORD the following obituary that appeared in the Houston Chronicle. He is deserving of such recognition because of his personal commitment to ending discrimination in all of its forms and to working for civil rights and voting rights for all Americans. He will be sorely missed.

OBITUARY OF RICHARD SAMUEL MANNE

Richard Samuel Manne, age 69, of Baytown, Texas, died on September 5, 1996. Son of the late Geoffrey and Eva Manne of Memphis, Tennessee. Manne was born October 19, 1926 in New Orleans and grew up in Memphis. After graduating first in his high school class at Memphis Central High, Manne won a full scholarship to Yale University, from which he graduated with honors at age 19. He then attended Vanderbilt University, receiving a masters degree in chemical engineering. In 1947 he moved to Baytown to work for Humble Oil, and in 1948 he married Beverly Maisel, who survives him. He retired from Exxon in 1983 after working for 35 years at its research center in Baytown. His research led to a variety of patents. Having grown up in the Deep South, Manne hated discrimination in all forms. In the 1950's and 1960's he worked as an activist for civil rights and voting rights. He co-founded and later chaired the Harris County Democrats, and founded and published the Bi-Monthly Star, a political gazette. In an era when Christmas parties at Exxon were racially segregated, he refused to attend the ''whites only'' parties and instead celebrated the holidays with black employees in the basement of the research center. Through his work in politics, he became interested in law and began attending South Texas College of Law at night, while continuing to work for Exxon. He graduated first in his class at South Texas, served as editor-in-chief of the law review, and was asked to serve on the faculty after graduation. He taught at the law school for many years and served on its Board of Visitors. He also founded the LSAT Review Course of Texas, and taught the course for more than twenty years. After retirement from Exxon, he expanded his private practice of law, which he continued until his death. Manne was remembered by friends and family at the evening service on September 6 at Congregation K'Nesseth Israel in Baytown. In addition to his wife Beverly, he is survived by his brother Henry G. Manne of Arlington, Virginia; his sons Neal and Burton of Houston; daughter-in-law Nancy D. McGregor of Houston; niece Emily Manne of Atlanta, Georgia; nephew Geoffrey Manne of Chicago, Illinois; grandchildren Benjamin, Elizabeth and Oliva Manne of Houston; and several aunts and cousins.

TRIBUTE TO DORIS ROSENBLUM

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mrs. MALONEY. Mr. Speaker, today I rise in a special tribute to Doris Rosenblum, a resident of the west side of Manhattan who dedicated over 35 years to improving the quality of life in her community. I am saddened to report that with her death on August 29, 1996, we lost an energetic and spirited activist who had a measurable and permanent impact on the neighborhoods and residents of Manhattan through her service to the public good.

Doris Rosenblum's activism was not limited to specific issues. She worked tirelessly to provide housing for poor and low-income people, for education, for schools, for cleaner streets, for the construction of community centers, and for many other causes throughout the 35 years of her dedicated advocacy work. Notably, Doris was the founder of the Stryker's Bay Neighborhood Association. She also helped organize West Side High School as a community-based alternative school and acted as the school's administrator from 1972 until 1979.

Doris served her community in an official capacity as well. From 1971 until 1990, Doris was a member of community board 7, and the board's district manager from 1983 to 1990. I am also proud to report that Doris received special recognition for her years of hard work when Manhattan Borough President Ruth Messinger appointed her the official historian for the borough of Manhattan.

I rise today, Mr. Speaker, to celebrate and pay tribute to the life's work of Doris Rosenblum, a person to whom we all owe a debt of gratitude. She is an example to each of us who have chosen to serve in the public interest and I ask my colleagues to join with me in honor of her relentless dedication to the good of her community.

MENTAL HEALTH COVERAGE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. STARK. Mr. Speaker, in the past week, I have introduced two bills to improve mental health coverage. On Monday, September 9, I introduced the National Mental Health Improvement Act of 1996 which provides parity in insurance coverage of mental illness and improves mental health services available to Medicare beneficiaries. On September 10, I introduced a second mental health bill identical to the bill passed by Senator DOMENICI and others in the Senate on September 5 by a vote of 82 to 15.

Today, Representative LOUIS STOKES offered a motion to instruct the House conferees on the VA–HUD appropriations bill to recede to the Senate on several key amendments adopted by the Senate to the fiscal year 1997 VA–HUD appropriations bill. One key amendment on which the motion was based is the mental health amendment offered by Senator DOMENICI—the companion of which I introduced in the House on September 10. I applaud the efforts of Mr. STOKES and support his motion to instruct.

It is a tragedy that mental health parity was abandoned in the Kennedy-Kassebaum health insurance bill, and is a primary reason why I voted against the bill. The bills I introduced this week represent an urgently needed change in coverage to end discrimination against those with mental illness. The denial of equal treatment for the mentally ill is not about money—it's only about discrimination. The mental health need of all Americans can no longer be ignored.

THANK YOU, KATHY O'BRIEN, FOR YOUR LOYAL SERVICE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. FIELDS. Mr. Speaker, it was with mixed emotions that I announced last December 11 my decision to retire from the House at the conclusion of my current term. As I explained at the time, the decision to retire was made more difficult because of the loyalty and dedication of my staff—and because of the genuine friendship I feel for them.

Today, I want to thank one member of my staff—Kathryn O'Brien, my staff assistant in my Conroe district office—for everything she's done for me and my constituents in the almost 4 years that she has worked in my office.

When Montgomery County was first added to the 8th Congressional District in 1993, I asked friends, business leaders and political leaders in Montgomery County if they could recommend someone to head up the Conroe office. Kathy came highly recommended as someone whose people skills and dedication to getting the job done would be a major asset to me as I worked to represent the men and women of Montgomery County in Congress.

Prior to working in my Conroe office, Kathy had worked as a legal secretary in the Montgomery County Attorney's office, where she handled a wide variety of legal duties. Her professional skills and her enthusiasm were widely recognized, and her skill at dealing with people was very much appreciated.

Kathy has used those skills effectively in my Conroe office, where she has assisted constituents throughout Montgomery County who have experienced problems with Federal agencies, including the Social Security Administration, the Department of Veterans Affairs, the Immigration and Naturalization Service, the Internal Revenue Service, and the Federal Emergency Management Agency. Through her efforts, lost Social Security checks have been located, immigration problems have been resolved, overdue military medals have been presented to veterans and disaster aid has reached those who needed it.

Kathy has represented me at events in Montgomery County I was unable to attend, and has relayed the concerns of constituents in Montgomery County to my district and Washington staff.

For 10 years, Kathy served with distinction in the U.S. Air Force as a communications specialist in Germany and Texas. With a top-secret clearance, Kathy helped prepare and transmit a variety of communications from her duty station. In the Air Force, she earned the Vietnam Era Service Award, the Expert Marksman Award, as well as her telecommunications certification. All of us appreciate the dedication to her country that Kathy exhibited as a member of the U.S. Air Force.

Kathy has lived overseas for much of her life, and has traveled extensively throughout Europe and the United States.

Kathy has yet to make a definite decision about what she wants to do in the years ahead. But I am confident that the skills and the personal qualities she has demonstrated as a member of my staff will lead to continued success in the future.

Kathy O'Brien is one of those hardworking men and women who make all of us in this institution look better than we deserve. She has done that for me, and I appreciate this opportunity to publicly thank her for the dedication, loyalty, and professionalism she has exhibited as a member of my staff.

Mr. Speaker, I know you join with me in saying thank you to Kathy O'Brien for her years of loyal service to me, to the men and women of Texas' 8th Congressional District, and to this great institution. And I know you join with me in wishing Kathy, her son Cesare Antonio, and her daughter, Valerie Anne, all the best in the years ahead.

RECOGNIZING BILL PENCE

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. BAKER of California. Mr. Speaker, according to the 19th century French physiologist Claude Bernard, ''The true worth of a researcher lies in pursuing what he did not seek in his experiment as well as what he sought.'' In other words, the true scientist seeks truth where he finds it, and does so diligently and doggedly.

That's a mission that has been fulfilled ably by Bill Pence, who has taught science in the San Ramon Unified School District for 20 years. Bill has been named 1 of 100 teachers nationwide to receive the Tandy Technology Award for his outstanding service to his students and to our country.

Bill has poured his life, his energy, and thousands of his own dollars into making sure his high school laboratory stays on the leading edge of research and technology. Moreover, he has actively sought help from the private sector, soliciting everything from personal computers to a thermocycler in order to facilitate the calibre of research he knows is vital to true scientific education.

In 1994, two of Bill's students gained national headlines when they discovered human genes that may be linked to cancer. The students, Yu Fong Hong and Li Ho, found this new data in a classroom experiment—an experiment made possible because of the dedication of Bill Pence.

It is with great pride and pleasure that I ask my colleagues to join me in honoring Bill Pence's commitment to the young people of my home district in the East Bay region of San Francisco and thank him for representing the best in American education. The future is brighter for thousands of young people because of Bill's work, and he merits our gratitude for all he has done for tomorrow's leaders.

TRIBUTE TO EMIL AND ROSE BIANCIELLA

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. TORRICELLI. Mr. Speaker, I rise today in order to congratulate Emil and Rose Bianciella of Bayonne, NJ, on their 50th wedding anniversary. This remarkable couple was married on August 25, 1946. They have been life-long residents of Hudson County, devoted to both their community and family.

The Bianciellas have enjoyed the joy of togetherness for five decades. Their love and dedication to each other and their family has been obvious to even the most casual observer. I believe their children, Rachel Libby and Joseph Bianciella, would say that they have been wonderful parents. Emil and Rose have also lavished their affection on their three grandchildren, Anthony, Kimberly, and Arianna.

In life, it is the special moments that should be cherished, and a 50th wedding anniversary is one of those times. I wish both of them another 50 years of wonderful matrimony.

THE ECONOMY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 11, 1996, into the CONGRESSIONAL RECORD.

THE ECONOMIC OUTLOOK

As I travel around the 9th District, Hoosiers continue to ask me about the economy and its outlook. They wonder about the outlook for jobs and our international competitiveness, but most recognize that the economy is in better shape now than it was several years ago. They hear a lot about proposals to change our economic policy, stimulate growth through major new tax cuts, and ease up on our deficit reduction effort. They question whether this is the time to make a major change in economic policy.

On many measures, the economy today is in good shape. Unemployment is near a 25-year low, and so is inflation. The stock market is booming, growth of the overall economy is solid, and Federal Reserve officials have been optimistic enough about inflation to leave interest rates unchanged. Of course there are some problems. Income inequality has worsened over the past several years, and wages, which have been stagnant since the early 1980s, are just now starting to rise again.

But overall, progress has been made. In January 1993, the federal budget deficit was spiraling upward while the economy was in the slowest recovery of the postwar era. The President and Congress passed the 1993 deficit reduction package which has led to a dramatic drop in the deficit and has helped produce a steady, sustainable economic recovery. Critics were saying that the package would cause a recession and higher unemployment, but it has had just the opposite effect, boosting the economy in several key ways. My view is that whatever adjustments we might make to our economic policy, we should not waver from our central goal of reducing the deficit, balancing the budget, and creating the conditions for non-inflationary growth in the American economy. We must avoid policies that threaten to again balloon the deficit.

PERFORMANCE OF THE ECONOMY

Deficit Reduction

Washington has been obsessed with deficits for more than a decade. American voters have consistently rated the budget deficit as one of their top public policy concerns. So the good news is that the deficit has declined significantly since passage of the 1993 deficit reduction package. The deficit this fiscal year will be $116 billion. That's almost $50 billion less than last year and far below the deficit peak of $290 billion in 1992. That will make the deficit as a share of the economy, at 1.5%, the lowest since 1974, and the lowest of all the major industrialized countries. We must continue on to our goal of a balanced budget.

Economic growth

The pace of the current expansion of the economy is solid and modest, growing at a 2.5% rate since 1993. This is better than the 1.5% growth rate in the previous four years, and slightly above the average of the major industrialized nations. Growth in the second quarter of 1996 was at a robust 4.8% rate, but that should moderate in the last half of the year. After 65 months, the cycle of expansion that the economy is enjoying has already outlasted all but two of the other eight postwar expansions. Even so, the economy is growing in a balanced way, and inflation, which has killed off a number of previous economic expansions, has not occurred. Strong, non-inflationary growth will do much to improve the outlook for working Americans.

Jobs

Job growth continues to remain strong. The economy has created nearly 10 million new jobs in the last four years. Most of these were good jobs paying above-average wages, and most were in the private sector, an indication of a revitalized economy. In 1995, more than 50,000 net jobs were created in Indiana. Leading the way in Hoosier job growth was the manufacturing sector, with a 7% increase in employment. This means the strong rebound in manufacturing jobs is continuing, after heavy losses between 1989 and 1993.

Unemployment

Strong job growth has helped bring the unemployment rate down to its lowest level in years. Since the beginning of 1993, the national unemployment rate has dropped from 7.1% to 5.1%. In Indiana, the news is even better, where the economy has outperformed the national economy, resulting in an unemployment rate of just 4.2%. Experts expect the unemployment rate to remain steady through 1997.

Inflation

Inflation, which peaked at 6.1% in 1990, has remained below 3% in recent years. During 1995, the inflation rate was only 2.5%, and it is expected to remain around 3% through 1997. The Federal Reserve has done a good job of keeping inflation in check.

Productivity

While not as robust as in the 1950s and 1960s, productivity continues to show solid gains, and the United States remains the most productive nation in the world. The lower interest rates resulting from deficit reduction have boosted business investment and productivity.

Wages

A continuing problem is that while we have created millions of new jobs and the national income is rising, wages for the average family have not kept pace with inflation. Since 1968, while the incomes of middle class and poor families have dropped in real terms, the income of households in the top 20% of the population has increased by almost 50%. Although there are signs that wages for the average worker have begun to improve, our policies must ensure that all Americans benefit from economic growth. The recent increase in the minimum wage is a positive step in the right direction.

Trade deficit

Another disappointment is the trade deficit. Even though the U.S. is exporting a record amount of goods and services, we still import over $100 billion more than we export. This trade gap is expected to narrow as improved economic growth in Europe and elsewhere improves the ability of other countries to buy U.S. products. And recently the monthly trade deficit did improve by 20%.

We have made significant progress in the last four years, and most forecasters expect the economy to continue on its path of modest growth, low inflation, and low unemployment. That is good news. We have to continue working to reduce the budget deficit. But, we must do it in a way that does not jeopardize our economic gains. We need to make sure that any proposed tax cuts are fully paid for, up front, and do not balloon the deficit. We have to continue investing in education, research, and infrastructure. These are things that help build a foundation for the long-term economic health of the country. The bottom line for me is that the policies we follow should improve the lives of average working families. I think we are on the right path, but there is more work to be done.

AMERICA'S VETERANS DESERVE BETTER THAN THE CLINTON ADMINISTRATION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. SOLOMON. Mr. Speaker, 4 years ago, then Governor Clinton campaigned as if he would be a great defender and proponent of America's veterans, their benefits and their role in his administration. Now, as is the case with many other campaign promises and claims he has levied, his record says differently.

From the constitutional amendment to prohibit the physical desecration of the American Flag, to the employment of veterans at the White House and in his administration, President Clinton has repeatedly proven himself to be a disappointment to so many veterans who believed he was on their side in 1992. Even when it comes to financing the VA hospitals that provide critical health care to service-disabled veterans, President Clinton cannot compare to the record this Congress has shown. In fact, the congressional budget would spend $10.6 billion more than the President over the next 6 years and the House has proposed spending $60 million more on veterans health care than the President in 1997 alone.

The following article which appeared in the August 26, 1996 edition of Insight magazine outlines perfectly the feeling of abandonment many of America's courageous veterans feel as a result of this President's actions, or inactions. Clearly, President Clinton's record on veterans issues says more than his rhetoric.

LAST LINE OF DEFENSE

(By David Wagner)

Many Vietnam-era veterans rallied around Bill Clinton during his campaign for the White House. Now some are wondering if the president is a deserter in their battle for those who served.

In 1992, Lewis B. Puller, Jr., a severely wounded Vietnam veteran and son of legendary Marine Gen. ''Chesty'' Puller, won the 1992 Pulitzer Prize for his autobiography Fortunate Son: The healing of a Vietnam Vet. On May 11, 1994, he committed suicide.

At the time, Puller had been working with John Wheeler—president of the Vietnam Children's Fund, chairman of the committee that raised funds to build the Vietnam Veterans Memorial and author of Touched With Fire: The Future of the Vietnam Generation. The two were trying to obtain from the Clinton White House an accounting of its records of hiring veterans for senior positions.

Puller and Wheeler had supported Bill Clinton in 1992 and had helped rally vets to the militarily challenged Democrat's candidacy. For instance, Wheeler wrote an op-ed that appeared in USA Today during the 1992 Democratic primaries rebuking then-candidate Sen. Bob Kerrey of Nebraska for exploiting his Vietnam experience in the race against Clinton.

Puller and Wheeler had expected that once the new administration was in office it

would reciprocate by hiring vets for senior positions in rough proportion to their numbers in the workforce. But they received no hiring data—just a part-time appointment for Puller to the Battle Monuments Commission.

Further evidence about the attitude of the new administration toward the military unsettled Puller and Wheeler. There was, for instance, the incident in which a general officer, greeting a new White House staffer, was told insultingly, ''We don't talk to people in the military around here.''

Wheeler points out that Puller had many personal problems at the time of his suicide, so the perceived stonewalling by the White House was unlikely to have been the sole source of Puller's final depressive episode. But, says Wheeler, it took its toll. ''One of the last things Lew ever said to me was, 'I feel used by Clinton.' ''

According to figures that Wheeler since wrung from the White House, 4 percent of the political appointees in the Clinton White House are veterans. He notes for comparison that 59 percent of senators, 40 percent of representatives and 37 percent of men over age 35 in the nationwide workforce are vets.

Furthermore, there were 132 male veterans and one female veteran in Senate-confirmed positions in December 1994 under Clinton. In December 1992—while President Bush still was in office but after many of his appointees already had left for greener pastures—there still were 189 male veterans in Senate-confirmed positions.

''Using Bush levels as a baseline,'' says Wheeler, ''Clinton cut total vets by 57 and added 76 women and 64 nonvet men. For the Vietnam generation, Clinton cut vets by 12 and added 75 women and 105 nonvet men. Room for the increases in women and nonvet men was made by cutting out only vets.''

Obtaining even such limited numbers, says Wheeler, was an ordeal that began with polite letters and escalated into a Freedom of Information Act, or FOIA, request. This led to a White House meeting and was followed by more stonewalling.

Leading veterans' organizations do not see the problem in the same terms. Bill Smith, a spokesman for the Veterans of Foreign Wars, or VFW, told Insight: ''This administration is not antiveteran at all. Jesse Brown, secretary of Veterans Affairs is earnestly working in the interests of vets. In an age of budget cutbacks, VA has fared well.''

On the question of whether customary numbers of veterans are being hired for senior positions, Smith says that though he has seen no surveys, he is not aware of any discrimination. ''Compare the administration with the Congress: There are fewer vets there too.''

''I'm not surprised he's seen no surveys,'' says Wheeler. ''I still haven't gotten the information I've been promised, and I've been at it for almost three years. Look, the VFW is a venerable organization, but its job is to look after veterans' benefits, not veterans' values. There are about 26 million American veterans altogether. About 4 million of them are primarily interested in benefits, and the mainline vet organizations represent them very well. But the rest of us are more interested in the values represented by military service: sacrifice, country, freedom, the reality of things beyond your immediate circle that are worth dying for. These values are traditional . . . and they are the antithesis of the life the Clintons live.''

Those values issues could have an electoral spillover. ''These guys helped put Clinton over the top in 1992,'' says Wheeler. ''If they desert him in '96, he could yet lose this election. Strange, but no one has done any polling of vets on their presidential preferences. The mainstream vet organizations are scared of what they'd find.''

The VFW's Smith says his organization hasn't conducted any veteran polling. ''We're nonpartisan, not a PAC—but I haven't heard of any of the veteran PACs having any poll numbers either.''

For Wheeler, the Clinton administration's good record on veterans' benefits supports, rather than contradicts, his overall theory: ''The Clintons want their vets to be victims, not partners. They want to be photographed in attitudes of pitying kindness toward veterans, but they don't want them as colleagues in the Executive Office of the President. They've done some good for vets on the benefits side of things, but when it comes to recognizing vets as anything more than just another victim class, this administration shows its antiveteran face.''

On April 17, 1994, in a letter to then-White House counsel Lloyd Cutler, Wheeler filed a FOIA request for the vet hiring data. This request led to a White House meeting on June 22, 1994, attended by Clinton administration officials Jody Greenstone and Steve Hilton, representing Cutler, and Bob Bell, of the National Security Council staff. At this meeting, as a settlement of Wheeler's FOIA request, the White House agreed to supply him with requested information.

Some information has, in fact, been rolling into Wheeler's mailbox. He now receives quarterly reports on the hiring of veterans for the approximately 850 Senate-confirmed slots. As per Wheeler's request, this information is broken down by gender and age. But Wheeler still is awaiting information on vet hiring in the Executive Office of the President, despite agreement at the June 1994 meeting that this information is public and despite the fact that the White House's promise to provide it was offered as part of a settlement of the FOIA request.

Besides the question of hiring, three Vietnam vets whose sons were killed in Somalia still are waiting for an adequate accounting of the decisions that may have placed their sons in unnecessary danger, such as the decision to exclude tanks from the Somalia mission.

Army Ranger Cpl. Jamie Smith bled to death during a battle in Mogadishu, Sgt. Casey Joyce and Cpl. Dominic Phila, both soldiers, also died there on the same day: Oct. 3, 1993. Thereafter, the Smith and Pila families worked together with retired Lt. Col. Larry Joyce, Casey's father, to learn what led to those tragic events.

Joyce tapped his Pentagon contacts and reports that the field commanders in Somalia had requested tank support, that the request had been approved up the chain of command through the Pentagon—and that it had been denied at the White House level for reasons that were political rather than military: The administration wanted to avoid the appearance of escalating the Somalia mission.

Joyce composed a handwritten letter to Clinton and had it delivered through a White House contact. On Nov. 19, Joyce recalls, the president called him and said a meeting would be arranged for the following week—but no further calls came.

On Dec. 15, 1993, the day Defense Secretary Les Aspin resigned, about a half-hour before the resignation announcement, Joyce received a call from presidential assistant Betty Currie assuring him that the president still wanted to meet with him. Joyce says he suspects this call was made to forestall his potential criticisms of military decisions taken on Aspin's watch, including the fatal mistakes in Somalia, for which some say Aspin had been made to take the fall.

Currie tells Insight that she cannot remember calling Joyce on that particular day. ''But if he said so,'' she adds, ''it's probably true.''

In March 1994, Joyce, retired Capt. Jim Smith and retired Sgt. Ben Phila met with Democratic Sen. Sam Nunn of Georgia, at that time the chairman of the Senate Armed Services Committee. Nunn scheduled a hearing, with Joyce and Smith as witnesses, for May 12, 1994. on May 11, as Capitol Hill committee procedure requires, they faxed their written testimony to Nunn's committee—and within an hour of sending the fax they received a call from the National Security Council asking them to meet with the president the next day.

By this time, testifying before Nunn's committee was a higher priority for the bereaved fathers than meeting with the president. But on the morning of the hearing, the schedule was juggled so Joyce and Smith would testify after lunch. Then, during the hearing's luncheon break, they were taken to a limo, whisked off to the White House and deposited in the Oval Office with Clinton, National Security Adviser Anthony Lake and senior White House aide George Stephanopoulos.

Joyce says that during the meeting he found Clinton arrogant, insensitive and anxious to retain control of the conversation. Stephanopoulos hung back near the door, looking annoyed, according to Joyce, and frequently checked his watch.

The line the president took was that he had relied upon his military commanders and had not wanted to make former President Johnson's mistake of trying to micromanage military operations from the Oval Office.

Joyce seized on a pause in the president's word flow to ask if it were true that at the time that Casey Joyce, Jamie Smith and Dominic Phila were killed, Clinton already was working on a diplomatic solution brokered by former President Carter, using Carter's contacts with Somalian ''warlord'' Gen. Mohamed Farah Aideed, and that Clinton had accepted Carter's opinion that a military solution in Somalia would not work?

Joyce says Clinton acknowledged all this.

Joyce then asked why a raid aimed at capturing Aideed had been carried out on Oct. 3. ''He was stunned at the question,'' Joyce tells Insight. ''He then said: 'On Oct. 3, I asked Tony Lake the same question.' But later, after that meeting, I asked Gen. Colin Powell whether the military had been told of any change in the Somalia strategy, and he said no, it had not.''

Joyce says that, publicly and privately, the Clinton administration ''is sticking to a canned response that says the operation in Somalia saved lives and therefore our boys did not die in vain. But the lifesaving part of the mission was the humanitarian part, which ended in March of '93. The rest—the part our sons died in—was just President Clinton's participation in Boutros Boutros-Ghali's personal vendetta against Aideed.''

Throughout the 45-minute meeting, says Caroline Smith, Jamie's mother, ''the president never acknowledged any responsibility whatsoever. He was sorry, of course, but as far as taking responsibility, he diffused it all over the place.''

The White House referred calls on all these matters to the VA. VA spokesman Jim Holly tells Insight that the Clinton administration's record on veterans' benefits and veteran hiring makes this ''the most pro-vet administration since FDR signed the GI Bill.''

On July 28 the president told a Disabled American Veterans conference in New Orleans: ''We're still around because of you.''

But others besides Wheeler are alarmed at the plight of veterans. On July 31, Rep. John Mica, a Florida Republican, shepherded the Veterans Employment Opportunities Act of 1996 through the House. The bill would strengthen veteran preferences in federal

hiring and allow vets in federal employment to appeal adverse actions to the Merit Systems Protection Board.

''Right now,'' Mica tells Insight, ''veterans are the last hired, first fired.''

But for Wheeler the issue is not filling quotas, but showing respect. ''I'm not trying to obtain a given number of senior White House jobs for veterans,'' Wheeler says, ''I'm trying to confirm or disprove a growing impression that this White House doesn't want veterans in its face.''

In a National Public Radio interview on March 14, 1994, Puller observed: ''Clinton came in with a lot of baggage. His draft record back in the sixties; he went to Yale Law School, where virtually no one served; so, I sense sort of a 'we-they' mentality there.''

''I know a number of years ago,'' Puller continued, ''somebody said there's an unbridgeable gulf between those who served and those who didn't serve in the Vietnam War. I don't believe that any more, but I feel like veterans have made more of an effort to be accessible to Clinton, and to his administration, than his administration has to be accessible to them.''

Instead of accepting Puller's outreach, Wheeler says, this White House has comported itself toward veterans as though inspired by a remark of Shakespeare's great villain, Iago: ''He hath a daily beauty in his life that makes me ugly.''

A POINT OF LIGHT FOR ALL AMERICANS: DAVID MINKIN

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. OWENS. Mr. Speaker, I rise today to honor David Minkin, an individual whose concern for his fellow man and worthy philanthropic pursuits over the past six decades have earned him the love, respect, and gratitude of the many individuals he has touched. His life is a testament that human compassion is a factor that matters most in life. Mr. Minkin is a point of light for all Americans.

Throughout his professional life as a real estate developer, builder owner and manager, Mr. Minkin has been viewed by those with whom he has been associated with as a fair, sincere, and loyal person. However, it has been his philantrophic deeds that have earned him the greatest respect and admiration of those whose lives he has touched.

For the past 64 years, David Minkin has worked tirelessly in improving the health care for the residents of the Flatbush section of Brooklyn by continuing the fundraising efforts for the Kingsbrook Jewish Medical Center begun by his parents Rose and Bernard Minkin in 1932.

Throughout the past six decades, Mr. Minkin has held many key offices at the facility. He served as president of Kingsbrook until 1995 when he stepped down to assume the role of president emiritus and he remains the faculty's chief benefactor, leading fundraising efforts and contributing millions of dollars for the center.

Mr. Minkin's first major contribution to Kingsbrook was the construction of an acute care facility named in honor of his parents in 1967 in which he raised and personally contributed several millions of dollars. He later spearheaded the construction of the last three buildings of the nine-building Kingsbrook complex.

During his life David Minkin has been recognized for his contributions to a broad spectrum of religious, cultural, educational and social service agencies, institutions, and organizations. His participation and recognition for many of these worthy efforts cross religious boundaries with recognition in the Catholic community as well as in his own Jewish faith.

In 1976 Kingsbrook named a facility for skilled nursing care and rehabilitation services, the ''David Minkin Rehabilitation Institute'' in honor of his contributions and dedicated service to the facility. In addition, David was awarded the Medical Society of the County of Kings 19th Annual Citizen's Award, in appreciation of his tireless efforts in improving the health and well-being of the citizens of Brooklyn through his unstinting devotion to Kingsbrook Jewish Medical Center.

Among his many other honors, David was awarded the Prime Minister's Medal from State of Israel Bonds, as well as the Ubi Caritas Award from Catholic Charities. A generous contribution to the Catholic Charities of Brooklyn and Queens resulted in a residence that would provide 100 units of supportive housing for the elderly. In appreciation the organization named the facility in David Minkin's honor.

At a time when charitable giving is decreasing, it is appropriate that we join his friends and family in celebrating this point of light for all Americans—David Minkin.

THE EPA CLUSTER RULE

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. MOLLOHAN. Mr. Speaker, I want to join my colleagues in support of the direction taken by the U.S. Environmental Protection Agency on the Cluster Rule for the pulp and paper industry. On behalf of my constituents who are employed by the paper and forest products industry—one of West Virginia's five major economic sectors—I urge the EPA to promptly finalize a Cluster Rule.

I am very pleased that on July 15, 1996, the EPA published in the Federal Register information on two technology options for final guidelines for bleached papergrade kraft and soda mills based on best available technology under the Cluster Rule. In this notice, the EPA stated that complete substitution of chlorine dioxide, identified as Option A in the proposal, should be given the same consideration as oxygen delignification coupled with complete substitution of chlorine dioxide, identified as Option B. In fact, the EPA stated in this proposal that ''both options appear to reduce dioxins and furans in wastewaters to concentrations at or below the current analytical minimum levels.''

In the first district of West Virginia, about 900 people are employed at the Luke Pulp and Paper Mill. Luke, which meets the requirements of Option A, is one of the Nation's largest paper mills. I understand that Option B would cost this mill, which in the past 5 years has spent over $45 million on environmental protection improvements, an additional $100 million.

I compliment and thank the Agency for the direction they have taken to provide for the fullest possible protection of the environment while at the same time ensuring that the final rule will not place on unreasonable cost burden on the pulp and paper industry. This approach demonstrates regulatory flexibility at its best.

I rise to join my colleagues in an endorsement of Option A.

TRIBUTE TO GEORGE SWEENEY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Ms. DELAURO. Mr. Speaker, on Thursday, September 12, 1996, George Sweeney will be honored with a retirement dinner. George has served the New Haven Fire Department for more than 39 years.

George's career with the New Haven Fire Department began in 1957 when he was assigned to Engine Company 4 at the Central Station. He served in this capacity until January 26, 1977 when he was promoted to lieutenant. While he was with Engine Company 4, he was commended by the board of fire commissioners for his actions at a four alarm fire at the Yale Art & Architecture Building on June 14, 1969. In the following years, George served with a number of companies including Hook and Ladder Company 3, Lombard Station, Engine Company 7, Lombard Station, Engine Company 10, Lombard Station, Engine Company 15, Fountain Station, Hook and Ladder Company 5, Fountain Station. In 1991 he became the acting supervisor of records and operations at the Motor Apparatus and Building Maintenance Division.

Firefighting is a career which demands incredible dedication, courage and bravery, and a deep commitment to helping others. Firefighters are public servants in the truest sense. They risk their lives every day to protect citizens. During his tenure with the New Haven Fire Department, George was awarded a meritorious citation for his part in a heroic attempt to rescue two children from the second floor of a three story building. George's actions speak to his immeasurable sense of responsibility for the citizens of New Haven. George is also the recipient of three unit citations. He has been honored by the Connecticut State Fireman's Association in 1992 in recognition of 35 years of service and he was named Firefighter of the Year in 1995 by the New Haven Block Watch Association.

George Sweeney has devoted himself and his life to a career as a firefighter for the city of New Haven. For over 39 years George has served the people of the city. In that time he has truly made a difference in people's lives, in some cases his efforts have meant the difference between life and death. I am proud to join George's family, friends and colleagues as they honor him on his retirement. He deserves our deepest thanks and appreciation.

''PITCHING SOCIALISM''

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. DUNCAN. Mr. Speaker, many taxpayers around the Nation are being ripped off by mega-millionaire sports team owners who are getting lavish stadiums built largely at public expense. We do not do this for other businesses and should not for sports teams either.

To show how bad these deals are for the taxpayers, I would like to urge my colleagues and other readers of the RECORD to read the following National Review article, ''Pitching Socialism,'' by Raymond J. Keating.

[From the National Review, Apr. 22, 1996]

PITCHING SOCIALISM

(By Raymond J. Keating)

As a federal prosecutor and now mayor of New York, Rudy Giuliani has taken on Wall Street, the Mob, even a number of powerful city unions. But when it's time to talk baseball with George ''The Boss'' Steinbrenner, Giuliani goes weak in the knees.

That's because Steinbrenner is threatening to move the Bronx Bombers to New Jersey unless he gets a new, taxpayer-financed stadium. In a city that has already endured the traumatic departure of the Dodgers and Giants for the West Coast, this bit of brinkmanship is taken quite seriously. The mayor's office, in fact, has suggested the city might be willing to shell out as much as $1 billion for some choice real estate and a new stadium.

The New York Mets like the sound of this action. They are suggesting that a mere $100 million, to help fund a new stadium with a retractable dome, would keep them from moving out to the Long Island suburbs.

While no other city—or state, for that matter—has even considered forking over $1.1 billion to subsidize multi-millionaire owners and athletes, stadium socialism is a serious problem across the nation. Maryland taxpayers, for example, are being socked for almost $300 million—some of the money to partly finance a new stadium for the Washington Redskins, and some to fully finance a new stadium for the former Cleveland Browns.

The public in general does not support such plans, despite the popularity of professional sports. A national poll conducted by Media Research & Communications recently found that 80 percent of Americans oppose the use of their tax dollars for sports stadiums and arenas.

The politicians, however, mesmerized by the glamour of pro sports and the prospect of increased revenue, seem determined to have their way. Very rarely do elected officials schedule referenda on government financing and ownership of sports facilities. And in some instances, when they have done so and the votes have not gone their way, they have changed the rules in mid game. Last September, Seattle voters turned down a proposal that would have hiked taxes to pay for a new stadium for the Mariners and for repairs to the Kingdome, home of the Seahawks. A month later, state and local officials ignored the vote and approved a $320-million plan for the Mariners' park.

The economic justification for government-financed sports facilities has always been based more on spin than on substance. First, the team or elected officials will hire a consulting firm to produce studies predicting substantial economic benefits from a new stadium or arena. These studies rely on the Keynesian notion of an ''economic multiplier''—the justification for every government ''stimulus project'' in the past half-century. The calculation works by taking the dollars ''invested'' in building a facility, adds an estimate of money to be spent by spectators at each event, and multiplies the results by an additional number to arrive at an estimate of increased economic activity.

The problem is that the multiplier effect is all but impossible to measure accurately. Judgments about the catalytic effects of dollars moving through the economy amount to nothing more than statistical guesswork (a dirty little secret of the economic profession). Indeed, it is doubtful that any real multiplier effect occurs at all, because of something called the ''substitution effect.''

Simply put, the substitution effect holds that leisure dollars—that fairly limited amount of income that a family will devote to entertainment—will be spent one way or another. If there is no ballpark for a family to go to, then it will spend those dollars on some other activity, like a movie or a concert. Government-funded stadiums, then, turn out at best to be zero-sum games—a simple shifting of limited resources.

This larger economic picture, however, is usually lost on politicians bedazzled by the bustling markets for red hots and frozen yoghurt in places like Camden Yards and Jacobs Field.

The politicians are also oblivious to the negative effects of the higher taxes needed to pay for these facilities—like rising private-sector costs and diminished incentives for working, investing, and risk-taking. Government ventures usually wind up being net economic losses in the long run.

The Toronto Skydome, opened in 1989, is a prime example. A recent report from the Pioneer Institute notes that as the Skydome was constructed, cost overruns boosted the Ontario taxpayers' portion of the total bill from $120 million to $322 million. The government's share in the Skydome was eventually privatized in 1992 for $120 million—a considerable loss.

A spate of books, as well as independent studies from groups like the Heartland and Pioneer Institutes and the Brookings Institution, have expressed skepticism about economic growth owing to taxpayer-funded sports facilities. The most recent study, a 1994 Heartland Institute analysis conducted by economist Robert Baade, concluded that ''professional sports is not statistically significant in determining economic growth rates.'' There is ''no support for the notion that there is an economic rationale for public subsidies to sports teams and stadium and arena construction.'' Sports teams and their facilities are largely byproducts, not sources, of economic growth.

Two other negative effects of government-owned sports facilities have become painfully obvious. First, because teams rent rather than own their stadiums, they are turning into transients, tearing up community roots (witness the Cleveland Browns) in a dash for new taxpayer-financed stadiums, relocation payments worth tens of millions, and even taxpayer-guaranteed profits (as in the deal that enticed the Los Angeles Rams to move to St. Louis).

Second, team owners and players, insulated by taxpayers from the cost of stadium financing, are doing extremely well without having to exert themselves to meet the demands of their market. Fans know intuitively that something is wrong when mediocre ballplayers sign multi-million-dollar deals, or ticket prices remain the same when the team is forty games out of the playoffs.

Despite general public disapproval and a lack of supporting economic arguments, even a number of conservatives have pushed for government financing of sports facilities. Leading welfare reformer Gov. Tommy Thompson of Wisconsin has kept the Milwaukee Brewers on the dole, lobbying hard for a new taxpayer-financed ballpark. And Massachusetts Governor William Weld's support for a government-financed stadium/convention center in Boston calls into question his self-proclaimed supply-sider status. Even George Will has gone native. In the January 22 Newsweek, he wrote favorably of the state-built home of the Baltimore Orioles.

While real conservatives have to love the tradition of the ballpark—the game, the hot dogs, the chatter—sentiment shouldn't dim our rationality. Markets work. If new stadiums and arenas have economic value, individuals acting in the marketplace will see that such facilities are built without any government intervention. San Francisco voters, in fact, have held fast. They have voted down taxpayer-funded stadiums on four separate occasions, and now the Giants are privately financing a new ballpark. Rudy Giuliani and his counterparts across the nation should take note, and stand up to Boss Steinbrenner and the other owners. When it comes to corporate welfare, just say no.

THE 2000 CENSUS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 21, 1996 into the CONGRESSIONAL RECORD.

THE 2000 CENSUS

The results of the year 2000 census will provide a snapshot of America. The census—which collects information not only on population, but on race, income, housing and family size—will affect all Americans. The changing nature of America, as reflected in the 2000 census, will alter the political and economic realities of the United States for decades to come.

The Constitution requires that the population be counted every ten years. Census results determine the number of seats each state has in the U.S. House of Representatives. Boundaries of congressional and state legislative districts, as well as school boards and city council districts, are redrawn based on census data. Federal aid to states is based on population figures. The census also benefits the private sector by providing businesses with information about consumers.

PROBLEMS WITH THE 1990 CENSUS

The Census Bureau is exploring new approaches to gathering information for the 2000 census. Previously, the Census has counted the number of Americans by, first, sending questionnaires to every known address in the country and, second, by sending ''enumerators'' door-to-door to try to get responses from people who did not respond to their questionnaires.

There is general agreement that this approach had its drawbacks in the last census. It proved very costly, and missed many people, 4 million citizens by one estimate. Undercounting was a particular problem in rural and inner city areas where people tend to be harder to reach. In addition, fewer people responded to the questionnaire. The number of responses dropped from a 1970 level of 85% to 63%. The Census had to hire additional enumerators to count those who didn't respond, adding significantly to the cost of the census. All told, the 1990 census

cost $2.6 billion, and if the census were conducted in the same manner in the year 2000, the cost could rise to about $4.8 billion.

NEW APPROACHES FOR THE 2000 CENSUS

The Census is proposing to take a different approach for the 2000 questionnaires, but plans to distribute them more broadly. Forms will not only be sent in the mail, as before, but be made available at grocery stores, churches, schools and community centers. The agency is also investigating whether the public could respond by telephone or via the Internet.

Furthermore, the Census hopes to encourage greater response by redesigning the form to make it easier to distinguish from junk mail and make it less intimidating. The number of questions on the short form will be cut from 17 to 8, and on the long form (which is sent to 1 in 6 households) from 59 to 55. The questionnaire will also explain why the government needs the information. A form being tested, for example, explains the data will help the government and communities plan education and health care services and distribute highway funds.

The most controversial aspect of the Census plan is its proposed use of ''sampling'' to count the population in 2000. In previous censuses the bureau made an actual head count of citizens using mail-in forms and enumerators, but this approach was missing an increasing number of people. For the 2000 census the agency plans to use mail-in forms and enumerators until 90% of households in a given county have been counted. Then a statistical sample of 10% of the remaining households will be selected, and enumerators will be sent, repeatedly if necessary, to count them. The results will be used to estimate the total number of those who were originally missed.

The Census says that this approach will improve the accuracy of its population count and reduce costs, as there will be less reliance on using enumerators. Critics respond that use of sampling is unconstitutional because the Constitution calls for an ''actual enumeration.'' Decisions in lower federal courts, however, have upheld the use of sampling so long as it supplements, and does not replace, an actual count, but the Supreme Court has not yet ruled on the matter. Congress also continues to debate the issue.

JEFFERSONVILLE FACILITY

Jeffersonville is home to the second largest Census facility in the country. The Data Preparation Division supports about 175 Census Bureau projects, including the decennial and agriculture-economic censuses. The division assists in the assembly and mailing of questionnaires; the reproduction of working and training materials; receiving, editing, coding and problem resolution of data; data entry and microfilming; and the management of Census records.

The Jeffersonville facility will play an important role in the collection of data for the 2000 census. It currently employs over 1370 workers, but that number will rise to handle the increased workload for the census. In addition to its normal data-gathering activities, Jeffersonville will be responsible for high-tech processing of census information.

I opposed a funding bill for Census and other activities in the Commerce Department because it provided inadequate resources for the agency as it prepares for the 2000 census. The House bill would force delay in education and out-reach efforts aimed at increasing the number of households which respond to the census. It would also deny much needed increases for current economic statistics. I will work to increase the funding level for the Census Bureau as congressional debate continues on this appropriations bill.

CONCLUSION

I appreciate the outstanding work done by Census employees in Jeffersonville and around the country. The decennial census is an important event, and its outcome has profound consequences on planning for the future, on the distribution of federal aid, and on the make-up of congressional districts in the next decade.

The Census Bureau is working to respond to new challenges. Most would acknowledge that the 1990 census had its shortcomings. The decennial census will always be an enormous and complex undertaking, but changes must be made to make it more accurate and cost-effective, particularly in an era of severe budget constraints.

I strongly support efforts to simplify the census questionnaire and improve distribution. We must also work to educate a new generation of Americans about the importance of responding to the census so that mail-in rates improve. I agree that steps must be taken to address the problem of undercounting. My preference is to improve the actual count rather than rely on statistical sampling, but recognize that Census may have to consider new approaches to produce a more accurate count.

L.A. TIMES EXPOSES PRESCRIPTION FRAUD; H.R. 2839 IS ONE WAY TO REDUCE ABUSE, SAVE LIVES

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. STARK. Mr. Speaker, the August 18, 1996 Los Angeles Times contained an excellent article on the massive amount of prescription drug fraud in our society and the deaths and illnesses it causes.

Last year, I introduced a bill, H.R. 2839, to encourage a medication evaluation and dispensing system which would stop much of the abuse of the prescription drug market, save lives, and avoid billions of dollars in medical injuries and expense. Last week, I described how the General Accounting Office recommends this type of program for the Nation.

Today, I am entering in the RECORD the L.A. Times story which documents the enormity of the problem and its cost to our society. I hope the passage of a bill like H.R. 2839 will be a priority of the next Congress.

[From the Los Angeles Times, Aug. 18, 1996]

PRESCRIPTION FRAUD: ABUSING THE SYSTEM

(By Dan Weikel)

Millions of pills are being illegally resold on the streets. Some see a double standard in leniency toward doctors and the rich and powerful who overuse drugs.

Along one massive front of the war on drugs, where fortunes are amassed and lives destroyed, barely a skirmish has been waged.

Every year, hundreds of millions of prescription pills flow into the nation's illicit drug market, creating a giant cornucopia of painkillers, stimulants and tranquilizers. They are believed to be among the most abused substances in the country, even rivaling the estimated use of cocaine and crack.

But in California and elsewhere, only a few agents, often equipped with the most lenient narcotics laws, investigate the illegal trafficking of powerful pharmaceutical by doctors and others. In this backwater of enforcement, recognition comes hard and frustrations abound.

''There is just no glory in it—no guns, no piles of coke, and no bundles of cash to stack up for the TV cameras.'' said Special Agent Walter Allen III of the state Bureau of Narcotic Enforcement, who supervises prescription fraud cases.

It seems the only time prescription drug abuse gets serious attention is when a celebrity tumbles—be it Betty Ford, Elizabeth Taylor or superstar producer Don Simpson, who died of an overdose in January from a lethal mix of cocaine and 20 prescription drugs.

In an extraordinary effort, authorities from local, state and federal law enforcement agencies are investigating more than a dozen doctors suspected of unlawfully supply prescription drugs to the producer of such hits as ''48 Hours,'' ''Top Gun'' and ''Beverly Hills Cop.''

On Friday, the offices of two of those doctors, both psychiatrists, were raided by investigators. The home of one also was searched.

''Abuse of prescription drugs is a serious problem in our society, but nobody pays attention until somebody big and powerful like Don Simpson drops dead,'' said Steve Simmons, the California Medical Board's senior investigator on the case. ''But this kind of thing happens all the time to lots of regular folks.''

Even when law enforcement resources are marshaled, the returns often are small. No more than two dozen doctors, dentists and pharmacists are prosecuted annually for prescription drug offenses, case records show. Most get probation and stay in practice, largely because it is harder to prosecute a professional in a white coat than a street-corner pusher.

In California, about three of four physicians convicted of a prescription drug crime keep their licenses. Users often do more time in jail.

''There are two kinds of justice in this system,'' said former state narcotics agent Paul K. King, who worked on prescription fraud in Los Angeles County for 10 years. ''One for doctors, and one for everybody else.''

Take the case of Dr. Eric C. Tucker, whom state narcotics authorities suspected of illegal trafficking after scrutinizing prescription records.

Before his arrest in 1991, court records show, Tucker issued more than 7,000 questionable prescriptions for the stimulant Preludin and another 7,600 for Dilaudid, so-called drugstore heroin, an addictive pain reliever that fetches up to $100 a pill on the street.

More Dilaudid was coming out of Tucker's Montebello office every year than at County-USC Medical Center, the West Coast's largest public hospital.

Tucker, than 59, pleaded guilty to two felony counts of prescription fraud and lost his medical license. Although responsible for flooding the illegal market with hundreds of thousands, if not millions, of dangerous pills, he was sentenced to eight days in jail.

In contrast, Daniel G. Siemianowski, 38, of Los Angeles, a low-level street dealer and first-time offender, was prosecuted about the same time as Tucker. Police arrested him with about four ounces of crack and powder cocaine on the front seat of his car—a speck compared to the doctor's goods. Siemianowski's sentence: a year behind bars.

About 2.6 million people in the United States use prescription painkillers, stimulants, tranquilizers and sedatives for ''non-medical reasons''—more than the estimated use of heroin, crack and cocaine, according to surveys by the National Institute of Drug Abuse. Only marijuana is more popular.

Users run the gamut from street addicts to senior citizens who mix afternoon cocktails

of tranquilizers, and even teenagers who sell their doses of Ritalin to classmates.

Some combine prescription drugs with illicit narcotics to enhance the high. Others use tranquilizers to soften the crash from cocaine and heroin, helping them sustain their habits. For many others, pharmaceuticals simply are their drugs of choice.

Sandra K. Bauer, a member of the California Board of Pharmacy, knows how easy it is to fall to prescription drugs—and how complacent regulatory and law enforcement agencies sometimes can be in searching out the truth.

In 1990, before Bauer joined the board, her 34-year-old sister collapsed after injecting three times the lethal amount of Demerol—synthetic morphine. Although the coroner found needle marks on her arms and thighs, police had accepted her husband's explanation that she had suffered from terminal cancer.

''I told him that was ridiculous,'' Bauer recalled of her conversation with the detective. ''There was no cancer.''

Bauer insisted that authorities take anotyher look because her sister was a drug addict. During a search of her sister's home, police discovered shelves full of syringes, tranquilizers and potent painkillers.

''It was classic middle-class drug abuse,'' Bauer said. ''You go to a doctor and get a bogus prescription. Then you get the pharmacy to fill it, and have your insurance company pay for it all. No one suspects anything.''

To ensure a thorough investigation of her sister's death, Bauer lobbied state legislators, high-ranking law enforcement officials, journalists and officials on the state pharmacy and medical boards. As a result, two doctors and two pharmacists lost their licenses.

''Had I not intervened, my sister simply would have been buried—end of story,'' she said.

Even then, Bauer did not back off. Through a friend who was the appointments secretary for then-Assembly Speaker Willie Brown, she maneuvered her way onto the state pharmacy board in 1992. Bauer has been working ever since to improve professional discipline and the state's obsolete system of monitoring prescription drugs.

ENORMOUS PROFITS

The U.S. Drug Enforcement Administration has estimated that about $25 billion in prescription drugs were sold on the illicit street market in 1993, compared to a government estimate of $31 billion spent that year on cocaine, including crack.

What makes pills so attractive to abusers and purveyors are their purity, predictable effect and low cost compared to illicit drugs. For about $10, less than the price of a few rocks of crack, a user can combine two or three times the therapeutic dose of codeine with the sedative glutethimide to achieve a high similar to heroin.

Although some of the drugs are smuggled into the country or stolen from distributors, a large portion comes from medical offices and pharmacies.

State and federal law prohibits the dispensing of controlled substances unless good-faith medical exams are performed, accepted prescribing practices are followed, and there is adequate medical justification. It also is illegal for someone to fraudulently obtain prescription drugs, a practice known as doctor-shopping.

By American Medical Assn. estimates, 1% to 1.5% of physicians dishonestly prescribe drugs, and another 5% are grossly negligent in their prescribing. In California, that represents 4,500 to 4,875 doctors.

For the unscrupulous professional, the profits can be enormous. Doctors, dentists and pharmacists have made millions by turning their practices into lucrative pill mills, where fraudulent prescriptions—written in minutes—have sold for $200 to $600 apiece, depending on the substance.

Working at the other end of the spectrum are doctor-shoppers, who trick physicians and pharmacists with self-inflicted injuries, forged prescriptions and stories about back pain or old war wounds.

During an eight-month period in 1990, Vicki J. Renaldo of Oceanside duped 42 San Diego area doctors and 26 pharmacies into giving her thousands of codeine tablets—all paid for by Medi-Cal. She was convicted and sentenced to two years in state prison.

Another doctor-shopper in the Midwest managed to scam 134 physicians.

''It's so easy to do. The doctors don't really question you,'' said Barbara Curtis, 42, a member of Benzodiazepines Anonymous, a Los Angeles-based support group for prescription drug addicts. For almost 20 years, Curtis went to three or four doctors to secure supplies of two painkillers—Vicoden and Fiorinal with codeine.

''Migraine headaches was all I had to say.''

''There seems to be a constant supply of these drugs on the black market,'' said Dr. Greg N. Haynor of the Haight Ashbury Free Clinic in San Francisco, one of the nation's leading drug treatment centers. ''The fact is, a lot of pills are floating around out there that can pack quite a wallop.''

Depending on the year, a quarter to a half of emergency room admissions related to drug abuse involve a prescription drug either taken by itself or in combination with alcohol or other controlled substances, according to the national Drug Abuse Warning Network.

The network surveys emergency rooms in 43 metropolitan areas to measure the consequences of drug use. It does not determine whether the prescription drugs were obtained illegally.

Of the top 20 drugs mentioned in the emergency room episodes, about 75% were prescription painkillers, sedatives, stimulants and tranquilizers.

Despite the enormity of the problem, prescription drug abuse remains a low priority for law enforcement, which has had its hands full fighting illicit drugs at home and abroad.

Building a prescription prosecution can take months, sometimes years, of tedious work. Pharmacy records must be scrutinized, and undercover buys must show conclusively that drugs were prescribed without good-faith exams or medical justification.

Because of the lengthy investigations and a shortage of agents, no more than 20 doctors, dentists and pharmacists a year are prosecuted criminally in California for prescription drug offenses. Federal authorities, on average, convict 240 people a year for federal drug-diversion offenses, or about five per state.

Even when charges are filed, however, juries balk at returning convictions. When they do, the sentences often are short.

LENIENT LAWS

Part of the reason, according to law enforcement officials, is that medical practitioners usually are charged under laws that can be filed either as a misdemeanor punishable by no more than a year in jail, or as a low-grade felony, which carries a penalty of 16 months to three years in prison.

The way the laws are written, prosecutors say, health care professionals can escape more serious drug-trafficking charges if they have written a prescription, no matter how fraudulent.

Assistant U.S. Atty. Alka Sagar said she has handled about 10 prescription fraud cases in federal court in Los Angeles since 1990. Of those, she said, one doctor received a short prison sentence; the rest pleaded guilty and were placed on probation.

Although felony convictions for prescription fraud are considered easier to obtain in federal court than in state court, the penalties can be just as light because sentencing guidelines are geared almost exclusively toward street drugs.

''You could make a series of undercover buys for 60 pills each and the sentencing range would be zero to six months. Even if each buy was 100 times that amount, it would still be zero to six months,'' Sagar said. ''You'd have to raid a drug factory to get a tough sentence.''

In California, few police departments, even in major cities such as Los Angeles, have specialized officers or anyone with training in prescription drug abuse. The same holds true elsewhere in the nation.

Responsibility for investigating pharmaceutical abuse in California usually rests with the state's Bureau of Narcotic Enforcement. But, of the agency's 300 officers, about seven are assigned the task, and they sometimes are burdened with other assignments. Prescription drugs also represent a fraction of investigations by state Medi-Cal fraud units and professional boards.

Nationally, the federal government spends $13 billion to $14 billion annually on the war on drugs. But only $70 million goes to the DEA to investigate prescription drug offenses—a small fraction of the agency's billion-dollar budget—and part of that is earmarked to halt the illegal flow of chemicals to clandestine labs.

Making enforcement even harder is that the state's computerized tracking system for the sale of controlled substances is obsolete. Because data has to be entered by hand, the unit can analyze only 10% to 15% of the 1.5 million controlled substance prescriptions forwarded annually.

Former state narcotics officer Paul King, who recently retired, recalled a frustrating incident that he says reflects a prevailing attitude toward pill fraud.

King said he learned in 1988 that federal officers in Ohio had arrested a drug runner as he got off a plane from Los Angeles International Airport with at least $600,000 worth of Dilaudid in a shoe box—12,000 pills.

At the time, the heroin-like drug was pouring into the illicit market in Los Angeles and then to destinations nationwide. To King's dismay, federal agents wanted to use the courier as an informant for a standard cocaine case, torpedoing any investigation of the Dilaudid shipment, which was as valuable as 40 to 50 kilograms of wholesale cocaine.

''You couldn't put $600,000 of any other drug that I'm aware of in a shoe box, and this guy was carrying it in plain sight,'' King said. ''I later found out that the courier wasn't even prosecuted.''

SUCCESSES RARE

Although there have been some successful crackdowns, critics say those have been few and far between.

During the mid- to late-1980s, state and federal authorities prosecuted more than 34 doctors, pharmacists and runners during Operation Rx, one of the largest raids on pill mills in Los Angeles. Also during the '80s, the powerful sedative Quaalude was virtually eliminated as a problem by regulatory and law enforcement action.

Still, for the most part, prosecutors are reluctant to file charges in prescription fraud cases because they believe that their limited resources are better spent fighting street drugs.

It is against this backdrop that comedian Chevy Chase managed to stay out of serious

trouble in 1994. For some time, the former star of ''Saturday Night Live'' has had a problem with painkillers, which he says he first took for back injuries caused by pratfalls.

State narcotics officials spent almost a year compiling prescription records on Chase, whom they suspected of illegally obtaining the potent painkillers Percocet and Percodan from numerous doctors. His Pacific Palisades home was searched, as were several physicians' offices.

Agents believed the evidence showed that Chase had engaged in unlawful doctor-shopping and recommended that charges be filed by the Los Angeles County district attorney's office. But that's as far as it went; prosecutors considered the case unwinnable.

Explaining his decision not to file charges against Chase, Deputy Dist. Atty. John Lynch said not only was the doctor-shopping law vague, but it was unclear whether Chase had committed any fraud as defined by the statute.

Los Angeles attorney Zia F. Modabber, a spokesman for Chase, declined to comment because of pending litigation brought against the comedian by a former chauffeur. The driver contends that he has been unable to get work since he was caught by police in 1994 while allegedly ferrying painkillers into Canada for Chase. The judge has restricted public discussion of that case, which is nearing trial.

''I think it would be inappropriate to discuss the issues,'' Modabber said, ''not because we have anything to hide, but out of respect for the justice system.''

A SLAP ON THE WRIST

Disciplinary records from state pharmacy and medical boards also raise questions about the resolve of regulatory agencies to get tough with those who violate criminal and professional codes.

From 1990 to 1995, the state medical board disciplined about 120 physicians for drug-related matters, 44 of whom were convicted of drug crimes. The pharmacy board disciplined about 160 people. The dental board disciplined 20.

One in four pharmacists or pharmacy owners, one in four dentists, and one in nine physicians lost their licenses after charges were sustained. Some of the cases included minor offenses for which license revocations would seem inappropriate.

But even when physicians were found guilty of criminal offenses, including felonies, three out of four kept their licenses. One of them was Dr. Jovencio L. Raneses, formerly of Anaheim Hills.

In 1990, Raneses agreed to plead guilty to one felony count of illegally prescribing controlled substances. He was sentenced to one day in jail and three years probation. Four felony counts were dismissed.

Case records show that Raneses issued thousands of fraudulent prescriptions for Dilaudid through a bogus treatment program for back pain. Authorities estimated that the scheme netted a minimum of $400,000 from January 1988 to April 1989.

Despite the scale of the operation, the state medical board decided in December 1993 to suspend Raneses' license for two months and place him on eight years professional probation.

Back in 1984, the board first warned Raneses about his prescribing practices and ordered him to take medical courses. Court records show that he never took the classes, and the state never checked to see if he did.

Such examples have prompted allegations over the years that the medical board, as well as other regulatory agencies, have done little to rid their professions of the worst offenders.

Medical and pharmacy board officials acknowledge that there have been some problems with professional discipline, but say that reforms have been made since the early 1990s when the criticisms were at their height.

Records show that more complaints are being investigated and more people disciplined because of streamlined procedures.

Laws now require the automatic suspensions of medical, dental and pharmacy licenses for someone convicted of a felony. In addition, investigators say, they are seeking more court orders to suspend medical licenses after a person is arrested.

''There have been some improvements,'' said John Lancara, chief of enforcement for the state medical board, who was hired in the early 1990s to help overhaul the disciplinary system. ''Our goal is to vigorously enforce the Medical Practices Act.''

Meanwhile, at the pharmacy board, backlogs of cases—some of which had lingered for 10 years—have been eliminated. More records are being computerized, and fines that went unpaid for years are being collected.

Board member Bauer argues, however, that there is plenty of room for improvement. She compares the public attitude toward prescription drug abuse to that surrounding drunk driving before a grass-roots movement resulted in stronger laws.

''No one really sees this as a crime,'' she said. ''To me, what is this if not a crime? We need to change people's attitudes. There is a need to say, 'This is a problem.'''

TRIBUTE TO THE REMSENBURG COMMUNITY CHURCH

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the Remsenburg Community Church, and to celebrate the 100th anniversary of this glorious house of worship, serving this pastoral south shore Long Island, NY, hamlet.

On September 15, 1896, the Remsenburg Community Church building was dedicated by the congregation. For the ensuing 100 years, the ''Red Brick Church'' has served the spiritual needs of its congregants, strengthening the entire community through countless acts of charity and fellowship.

Both the church and the hamlet owe their appellation to Dr. Charles Remsen, the man who generously provided the funds to build this community its own house of worship. To show Dr. Remsen their appreciation, his neighbors moved to rename this hamlet in the southeastern corner of Southampton Town. On July 27, 1895, this former section of Speonk was formally founded as Remsenburg.

Though settlers pre-date the Revolutionary War, the organized founding of the Presbyterian Church dates back to July 3, 1853. Before Dr. Remsen's beneficent gesture, congregants gathered in schools and homes to worship, while ministers from neighboring towns were hired to preach God's word. The first frame church was dedicated in 1854 on Elijah Phillips's land, and the charter members include some of Suffolk County's prominent founding families: Selah Raynor, Merinda Halsey, Mrs. Nancy Tuthill, and Sophia Rogers.

The cornerstone of the current church building was laid on April 18, 1896, by the pastor, Rev. Minot Morgan, on land donated by John and Elizabeth Dayton. The Suffolk County News reported that a ''handsome new brick church in Remsenburg, presented to the Presbyterian Society of that village by Dr. Charles Remsen, was dedicated on September 15.''

Today, the community church has an active membership of 36, with another 30 friends who attend services regularly; the Sunday school instructs about 15 students. Operated by the board of trustees, the church benefits from the enthusiasm and hard work of its own Ladies Aid Society and the Chapelettes.

On Sunday, September 15, at 10 a.m., Remsenburg Community Church members will hold a special service of thanksgiving. Today, more than ever, our Nation relies on the spiritual sustenance and communal support that our churches and temples provide. That is why I ask my colleagues to join me in saluting the Remsenburg Community Church. This bastion of community faith and fellowship has strengthened the fibers that bind this community and have made Eastern Long Island a better place to live.

A TRIBUTE TO TRINITY SCHOOL AT RIVER RIDGE BLUE RIBBON SCHOOL AWARD WINNER

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. RAMSTAD. Mr. Speaker, I rise today to praise Trinity School at River Ridge, located in my district in Bloomington, MN, for being named winner of the U.S. Department of Education's prestigious Blue Ribbon Award.

The Department of Education could not have selected a more deserving school for this highly coveted honor. When it comes to a comprehensive and successful approach to excellence in teaching, student achievement, leadership, and parental involvement, Trinity School at River Ridge has, in just 10 short years since its opening, set a lofty standard.

Mr. Speaker, this high distinction was well earned. Everyone at Trinity played a role in achieving this extraordinary level of educational excellence. Trinity was the only private school in Minnesota to receive the Blue Ribbon designation, and 1 of only 50 private schools selected nationwide.

Under the visionary leadership of a most remarkable man, Headmaster William Wacker, Trinity School has flourished. Always there for each and every student, William Wacker provides at all hours of the day a willing ear, an understanding shoulder, and a marvelous source of advice and encouragement.

The board of trustees, under the leadership of Louis Grams and full of caring and committed individuals, has selflessly devoted the time, talent, and energy necessary to make Trinity School at River Ridge one of the best in all of America.

Trinity School at River Ridge's special mission and educational approach are perhaps best described in the words of John Buri, a psychology professor at a private college in our area and member of the school's board of trustees: ''In a national educational system where acquisition of job skills is of primary importance, it is good to see recognition of an institution where truly human qualities are valued and where there is an effort to educate

the whole person. Trinity School is about the task of what is truly education.''

Trinity School at River Ridge calls its approach ''An Education in Truth, Beauty and Goodness.''

Forming a true community of learners through the active involvement of students, Trinity School at River Ridge has instituted a common, coherent, and integrated curriculum that helps students apply their knowledge more effectively. The constant evaluation of students at Trinity School is a critical part of this unique education. Students, teachers, and parents know where resources and energy need to be focused.

This historic designation was accomplished through the pioneering and innovative contributions of a truly dedicated administrative staff and dynamic collection of committed teachers. Their deep and unwavering commitment to the students forms the foundation for a very special relationship with the young people at Trinity School at River Ridge. The teachers and staff have gone above and beyond all reasonable expectations to help kids.

Mr. Speaker, another key ingredient in the overwhelming success of Trinity School at River Ridge has been the precedent-setting and inspiring level of involvement by parents. In this day and age when we in Congress hear so much blame being placed on the lack of participation by parents in their children's education, Trinity parents stand out as shining examples of the miracles that can happen when adults take the time to help out at their schools.

But, Mr. Speaker, the No. 1 reason Trinity School at River Ridge has been chosen as a Blue Ribbon Award winner is its spirited students. This student body is focused in a most impressive way on real achievement and a relentless pursuit of the highest standards of excellence. The students have worked hard to create a safe, supportive, and drug-free environment. They have worked hard to establish a record of academic excellence across the board.

From student leadership to participation in public service projects to help people in need in the community, from the heavy emphasis on scholastic achievement to the enthusiastic way they revel in the success of their classmates, the students of Trinity School at River Ridge deserve to claim this national honor as their own. The students at Trinity are the kind of young people any parents would be proud to call their own.

Mr. Speaker, please join me in congratulating everyone at Trinity School at River Ridge on a job well done and for setting such a powerful example of what can be accomplished by a school if everyone pitches in and strives to do their best.

Today we salute Trinity School at River Ridge for proving that schools all across America can succeed if everyone puts their minds and hearts into the effort.

''ANSWERING AMERICA'S CALL'': ESSAY BY KELSEY PERKINS

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. SCHAEFER. Mr. Speaker, the Veterans of Foreign Wars of the United States and its Ladies Auxiliary sponsor an annual Voice of Democracy broadcast scriptwriting contest. This year's contest attracted more than 116,000 secondary school students competing for 54 national scholarships totaling more than $118,000. The theme this year was ''Answering America's Call''.

I am pleased to report that Kelsey Perkins of Aurora, CO, was the State winner of this year's contest. Kelsey, a senior at Smoky Hill High School, is active in her school and has won many scholastic and musical awards, including the Yale Book Award, National Merit Commendation, National Honor Society, and membership as a violinist in the all-State orchestra. Although she maintains a 4.0 grade point average at school, she still finds time to play field hockey, hike, camp, and read.

I commend Kelsey's composition to your attention, Mr. Speaker, as it gives excellent reasons why Americans should become involved in their country's Armed Forces, government, and community. It proves that democracy requires commitment and involvement by all citizens.

I congratulate Kelsey Perkins and her sponsoring VFW Post 3161 in Aurora, CO, on this fine essay.

''ANSWERING AMERICA'S CALL''

Good Morning, and welcome to the American Safari Corporation. I will be your guide for today's tour. What brought most of you here was not the call of the wild, rather it was the call of America. Today we will be conducting a tour in search of some rare species. Now I'm sure that some of you have been told that our search is futile since the prize we are seeking is often considered to be almost extinct. I'll let you be the judge of that. For those of you who are not familiar with our goal today, let me begin by telling you that we are searching for some responsible Americans. Before we set out, I will outline three identifying marks of a responsible American which will help you in our hunt.

The first sign of a responsible American is often that of involvement in our country's armed services. In many countries across the world, military service is mandatory for young men. They have no choice in whether or not to serve their country. In the United States we have no such requirements. Service is voluntary during peace-time. The strength of a country's military is often the standard by which it is judged by other nations. The military is not only a fighting force, it is an international representative of its country. Service shows patriotism and pride for one's home. The armed forces serve the common good by protecting America's interests in all areas, and by embodying the strength, skill and patriotism that symbolizes our country and fills every American with pride. For many citizens, military service offers the perfect opportunity to answer America's call and take on responsibility for our nation. Our armed forces have very high standards for their applicants. By meeting this standard of excellence through service in the armed forces, many men and women are successfully answering America's call to responsibility.

The second tell-tale mark to look for in our hunt is involvement in the government. Perhaps one of the best days to search for responsible Americans is on the first Tuesday in November. They can be seen in herds as they assemble to vote. In a day and age where many people are content to sit on the sidelines and not become involved in our government, utilizing one's right to vote and becoming involved in the government is a sure sign of a responsible American. As President Harry S. Truman observed, ''It's not the hand that signs the laws that holds the destiny of America. It's the hand that casts the ballot.''

Responsible Americans not only participate, but realize what an honor their role in government is. Our founding fathers risked execution by first daring to give Americans their rights to vote and to be involved in government because their actions of protesting unfair government were seen as treasonous. Since the Revolution, Americans have fought and died in many wars to keep Americans free. They fought and died to maintain our rights which include voting and government participation. As citizens of the United States today, it is our duty and privilege to vote in elections and to be involved and informed about our national and local government. Answering America's call includes meeting these responsibilities which support the rights for which many men and women have risked their lives.

One final way to find a responsible American is to look for those who are involved in community service. Acts of unselfish kindness for the common good or the benefit of others is not too much to ask in a nation which has so much. Community service touches the individual lives which make up this great country. It serves as a testimony to our country's humanity. Behind the mass of the armed forces and government are the everyday individuals in life which can be touched and inspired by the work of a few citizens who have realized their responsibility as members of this nation. Many organizations work year round to meet the basic needs of our nation's people because we have a responsibility to those less fortunate than ourselves. So, be sure to search for those who spend their free time helping others in such places as food banks, soup kitchens, and schools.

Well, I hope my little overview has given you a better idea of what to look for in your hunt for a responsible American. Don't forget to look for those obvious signs we reviewed: military service, government participation, and community service. With these in mind, you're sure to find a trail. Please also consider yourself in regards to what's been said today. Don't be afraid to answer America's call personally. By doing so, you could greatly increase the responsible American population. They don't have to be an endangered species!

COMMENDING KURT ANGLE OF THE U.S.A. OLYMPIC WRESTLING TEAM AND MT. LEBANON, PA

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. DOYLE. Mr. Speaker, I wish to commend one of my constituents, Mr. Kurt Angle, for his heroic athletic achievement at the 1996 Centennial Olympic Games in Atlanta, GA. Mr. Angle represented his family, his community, and his country with dignity and honor in earning a gold medal in the 220-pound division of Olympic freestyle wrestling.

As one of America's best hopes for a medal and the defending 1995 world champion in the 220-pound class, Mr. Angle withstood the intense pressures of competing against the best wrestlers in the world and persevered to achieve his dream.

Mr. Angle has been a National Collegiate Association of America [NCAA] champion from

Clarion University as well as a world champion. He was worked many hours sharpening his skills and practicing his trade, striving to be the very best that this country has to offer. He has shown leadership, as a 3-year captain of his collegiate squad, and displayed the ability to work with teammates toward a larger goal.

Kurt Angle has competed on many levels, in many international tournaments and has always performed to the best of his abilities. That he has finally achieved the gold medal in a competition as important as the Olympic games is a true testament to his courage and character. The community of Mt. Lebanon has long known of Kurt Angle's athletic gifts and now we are happy to share them, and him, with the rest of the world. His strength and determination are qualities that all Americans can look upon and be proud.

I join many in the 18th Congressional District, and across the United States, in congratulating Kurt Angle for this glorious achievement. Thank you, Kurt, for proving that hard work can bring us closer to our dreams.

WELFARE REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAMILTON of Indiana. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 7, 1996 into the CONGRESSIONAL RECORD.

THE WELFARE REFORM BILL

With passage of the welfare reform bill, Congress has made a sweeping change in social policy. It came to pass because of rising public indignation over an open-ended entitlement welfare system. We are ending welfare as we know it, creating a new system without really knowing what its impact will be, but feeling strongly that the present system needs radical change.

I supported this bill because I concluded a long time ago that the current welfare system cries out for reform. Virtually no one defends it. It undermines the basic values of work, responsibility and family, traps generation after generation in dependency, and hurts the very people that it was designed to help. The principal goal of this legislation is to promote work and self-sufficiency and to end dependence.

WHAT THE BILL DOES

For sixty years the welfare system has been driven by the view that if you are poor and eligible you're guaranteed a check. This bill ends that guarantee. As of July 1, 1997, the federal program of welfare—Aid to Families With Dependent Children—will be eliminated. A new program, Temporary Assistance for Needy Families (TANF) will provide block grants which states will use to run their own welfare systems.

Abled-bodied welfare recipients will now be required to work after two years, or lose benefits. By the year 2002, states should have 50% of welfare recipients in work programs. Moreover, the bill establishes a five-year lifetime limit on TANF benefits, although states can exempt up to 20% of their caseloads and use their own funds to provide assistance after the five-year cutoff.

TANF benefits are prohibited to those convicted of drug felonies, single mothers who refuse to help identify the fathers of their children, families without minor children, and teen parents unless they stay in school and live with an adult. Most legal immigrants who are not citizens will lose eligibility for food stamps and Supplemental Security Income (SSI). States will decide whether to provide TANF or Medicaid benefits to legal immigrants.

Current welfare child care programs are converted into a block grant to states, which may not cut off TANF to a parent with a child under six who could not work because of a lack of child care.

The bill also tightens eligibility standards for food stamps, and limits childless adults age 50 and under to three months of food stamps in any three year period unless they are working or training for a job. People who are laid off from their jobs during that period could receive an additional three months of food stamp benefits.

Child support enforcement is also strengthened. The bill requires states to develop computerized listings of child support orders and new hires, place more emphasis on paternity establishment, and suspend or restrict the use of driver's licenses, professional licenses, and recreational licenses of parents who are delinquent on child support payments.

The bill is expected to save the federal government $55 billion over the next six years, mostly due to the cuts in food stamps and benefits for legal immigrants.

ASSESSMENT

I think this bill meets several key tests. It moves people from welfare to work, imposes time limits, provides child care and health care, cracks down on child support enforcement, and gives us a chance to break the cycle of dependency. This bill is much better than previous welfare reform legislation considered by Congress, which was too soft on work and too tough on children. Those bills failed to provide adequate child care and health care and imposed deep cuts on school lunches and help for disabled children.

This bill turns upside down the relationship between Washington and the states on welfare. Under the present system, states share the cost of welfare, but Washington writes most of the rules and provides a large share of the money, especially when the welfare rolls rise. Under this bill, the federal and state governments will continue to share the cost but each state will manage its own program and be responsible for coming up with extra money if the federal money is not enough. Much responsibility now rests with states.

The idea behind the bill is to get people into jobs, the sooner the better, and then try to develop ways to sustain them in the workforce. It envisions welfare offices as job placements centers where applicants are steered toward training and work rather than handed a check.

But this is far from a perfect bill. I'm concerned about the estimates that the bill will make hundreds of thousands of children poorer. Legal immigrants who have played by the rules and have played by the rules and have every reason to assume that they are welcome here, will be stripped of their federal benefits. The roughly $24 billion cut in food stamps over the next six years is very deep. One of the questions the bill does not confront is what to do about people who are willing to work but cannot find a job. And negotiations will almost certainly continue between the federal government and the states over welfare rules.

I think all of us want to push people off of welfare who are able to work, but this bill probably does not do enough to help people become self-sustaining. I am deeply concerned that the major part of our budget cutting efforts in this Congress is focused on reducing programs for the poor.

When dealing with welfare I think we all have to admit a certain level of humility. There are so many people on welfare today with so many different problems that it is extremely difficult to gauge exactly how these changes will impact them. There will be continuing efforts to review programs for job training, education, and economic investments. Already legislation has been introduced aimed at curing the deeper ills of communities. This bill does not solve the desperate problems of chronic poverty in America, and so almost certainly we have not heard the last of the welfare debate.

The real choice was between the present system and this bill. My conclusion is that we simply have to be willing to let states experiment to find ways to break the cycle of dependency that keeps dragging people down. In my view, the bill probably represents our best hope for figuring out how to solve the problems of the poor and underclass.

THE ENVIRONMENTAL PROTECTION AGENCY'S [EPA] PROPOSED CLUSTER RULE FOR THE PULP AND PAPER INDUSTRY:

HON. MICHAEL D. CRAPO

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. CRAPO. Mr. Speaker, I am pleased to provide comments on the proposed Cluster rule for the pulp and paper industry, and specifically comments on the EPA's July 15 Federal Register notice. The forest and paper industry provides significant jobs and economic benefits in our State and its local communities. Several of us have communicated with EPA's staff directly in the past to express our concern about the original 1993 proposal. We believe strongly that EPA can, and should be able to achieve important environmental goals without damaging our State and communities. We commend EPA's efforts to improve the proposed rule, first in last spring's Federal Register notice on the MACT portion of the Cluster rule, and most recently in the July 15 notice. We urge you to promptly issue a final Cluster rule that incorporates these and other necessary improvements.

One of the many improvements that has been announced for consideration for the final rule is the selection of option A as the basis for best available technology limits. The July 15 notice identifies this option as the most cost-effective, noting that it appears to provide comparable benefits to the more costly option, especially in the area reductions in key pollutant parameters.

Improving the cost-effectiveness of the Cluster rule will also help ensure the success of the voluntary incentives program EPA has proposed. We encourage EPA to continue to seek new ways of achieving greater regulatory flexibility. For this new program to succeed, EPA must ensure that the criteria are focused on improvements in environmental measures and the incentives provide meaningful inducements for potential participants.

We urge EPA again to move forward promptly to issue a final rule incorporating option A and the other improvements being considered. We believe that such a rule would protect the environment as well as the jobs employing the men and women who support Idaho's local communities.

A SPECIAL SALUTE TO REV. DR. DONALD JACOBS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. STOKES. Mr. Speaker, I rise to salute Rev. Dr. Donald G. Jacobs on the occasion of his retirement after more than 55 years of services in the ministry. On September 27, 1996, the membership of his present congregation, Community A.M.E. Church, will hold a retirement dinner honoring Dr. Jacobs. I am proud to join in this tribute to a distinguished member of the religious community who is a gifted leader and a good friend.

Dr. Jacobs has served more than 55 years as a minister and pastor in African Methodist Episcopal Churches in Pennsylvania and Ohio. The Ohio churches include a circuit in Bainbridge and Hillsboro; Quinn Chapel in Stubenville; and St. Paul Church in Canton, OH. Dr. Jacobs began his ministry in the Cleveland area with his pastorship of St. James A.M.E. Church. He also served as pastor at Mt. Moriah A.M.E. Church prior to his pastorship at Community Church. Dr. Jacobs is a strong leader who possesses vision and wisdom. He has been an inspiration and champion to all who have come to know him.

Mr. Speaker, Dr. Jacobs has also utilized his pastoral calling to bring about important social change. He is the past executive director of the Interchurch Council of Greater Cleveland and was the first African-American director. Activities which were initiated under his leadership include the initiation of a hunger center; the development of an interracial program aimed at involving area churches in job development for inner-city youth; and support of activities aimed at serving mothers on welfare.

Further, as a member of the National Council of Churches, Dr. Jacobs helped to organize Partners in Ecumenism, a national effort to more significantly involve African-American clergy and laity in the American religious community. Other board memberships include the Ohio Humanities Council, the Urban League of Greater Cleveland, and Wilberforce University.

Mr. Speaker, during his lifetime Dr. Jacobs has also been a strong voice in the struggle for civil rights. He is the past president of the Cleveland Branch NAACP. I recall that in the 1960's, Dr. Jacobs organized demonstrations at the building site of a new Federal building to protest the exclusion of African-Americans from unions in Cleveland. As cochairman of the Emergency Committee of Clergy for Civil Rights, Dr. Jacobs helped form an interfaith and interracial group of Cleveland clergy to participate in voter registration drives in Mississippi.

I also recall that when my brother, Carl, launched his campaign to become the mayor of Cleveland in 1967, he had the strong support of Dr. Jacobs as cochair of the Clergy for Carl Stokes Committee. This unified effort resulted in Carl's successful campaign victory, making him the first black mayor of a major American city.

Mr. Speaker, as we pay tribute to Rev. Dr. Donald Jacobs, we honor an individual who has led a life of devotion and service to others. I take special pride in saluting Dr. Donald Jacobs. We wish him well in his retirement and commend him for a life of devotion and leadership.

TRIBUTE TO GIRL SCOUT GOLD AWARD RECIPIENTS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. OBEY. Mr. Speaker, today, I would like to salute two outstanding young women who have been honored with the Girl Scouts of the U.S.A. Gold Award by the Birch Trails Girl Scout Council in my home town Wausau, WI. They are Jessica Thoms and Margaret Stahr.

They are being honored for earning the highest achievement award in Girl Scouting. The Girl Scout Gold Award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development.

Girl Scouts of the U.S.A., an organization serving over 2.6 million girls, has awarded more than 20,000 Girl Scout Gold Awards to Senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must fulfill five requirements: earn four interest project patches, earn the Career Exploration pin, earn the Senior Girl Scout Leadership Award project, earn the Senior Girl Scout Challenge, and design and implement a Girl Scout Gold Award project. A plan for fulfilling the requirements of the award is created by the Senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

The earning of the Girl Scout Gold Award is a major accomplishment for these young women, and I believe they should receive the public recognition due them for this significant service to their community and their country.

TRIBUTE TO GIRL SCOUT GOLD AWARD RECIPIENTS

HON. WILLIAM M. ''MAC'' THORNBERRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. THORNBERRY. Mr. Speaker, today I would like to salute 10 outstanding young women who have each been honored with the Girl Scout Gold Award by the Texas Plains Girl Scout Council in Amarillo, TX. Each is being honored for earning the highest achievement award in Girl Scouting. The Girl Scout award symbolizes outstanding accomplishments in areas of leadership, community service, career planning, and personal development. The award can be earned by girls age 14–17, or in grades 9–12.

Girl Scouts of the U.S.A., an organization serving 2.5 million girls, has awarded more than 20,000 Gold Awards to senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must earn four interest project patches, the Career Exploration Pin, the senior Girl Scout Leadership Award, and the senior Girl Scout Challenge, as well as design and implement a Girl Scout Gold Award project. A plan for fulfilling these requirements is created by the senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

As members of the Texas Plains Girl Scout Council, these senior Girl Scouts began working toward their Girl Scout Gold Award over 2 years ago. Each completed projects in an area which made a positive and significant impact in their community. These outstanding young women reached this achievement through many hours of dedication and commitment.

Angie Davenport and Angie Turpen of Lefors, TX designed and carried out a project to prevent crime and vandalism by organizing neighborhood watch groups. Jennifer Ellis of Amarillo, TX took it upon herself to create a program for young girls to better understand the needs of the disabled. Janel Kirby of Amarillo, TX created a project that involved making identification labels for each registered member of the Texas Plains Girl Scout Council to be used when they travel. Christy O'Dell of Amarillo, TX designed a project with a two fold purpose. She helped to provide residents of a retirement center the chance to hear musical presentations in the convenience of their community, and also allow the performers a chance to hone their skills. Amanda Peters of Amarillo, TX used her knowledge of computers to organize and design a library for her local church. Penelope Schuster of Amarillo, TX organized a clothing drive to aid local charities in providing clothing for economically disadvantaged women applying for jobs. Jennifer Walton of Amarillo, TX heightened awareness of national women's history through a rally at her school, which included special speakers and presentations. Jenny Whisenhunt of Amarillo, TX created a project to recognize senior citizens at a banquet, giving the senior citizens a forum in which to share their life experiences with family and friends. Jessica Nichols of Amarillo, TX organized a book drive to create a library at her local church.

Each of these senior Girl Scouts deserve public recognition for their efforts to serve the community and the country.

HONORING WINNERS OF HISPANIC INDEPENDENCE AWARDS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to the Hispanic Independence Awards Ceremony that will be held on Saturday, September 14, 1996, at the General Motors Institute in my hometown of Flint, MI.

September is National Hispanic Heritage Month and the Hispanic Independence Awards Ceremony kicks off a month-long celebration of Hispanic culture, ideas, and achievements in Genesee County. The Hispanic community will once again honor individuals who have selflessly committed themselves to making Flint and Genesee County a better place in which to live.

Each award is named for a prominent deceased member of the Hispanic community who exemplified the ideals espoused by the award. The Pedro Mata Leadership Award is given to a person who has provided leadership, encouragement, and influence in the Hispanic community. This year's recipient is Mr. Pete Mata. The Tano Resendez Award for

community service is given to a person who has dedicated personal efforts to promoting civic and cultural activities. The award this year is being given to Dr. Eduardo Lorenzo. The Joe Benavidez Award for education is presented to a person who has supported educational issues relating to Hispanics of all ages. Ms. Janie Rubio is this year's recipient. The Labor Involvement Award is being given to Ms. Estela Mata for her efforts to increase community awareness, improve the quality of life, and open doors for Hispanics. The Bruno Valdez Arts and Entertainment Award is presented to a Hispanic artist who has promoted Hispanic culture through professional and personal activity. The award this year is being given to Mr. Roel Martinez. The Veterans Award is given to a member of the Hispanic Community who has honorably served in the U.S. Armed Forces. Mr. Aleucion Duran is being honored with the award this year. Ms. Lorena Gonzalez will be given the Maria DeLeary Award. This year the Hispanic community will honor Mr. Domingo Berlanga for his selfless work that he devotes to the Hispanic Community.

To honor those of the Hispanic community just starting to pursue their life goals, the Pedro Mata, Jr., Scholarship Award will be given to Ms. Holly Saultman. The purpose of this award is to foster a commitment to community service and encourage continued education.

Mr. Speaker, it is with great pride that I rise today and ask my colleagues in the House of Representatives to join me in congratulating the winners of these awards. The recipients are to be commended for their dedication, commitment, and leadership to the Hispanic community of Flint and Genesee County.

TRIBUTE TO THE MEMBERS OF THE SOUTH BAY POST NO. 8300 OF THE VETERANS OF FOREIGN WARS IN EAST PATCHOGUE

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the members of the South Bay Post No. 8300 of the Veterans of Foreign Wars, in East Patchogue, Long Island as they celebrate the 50th anniversary of the post's founding this Saturday, September 14.

Established by World War II veterans returning home to Brookhaven Town after leading America's victory over fascism, the South Bay Post takes its name from the Great South Bay that separates the south shore of Suffolk County from Fire Island and the Atlantic Ocean. South Bay Post No. 8300 was officially chartered on September 14, 1946, and Howard D. Hunter was chosen as the post's first commander.

Utilizing a surplus Army hospital building from Camp Upton, now Brookhaven National Laboratory, the post opened its headquarters on Dunton Avenue in East Patchogue in the early 1950's on land purchased from the town of Brookhaven for $1. Post members moved the hospital building from Camp Upton in three sections, installed the foundation and completed all the necessary renovations. Since its inception, the post headquarters have been expanded to accommodate its membership, that rose from an original 73 veterans to a high of 142 in 1973. Today the roster stands at 79.

On May 30, 1947, the post held its first important event when it sponsored a Memorial Day parade and service at the Bellport Cemetery. The post still continues its annual Memorial Day parade tradition.

During South Bay Post No. 8300's half-century lifespan, many changes have come to this area of Long Island. What remains unchanged is the devotion that the post's charter members possess for their country and comrades-in-arms. This Saturday night, during the 50th anniversary celebration dinner, Post Commander Dominic Chiapperino will present 50-year pins to 11 charter members whose passion and faith in America and the Veterans of Foreign Wars post they founded have never wavered.

I ask my colleagues in the U.S. House of Representatives to join me in saluting these 11 charter members of South Bay Post No. 8300, Veterans of Foreign Wars, on their 50-year anniversary. The 50-year charter members are: Anthony Fuoco, Ralph Fuoco, Sam Fuoco, Anthony Satornino, Dominic Satornino, Charles Stethani, Vincent Stethani, Walter Albasi, James Cardamone, Gasper Perry, and Joseph Stethani.

As citizens of this free and prosperous Nation, all Americans owe our war veterans a tremendous debt of gratitude for the sacrifices they endured and the efforts they made on our behalf. Please join me in saluting South Bay Post No. 8300 of the Veterans of Foreign Wars and all of its members, for all they do for our veterans and for all they've done for America.

INTRODUCTORY STATEMENT FOR H.R. 4050 VALUE-ADDED TAX PROPOSAL

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. GIBBONS. Mr. Speaker, the United States must have a new revenue system. We cannot afford the current system. It costs too much to operate. It destroys Americans' confidence in their Government and it hurts our economy by exporting American job opportunities.

Today, I have introduced H.R. 4050, and I have also placed in the CONGRESSIONAL RECORD a statement and a technical description for this proposal. This is the best that I have been able to do, drawing upon my 27 years of experience on the Committee on Ways and Means and my 34 years in Congress. I welcome discussion and criticism.

The legislation is comprehensive. First, it repeals all income taxes, personal and corporate. Second, it replaces the revenue lost with a value-added tax [VAT] on all goods and services at one flat tax rate. Third, it recognizes the current individual tax burden and it contains a proposal to keep this tax burden as it currently is and has been for the last 30 years.

A value-added tax is paid for by every American consumer which, by the way, is the ultimate impact of our current system. It is collected by business and remitted by business to the U.S. Government. A VAT simply taxes the value of each good and service on its way to the ultimate consumer. It does so in a fashion which does not cause the rate of taxation to pyramid.

THE CURRENT SYSTEM

While raising the revenue we need and achieving some of the goals we originally set for it, our income tax system has become a maze of complexity, intimidating to almost all taxpayers in its broad scope and labyrinthine nature. Because of this complexity, most Americans think the Tax Code is unfair. Most believe it allows the wealthiest to escape fair taxation and leaves the heavier burden on those less fortunate. On average, Federal taxes take about 23.8 percent of family income. At the very least, Americans deserve a tax system they can understand and trust, one with the consistency that assures that all are paying by the same process.

Businesses, too, feel overly burdened by our tax system. Compliance requests, complex forms, and expensive staff are needed to merely comply.

Our current tax system has the effect of exporting our job opportunities. Practically all countries have a value-added tax. Their VAT is subtracted from the price of their goods are exported to the United States. When their goods enter our tax environment, we collect little if any U.S. tax. But when our goods and services enter their countries, they add their VAT to the price of our goods before they are sold. Therefore, our goods, when sold overseas, carry the tax costs of two systems but their goods sold in our country are largely exempt from taxation. The ultimate impact is to diminish and export our U.S.-based job opportunities.

MY PROPOSAL FOR AN AMERICAN VALUE-ADDED TAX—H.R. 4050

The bill I am introducing today would eliminate all of these problems. It repeals the individual and corporate income taxes as well as the Social Security and Medicare taxes—approximately 90 percent of our current Federal taxes. It is my proposal for a single-rate subtraction-method value-added tax as a complete replacement for our current tax system. I feel confident that this bill will give the Congress a strong starting point for this important debate. A technical explanation of this bill follows my introductory statement.

A value-added tax is a tax placed on the sale of goods and services at each point where the value of a product is increased instead of taxing income as it is received. For example, a tax would be imposed when timber was sold. If the purchaser of the timber made it into paper and sold the paper, a tax would be placed on the value added by the papermaker. The value added by the papermaker would be determined by adding up the gross receipts from the sales of paper and subtracting the cost of business purchases—for example, timber, equipment, chemicals for bleaching, electricity or other energy costs, et cetera. Because the tax applies only to businesses, the value-added tax is not collected upon the sale of an owner-occupied private residence.

Under a VAT, American exports would not be taxed because they will be taxed when they enter a foreign country—if we taxed them in the United States then we cannot be competitive and this will cost us American jobs. The tax would apply only to consumption of

goods and services that takes place in the United States, whether imported or domestically produced. All imported goods would have our VAT added to this cost.

My VAT legislation provides a simple, understandable means of collecting the revenue the Government needs to operate and satisfying our citizens' right to understand their tax burden. All consumers would have the same tax rate. The simplicity of this system would improve compliance and reduce administrative costs for both the payor and the Government.

Many alternative tax systems purport to be simple, but a close examination of the details belies that claim. My VAT has no special exemptions or deductions and it has only one rate.

DISTRIBUTION OF TAX BURDEN

As the Congress considers any alternative to our current system, I state quite emphatically that two debates should remain outside of the discussion of a new tax system: First the amount of revenue the Government raises and spends, and second the distribution of the tax burden. The former has been discussed extensively in this 104th Congress, and perhaps rightly so, but on any count it is a debate that should take place outside of tax reform. The latter, burden distribution, should remain as it is—a progressive American system that helps the least among us and ensures that those benefiting the most from our democratic government and open economy pay their fair share. Both must be addressed. Neither should hinder our review of a VAT.

One of my key tenets in formulating a new tax regime is to maintain the same degree of progressivity that our current system has. The imposition of my VAT would not accomplish that by itself. Title III of my bill, the burden adjuster, is designed to keep the tax burden as it is now and has been for the last 30 years. Because the estimated 20-percent rate would likely result in a tax increase compared to current law for lower-income Americans and a tax decrease for upper-income Americans, my proposal adjusts that result so that, on average, each income group would bear the same burden it bears today.

My goals in designing this burden adjustment are: No. 1 to keep the adjustment mechanism itself as simple as possible; and No. 2 to minimize the number of taxpayers who would be subject to it. I believe that I have succeeded on both counts.

Since this is a key tax fairness issue, I want to share some details on its specifics and how it was developed. The burden adjustment aspect of my proposal is very simple. The 50 million taxpayers with incomes of less than $30,000 would get a rebate of the value-added tax they would pay, and the 17.5 million with incomes above $75,000 would be charged a bit extra. The 42 million taxpayers with incomes between $30,000 and $75,000 would not have to deal with an income tax at all.

Specifically, a rebate to low-income—up to $30,000—Americans would bring them to their current burden level. The rebate would be phased out proportionally, reaching zero at $30,000. The Internal Revenue Service would provide a table showing the amount of rebate at each income level. Taxpayers would simply look up their income in the table in order to know how much their rebate would be. They could file for their rebate from the IRS or, as the Secretary may arrange, they could receive it along with other cash transfers they may get from the Federal Government.

Taxpayers with income of more than $75,000 would pay a 17-percent flat rate on the amount of their adjusted gross incomes that exceeds $75,000. This low, flat rate would be sufficient to keep the average tax rate of the top 16 percent of the population at its current rate—under the assumption that they spend all of their income and pay the 20-percent VAT on their purchases.

The rebate calculation is very easy and would be done by the IRS. All taxpayers would need to do is look up their income in a table. The extra assessment calculation is as simple as possible. Taxpayers would apply a flat rate to an already familiar measure of income.

The vast middle-class—those with incomes between $30,000 and $75,000—would not have to bother with any of this. They would simply pay the VAT when they purchased goods and services. Period. No forms, no filing, no IRS.

So, with my value-added tax, 42 million taxpayers would no longer file tax forms of any kind. Another 50 million people would have the simple task of applying for a rebate of the VAT they pay, which they could look up in a table provided to them. Only 16 percent of all current taxpayers—17.5 million out of 110.8 million taxpayers—would be required to file and pay the additional assessment.

No complicated transition rules are needed—this VAT, with its rebate system for businesses, eliminates the need.

CONCLUSION

I look forward to vigorous discussion of my proposal with all commentators and participants in the policymaking process. It is through such dialog that sound changes to our tax laws evolve.

As we prepare to reform our current tax system, the implications of replacement must be fully understood and dealt with. We need to educate ourselves. I applaud Ways and Means Committee Chairman ARCHER for holding hearings on this subject.

I have spent years working on the ideas that I have presented here. And the ideas are certainly not mine alone. Hundreds of Americans have written on this subject and practically every country on earth with the exception of Australia has a form of value added taxation.

I could not have brought these many ideas together and presented them as I have without the help of some very fine and learned professionals: Janice Mays, currently chief counsel and staff director for the Democratic members of the Committee on Ways and Means who formerly served in that capacity for the full committee, John Buckley, currently chief tax counsel to the Democratic members of the Committee on Ways and Means and former chief of staff to the Joint Committee on Taxation and prior to that assistant legislative counsel to the House of Representatives; Kathleen O'Connell, chief economist for the Democratic members of the Committee on Ways and Means and former deputy assistant director for tax analysis at the Congressional Budget Office, Ellen Dadisman, Frank Phifer and others on our Democratic staff. I have also received much assistance from many other generous public servants.

Numerous others, particularly those in the private sector, have studied, written, and discussed for endless hours with me on this subject. Nothing is perfect and nothing is ever final, but this is the best that I have been able to do. Your input is welcomed. I would be glad to respond to all comments.

TECHNICAL DESCRIPTION OF H.R. 4050

The bill consists of three titles. The bill's provisions take effect on January 1, 1998.

TITLE I

Title I of the bill repeals the individual and corporate income taxes (including the minimum taxes), and the employment taxes used to fund the Social Security and Medicare programs. These repealed taxes constitute approximately 90 percent of current Federal revenues. The bill maintains the current funding of those programs by dedicating a portion of the revenues raised from the value-added tax imposed by Title II of the bill to the appropriate trust funds for such programs.

TITLE II

Title II of the bill imposes a broad-based, single rate, subtraction method, value-added tax. Businesses would collect and remit the tax. The estimated rate of the tax would be 20 percent. The 20 percent rate is an estimate of the rate that, in combination with the burden adjustment provisions of title III, will result in the bill being both revenue neutral and distributionally neutral. The rate was selected to minimize the number of taxpayers affected by the burden adjustment provisions.

Except for an exception for very small businesses, all persons engaged in business activities in the United States would be responsible for collecting and remitting the value-added tax. Businesses with gross receipts of less than $12,000 per year would be exempt from the tax unless they waive that exemption. For this purpose, the term ''business activity'' means the sale of property in the United States, the grant of the right to use property in the United States, and the performance of services in the United States other than as an employee. Such activities would be subject to the value-added tax if they are carried on continuously or regularly, regardless of profit motive.

The amount of the value added by any business during any taxable period would be computed under the subtraction method. The business would total its gross receipts from business activities for the taxable period and then subtract the amount (referred to as ''business purchases'') paid by the business during the taxable period for products and services to be used or sold in the business activity. Business purchases do not include amounts paid for employee compensation. If the amount paid for business purchases during any taxable period exceeds the business gross receipts for that taxable period, the business would be entitled to a refund equal to the VAT rate times that excess.

The value-added tax would be adjusted at the international border. In the case of exports, the adjustment would be made by excluding gross receipts from exports of goods and services from business gross receipts. Business purchases would include the cost of goods and services used to produce exported goods and services, thereby refunding to the exporter the value-added tax embedded in the price of those goods and services. In the case of imports, the adjustment would be made by excluding purchases of imported products or services in computing the amount of business purchases. There are also provisions that would refund the value-added tax to persons (such as tourists) making nonbusiness purchases of property in the United States for use outside the United States. There would be a tax on nonbusiness imports of property or services into the United States.

Businesses engaged in providing financial services would be subject to the value-added tax based on the value of the financial intermediation services that they provide. Those businesses could specify that a portion of the amounts they receive such as interest are implicit fees for financial intermediation services and the amount so specified would be treated as a deductible business purchase by the person paying the interest. Except for businesses engaged in providing financial services, dividends, interest, and other returns from financial assets would be excluded from gross receipts for purposes of the value-added tax.

There are rules for goods and services furnished by governmental entities and tax-exempt organizations. Those goods and services would be exempt from the value-added tax unless there is a separate charge imposed. If the full cost of the goods or services is not covered by the amounts charged for them, the entity cannot deduct the portion of its business purchases funded from other sources in computing its value added. Public utility services, mass transit services, and postal services furnished by governmental entities would be subject to the tax even if there is no separate charge.

TITLE III

Title III of the bill provides a rebate of the value-added tax to low-income individuals and imposes an assessment on high-income individuals.

Individuals whose adjusted net income for a year does not exceed $30,000 would be eligible for a rebate of the value-added tax. The amount of the rebate would be the applicable percentage of the individual's adjusted net income. The applicable percentage is 20 percent reduced by two-thirds of one percent for each whole $1,000 of the individual's adjusted net income. For the purposes of the rebate, adjusted net income includes the value of some non-indexed Federal transfer payments received during the year.

Individuals would be eligible to receive a rebate only if they are citizens and residents of the United States for the entire year, have a principal place of abode in the United States for more than half the year, and are not the dependent of another taxpayer.

The bill contains provisions for the advance payment of the rebate by employers. These provisions are similar to the provisions of current law which provide for advance payment of the earned income credit.

Taxpayers with net incomes over $75,000 would be required to pay an assessment equal to 17 percent of their net income under current law except that net income would include:

1. tax-exempt interest,

2. foreign earned income excludable under current Internal Revenue Code section 911, and

3. items of elective deferred compensation and nonqualified deferred compensation when there is not a substantial risk of forfeiture.

The bill's change in the treatment of nonqualified deferred compensation is necessary to prevent avoidance of the bill's assessment. The bill repeals the corporate income tax and therefore eliminates the current-law impediments to the use of nonqualified deferred compensation.

In addition, the bill contains provisions to prevent corporations from being used to avoid the assessment. The undistributed income of closely held corporations would be deemed distributed to their shareholders.

H.R. 4050

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) IN GENERAL.—This Act may be cited as the ''Revenue Restructuring Act of 1996''.

(b) FUNDAMENTAL PRINCIPLES FOR TAX RESTRUCTURING.—The provisions of this Act are a substitute for the current Federal income taxes and social security and medicare employment taxes and are designed to meet the following principles which should govern all proposals for fundamental tax reform:

(1) REVENUE NEUTRALITY.—The debate about the best method by which the Government raises revenue should not be confused with the issue of how much revenue the Government should raise.

(2) FAIRNESS.—Equitable distribution of the tax burden is of paramount importance. Tax reform should not be used as an opportunity to alter the current distribution of the burden of Federal taxes.

(3) SIMPLICITY.—Much of the unhappiness with the current Federal tax system arises from its perceived complexity. Tax reform should focus on the creation of a truly simpler system, thereby avoiding the ill will and skepticism generated by the current Federal tax system.

(4) ECONOMIC EFFICIENCY.—A good revenue system should minimize interference in economic markets. It should result in the least amount of distortion and bias, should encourage economic growth, and should promote the vigor and competitiveness of American companies.

(5) INTERNATIONAL COMPETITIVENESS.—The current income tax is an impediment to maximum competitiveness of American companies in international markets. Any reform proposal should be border-adjustable and promote the competitiveness of American companies.

(c) RESPONSIBILITIES OF DEPARTMENT OF TREASURY.—The rate of the value added tax and the burden adjustment provisions contained in this Act are tentative and intended to be both revenue neutral and distributionally neutral. The Secretary of the Treasury shall, within 90 days after the date of the enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives such adjustments to—

(1) the rate of the tax imposed by title II of this Act, and

(2) the burden adjustments established by title III of this Act,

to ensure that the provisions of this Act do not result in a significant change in the amount of Federal revenues or in the distribution of the Federal tax burden.

(d) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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TITLE I—REPEAL OF INDIVIDUAL AND CORPORATE INCOME TAXES AND SOCIAL SECURITY AND MEDICARE TAXES

SEC. 101. REPEAL OF INDIVIDUAL AND CORPORATE INCOME TAXES.

(a) IN GENERAL.—Subchapter A of chapter 1 (relating to normal taxes and surtaxes) is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1997.

SEC. 102. REPEAL OF SOCIAL SECURITY AND MEDICARE TAXES.

(a) IN GENERAL.—

(1) Chapter 21 (relating to Federal Insurance Contributions Act) is hereby repealed.

(2) Chapter 2 (relating to self-employment tax) is hereby repealed.

(b) REPEAL OF TIER 1 RAILROAD RETIREMENT TAXES.—

(1) Subsection (a) of section 3201 (relating to tax on employees) is hereby repealed.

(2) Subsection (a) of section 3211 (relating to tax on employee representatives) is amended by striking paragraph (1).

(3) Section 3221 (relating to tax on employers) is amended by striking subsections (a) and (e).

(4) Paragraph (2) of section 3231(e) is amended—

(A) by striking clause (iii) of subparagraph (A), and

(B) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) APPLICABLE BASE.—The term 'applicable base' means for any calendar year the contribution and benefit base determined under section 230 of the Social Security Act for such calendar year; except that—

''(i) for purposes of this chapter, and

''(ii) computing average monthly compensation under section 3(j) of the Railroad Retirement Act of 1974 (except with respect to annuity amounts determined under subsection (a) or (f)(3) of section 3 of such Act),

clause (2) of the first sentence, and the second sentence, of subsection (c) of section 230 of the Social Security Act shall be disregarded.''

(4) Subsection (e) of section 3231 is amended by striking paragraph (4).

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (a)(2)) shall apply to remuneration paid after December 31, 1997.

(2) SELF-EMPLOYMENT TAX.—The amendment made by subsection (a)(2) shall apply to taxable years beginning after December 31, 1997.

TITLE II—VALUE ADDED TAX

SEC. 201. IMPOSITION OF VALUE ADDED TAX.

The Internal Revenue Code of 1986 is amended by adding at the end the following new subtitle:

''Subtitle L—Value Added Tax

''CHAPTER 100. Value added tax.

''CHAPTER 100—VALUE ADDED TAX

''SUBCHAPTER A. Imposition of tax.

''SUBCHAPTER B. Computation of tax.

''SUBCHAPTER C. General rules.

''SUBCHAPTER D. Special rules.

''SUBCHAPTER E. Small business exemption.

''SUBCHAPTER F. Definitions.

''SUBCHAPTER G. Administration.

''Subchapter A—Imposition of Tax

''Sec. 10001. Tax imposed.

''SEC. 10001. TAX IMPOSED.

''In the case of any person engaged in any business activity, there is hereby imposed for each taxable period a tax in an amount equal to 20 percent of the taxable value added.

''Subchapter B—Computation of Tax

''Sec. 10011. Taxable value added.

''Sec. 10012. Business activity.

''Sec. 10013. Gross receipts from business activities.

''Sec. 10014. Business purchases.

''Sec. 10015. Exemption for certain nontaxable exchanges.

''SEC. 10011. TAXABLE VALUE ADDED.

''(a) IN GENERAL.—For purposes of this chapter, the term 'taxable value added' means the amount by which—

''(1) the gross receipts of any person from business activities for a taxable period, exceed

''(2) the business purchases of such person for the taxable period.

''(b) REFUND IF BUSINESS PURCHASES EXCEED GROSS RECEIPTS.—If the business purchases described in subsection (a)(2) exceeds the gross receipts described in subsection (a)(1) for any taxable period, an amount equal to 20 percent of such excess shall be treated as an overpayment of the tax imposed by section 10001 for such period.

''SEC. 10012. BUSINESS ACTIVITY.

''(a) IN GENERAL.—For purposes of this chapter, the term 'business activity' means—

''(1) any of the following transactions by any person in connection with a business—

''(A) any sale of property in the United States,

''(B) any grant of a right to use property in the United States, and

''(C) the performance of services in the United States, and

''(2) the export of property or services from the United States in connection with a business.

For purposes of the preceding sentence, the term 'property' does not include any financial instrument (as defined in section 10051) or money.

''(b) EXCEPTION FOR SERVICES PERFORMED AS EMPLOYEE.—For purposes of this chapter, the term 'business activity' does not include the performance of services by an employee for the employee's employer.

''SEC. 10013. GROSS RECEIPTS FROM BUSINESS ACTIVITIES.

''(a) IN GENERAL.—For purposes of this chapter, the term 'gross receipts' means all receipts from a business activity.

''(b) EXPORTS.—

''(1) GENERAL RULE.—For purposes of this chapter, the term 'gross receipts' does not include amounts received by the exporter for property or services exported from the United States for use or consumption outside the United States.

''(2) EXPORT THROUGH NONBUSINESS ENTITY.—For purposes of paragraph (1), if property or services are sold to a governmental entity or exempt organization for export and are exported other than in a business activity of such entity or organization, then the seller of such property or services is deemed to be the exporter thereof.

''(3) INTERNATIONAL TRANSPORTATION.—

''For treatment of international transportation services, see section 10031.

''(c) EXCHANGES.—For purposes of this chapter, the amount treated as gross receipts from an exchange is the amount of money plus the fair market value of other consideration received in the exchange.

''(d) CERTAIN INSURANCE PROCEEDS.—For purposes of this chapter, the term 'gross receipts' includes the proceeds of property and casualty insurance for losses in connection with a business activity.

''(e) TAXES.—For purposes of this chapter, the term 'gross receipts' shall not include—

''(1) any separately stated excise tax, sales tax, customs duty, or other levy imposed by a Federal, State, or local government which is imposed on a business transaction and which is received or collected by the seller in connection with the sale, and

''(2) any tax imposed by chapter 31, 32, 33, 34, 35, 36, 39, 51, 52, or 53.

''(f) TRANSFERS TO RELATED PERSONS.—

''(1) IN GENERAL.—For purposes of this chapter, the amount treated as the gross receipts from any transaction described in section 10012(a)(1) between related persons shall be the fair market value of the property sold, right granted, or services performed (as the case may be).

''(2) RELATED PERSON.—For purposes of this subsection, the term 'related person' means—

''(A) in the case of an employment relationship, an employer and employee,

''(B) in the case of any entity, an owner of the entity,

''(C) any person specified in regulations, and

''(D) any member of the family (within the meaning of section 267(c)(4)) of any individual described in subparagraph (A), (B), or (C).

''(3) OWNER.—For purposes of paragraph (2), the term 'owner' means—

''(A) the proprietor of a sole proprietorship, and

''(B) any holder of a beneficial interest in a corporation, partnership, trust, or other entity.

''SEC. 10014. BUSINESS PURCHASES.

''(a) IN GENERAL.—For purposes of this chapter, the term 'business purchase' means any amount paid or incurred to acquire property, a right to use property, or services for use or sale in a business activity. For purposes of the preceding sentence, the term 'property' does not include any financial instrument or money.

''(b) EXCEPTIONS.—The term 'business purchase' does not include—

''(1) any amount paid or incurred as current or deferred compensation to employees or for employee benefits,

''(2) any payment which is unlawful under Federal, State, or local law, or

''(3) except as provided in subsection (d)—

''(A) any amount paid or incurred as a premium for insurance other than property and casualty insurance, or

''(B) any other implicit intermediation fees.

''(c) IMPORTS.—The term 'business purchase' does not include—

''(1) any amount paid or incurred for the import of property or services, and

''(2) in the case of imported property, any amounts paid or incurred for the transportation of such property to the United States (if such costs are not included in the amount paid for the property).

''(d) FINANCIAL INTERMEDIATION SERVICES.—

''(1) IN GENERAL.—For purposes of this chapter, business purchases include implicit financial intermediation fees.

''(2) IMPLICIT FINANCIAL INTERMEDIATION FEES.—For purposes of paragraph (1), the term 'implicit financial intermediation fees' means amounts allocable to the business activity for which a person has received notice under section 10032(d) (relating to implicit financial intermediation fees) and which have otherwise not been taken into account.

''(3) CROSS REFERENCE.—

For additional treatment of financial intermediation services, see section 10032.

''(e) EXCHANGES.—For purposes of this chapter, the amount treated as paid or incurred for business purchases in connection with an exchange is the amount of money plus the fair market value of other consideration transferred in the exchange.

''(f) TAXES.—For purposes of this chapter, the term 'business purchase' does not include any excise tax, sales tax, customs duty, or other separately stated levy imposed by a Federal, State, or local government on business purchases.

''(g) GAMBLING PAYMENTS.—Except as provided in subsection (a), in the case of a business activity involving gambling, lotteries, or other games of chance, business purchases include amounts paid to winners.

''SEC. 10015. EXEMPTION FOR CERTAIN NONTAXABLE EXCHANGES.

''(a) GENERAL RULE.—For purposes of this chapter, gross receipts shall not include gross receipts from an applicable nontaxable transaction except to the extent attributable to money or other property received in the transaction.

''(b) APPLICABLE NONTAXABLE TRANSACTIONS.—For purposes of this section, the term 'applicable nontaxable transaction' means any transaction—

''(1) to which section 332, 351, 368, or 721 applies, or

''(2) which is specified by the Secretary and with respect to which gain is not recognized in whole or in part under chapter 1.

''Subchapter C—General Rules

''Sec. 10021. Accounting methods.

''Sec. 10022. Governmental entities and exempt organizations.

''Sec. 10023. Post-sale price adjustments and refunds; bad debts.

''Sec. 10024. Source rules.

''Sec. 10025. Conversions.

''SEC. 10021. ACCOUNTING METHODS.

''(a) IN GENERAL.—Except as provided in this section, a person subject to tax under this chapter may use any of the following methods of accounting for purposes of this chapter:

''(1) The cash receipts and disbursements method.

''(2) An accrual method.

''(3) Any other method permitted by the Secretary.

The Secretary may require a person to modify any method to clearly reflect gross receipts and business purchases.

''(b) CONSISTENCY REQUIREMENT.—All persons which are members of a controlled group of corporations which does not elect to be treated as one person for purposes of this chapter under section 10063(a)(2) shall use the same method of accounting for purposes of this chapter.

''(c) SPECIAL RULES FOR LONG-TERM CONTRACTS.—

''(1) IN GENERAL.—In the case of any sale pursuant to a long-term contract (as defined in section 460(f))—

''(A) the seller shall use the percentage of completion method in computing gross receipts from the contract, and

''(B) the purchaser shall use the cash receipts and disbursements method in computing business purchases from the contract.

''(2) REPORTING.—The Secretary may require taxpayers to file statements containing such information with respect to long-term contracts as the Secretary may prescribe.

''(d) INSTALLMENT METHOD PROHIBITED.—Gross receipts from the sale of property shall not be taken into account for purposes of this chapter under the installment method.

''SEC. 10022. GOVERNMENTAL ENTITIES AND EXEMPT ORGANIZATIONS.

''(a) IN GENERAL.—For purposes of this chapter, the transfer of property, the grant of a right to use property, or the furnishing of services by a governmental entity or an exempt organization shall be treated as a business activity if there is a separately stated charge for such transfer, grant, or furnishing.

''(b) SPECIAL RULES FOR GOVERNMENTAL ENTITIES.—For purposes of this chapter—

''(1) IN GENERAL.—The transfer of property, the grant of a right to use property, or furnishing of services by a governmental entity with respect to any of the following activities shall be treated as a business activity whether or not there is a separately stated charge for such transfer or furnishing:

''(A) Public utility services.

''(B) Mass transit services.

''(C) Postal services.

''(D) Any activity not involving the exercise of any essential governmental function (within the meaning of section 115).

''(2) GROSS RECEIPTS.—In the case of a transfer of property, grant of a right to use property, or furnishing of services which is treated as a business activity solely by reason of paragraph (1), gross receipts shall be determined on the basis of the fair market value of such property, right, or services.

''(c) BUSINESS PURCHASES REDUCED BY SUBSIDIES.—

''(1) IN GENERAL.—For purposes of this chapter, in the case of a business activity of an exempt organization or a governmental entity (other than an activity which is treated as a business activity solely by reason of subsection (b)(1)), the business purchases for such activity shall be reduced by the amount of any subsidy provided for that activity.

''(2) SUBSIDY.—For purposes of paragraph (1), the term 'subsidy' means the portion of the cost of the transfer of property, the right to use property, or the furnishing of services, which is not borne by amounts charged therefor.

''(d) ALLOCATION.—The Secretary shall by regulation provide for the proper allocation of gross receipts and business purchases between business activities and other activities.

''(e) SELF-CONSUMPTION OF PROPERTY OR SERVICES.—Notwithstanding the provisions of this section, the Secretary may by regulation provide that property produced, or services furnished, by a governmental entity or an exempt organization for use by itself are to be treated as sold in a business activity if such treatment is necessary to carry out the purposes of this chapter. In any such case the taxable value added shall be determined by reference to the fair market value of the property or services.

''SEC. 10023. POST-SALE PRICE ADJUSTMENTS AND REFUNDS; BAD DEBTS.

''(a) PRICE ADJUSTMENTS AND REFUNDS.—

''(1) RECEIPT TREATED AS REDUCTION IN BUSINESS PURCHASES.—If a person subject to tax under this chapter receives a post-sale price adjustment attributable to a business purchase which was taken into account in computing the taxable value added for a prior taxable period, then the amount of such adjustment shall be treated as a reduction in business purchases for the taxable period in which it is received.

''(2) ISSUANCE TREATED AS REDUCTION IN GROSS RECEIPTS.—If a person subject to tax under this chapter issues a post-sale price adjustment for a sale the gross receipts from which were taken into account in computing the taxable value added for a prior taxable period, then the amount of such adjustment shall be treated as a reduction in gross receipts for the taxable period in which it is issued.

''(3) POST-SALE PRICE ADJUSTMENT.—For purposes of this subsection, the term 'post-sale price adjustment' means a refund, rebate, or other price allowance attributable to a sale of property or services.

''(b) BAD DEBTS.—

''(1) SELLER.—

''(A) WRITEOFFS AND WRITEDOWNS.—If an amount owed to a seller of business property or services that was taken into account as gross receipts in computing the taxable value added of the seller for a prior taxable period becomes wholly or partially uncollectible during any subsequent taxable period, then the seller shall treat the amount (or part thereof that is uncollectible) as a reduction in gross receipts for the taxable period in which it becomes wholly or partially uncollectible.

''(B) NOTICE.—Whenever a seller treats an amount as wholly or partially uncollectible under subparagraph (A), the seller shall notify the purchaser of the amount the seller is treating as uncollectible. The notice shall set forth with specificity the purchase or purchases to which the treatment relates and shall be sent to the purchaser at the purchaser's last known address within 10 days after close of the taxable period in which the seller treats the amount as wholly or partially uncollectible.

''(C) RECOVERIES.—If a seller receives payment for an amount that was treated as a reduction in gross receipts under subparagraph (A) in a prior taxable period, then the seller shall treat the payment as a gross receipt for the taxable period in which it is received.

''(2) PURCHASER.—

''(A) WRITEOFFS AND WRITEDOWNS.—If a purchaser receives notice under paragraph (1)(B) from a seller for all or a portion of the amount owed for business property or services that the purchaser treated as a business purchase in a prior taxable period, then the purchaser shall treat such amount as a reduction in business purchases for the taxable period in which the notice is received.

''(B) REPAYMENTS.—If a purchaser pays all or part of an amount treated as a reduction in business purchases under subparagraph (A) in a prior taxable period, then the purchaser shall treat the amount paid as a business purchase for the taxable period in which the payment is made.

''SEC. 10024. SOURCE RULES.

''(a) SALES OF PROPERTY.—For purposes of this chapter, a sale of property shall be treated as occurring in the United States if the property is located in the United States at the time of the sale.

''(b) RIGHT TO USE PROPERTY.—For purposes of this chapter, the grant of a right to use property shall be treated as occurring in the United States to the extent such right involves the use of such property in the United States.

''(c) SALES OF SERVICES.—

''(1) GENERAL RULE.—For purposes of this chapter, a sale of services shall be treated as occurring in the United States to the extent that—

''(A) the services are provided from a place of business, or with respect to property, in the United States, or

''(B) the services are incidental to the provision of services within the United States.

''(2) CROSS REFERENCE.—

''For treatment of international transportation services, see section 10031.

''SEC. 10025. CONVERSIONS.

For purposes of this chapter, any conversion of property or services from use in a business activity to use in any other activity, or from use in any other activity to use in a business activity, shall be treated as a sale of the property or services for their fair market value.

''Subchapter D—Special Rules

''Sec. 10031. International transportation services.

''Sec. 10032. Financial intermediation services.

''Sec. 10033. Nonbusiness imports of property or services.

''Sec. 10034. Refund for certain nonbusiness purchases.

''SEC. 10031. INTERNATIONAL TRANSPORTATION SERVICES.

''(a) EXPORTS.—For purposes of this chapter, in the case of property exported from the United States—

''(1) GROSS RECEIPTS.—The term 'gross receipts' does not include receipts from transportation of such property from the United States.

''(2) BUSINESS PURCHASES.—The term 'business purchase' does not include amounts paid or incurred for transportation of such property from the United States.

''(b) INTERNATIONAL TRANSPORTATION OF PASSENGERS.—For purposes of this chapter—

''(1) GROSS RECEIPTS.—Gross receipts—

''(A) do not include receipts from the transportation of passengers from outside the United States to a destination in the United States, but

''(B) include receipts from the transportation of passengers from the United States to a destination outside the United States.

''(2) BUSINESS PURCHASES.—Business purchases—

''(A) do not include amounts paid or incurred in a business activity for the transportation of passengers from outside the

United States to a destination in the United States, but

''(B) include amounts paid or incurred in a business activity for the transportation of passengers from the United States to a destination outside the United States.

''SEC. 10032. FINANCIAL INTERMEDIATION SERVICES.

''(a) GENERAL RULE.—For purposes of this chapter—

''(1) the providing of financial intermediation services shall be treated as a business activity, and

''(2) this chapter shall be applied to such business activity by substituting financial receipts and adjusted business purchases properly allocable to such business activity for gross receipts and business purchases.

''(b) FINANCIAL RECEIPTS.—For purposes of this section, the term 'financial receipts' means all receipts other than amounts received as contributions to capital.

''(c) ADJUSTED BUSINESS PURCHASES.—For purposes of this section, the term 'adjusted business purchases' means business purchases, adjusted as follows:

''(1) PRINCIPAL AND INTEREST.—Business purchases include any principal or interest payments properly allocable to the business activity described in subsection (a).

''(2) FINANCIAL INSTRUMENTS.—Notwithstanding any other provision of this chapter, business purchases include the cost of, and payments under, financial instruments (other than financial instruments representing equity interests in the person subject to the tax imposed by this chapter).

''(3) INSURANCE CLAIMS.—Business purchases include claims and cash surrender values paid in connection with insurance or reinsurance services.

''(4) REINSURANCE.—Business purchases include amounts paid for reinsurance.

''(d) REPORTING TO CUSTOMERS.—

''(1) ALLOCATION AND REPORTING.—

''(A) IN GENERAL.—A person engaged in the business activity of providing financial intermediation services shall—

''(i) allocate fees received for such services (other than services for which separately stated fees are charged) among recipients of such services on a reasonable and consistent basis, and

''(ii) report to each recipient the fees so allocated.

''(B) TIMING.—The report under subparagraph (A)(ii) shall be furnished to the recipient no later than the 45th day after the close of a taxable period.

''(2) EXCEPTION.—The Secretary shall establish procedures under which notice need not be given under this subsection to persons with respect to whom services are not provided in connection with a business activity.

''(e) DEFINITIONS.—For purposes of this section—

''(1) FINANCIAL INTERMEDIATION SERVICE.—The term 'financial intermediation service' means—

''(A) lending services,

''(B) insurance services,

''(C) market-making and dealer services, and

''(D) any other service provided as a business activity in which a person acts as an intermediary in—

''(i) the transfer of property, services, or financial assets, liabilities, risks, or instruments (or income or expense derived therefrom) between two or more other persons, or

''(ii) the pooling of economic risk among other persons,

and derives all or a portion of such person's gross receipts from streams of income or expense, discounts, or other financial flows associated with the matter with respect to which such person is acting as an intermediary.

''(2) LENDING SERVICES.—The term 'lending services' means the regular making of loans and providing credit to, or taking deposits from, customers, but does not include an installment or delayed payment arrangement provided by a seller of property or services under which additional charges or fees are imposed by the seller for late payment and for which no interest is charged.

''(3) MARKET-MAKING OR DEALER SERVICES.—The term 'market-making or dealer services' means services provided by a person who—

''(A) regularly purchases financial instruments from or sells financial instruments to customers in the ordinary course of a trade or business, or

''(B) regularly offers to enter into, assume, offset, assign, or otherwise terminate positions in financial instruments with customers in the ordinary course of a trade or business.

''SEC. 10033. NONBUSINESS IMPORTS OF PROPERTY OR SERVICES.

''(a) IMPOSITION OF TAX.—There is hereby imposed on the taxable nonbusiness import of any property or services a tax equal to 20 percent of the sum of—

''(1) the amount paid or incurred for the property or services, plus

''(2) in the case of property, any amounts paid or incurred for transportation costs (if such costs are not included in the amount paid for the property).

''(b) TAXABLE NONBUSINESS IMPORT.—For purposes of subsection (a), the term 'taxable nonbusiness import' means any import of any property or services for use or consumption within the United States unless—

''(1) such property or services is imported for use or sale in a business activity of the importer, or

''(2) such property is imported free of duty under chapter 98 of the Harmonized Tariff Schedule of the United States.

''SEC. 10034. REFUND FOR CERTAIN NONBUSINESS PURCHASES.

''(a) REFUND ALLOWED.—If the tax imposed by section 10001 was paid on any qualified nonbusiness purchase, the Secretary shall pay (without interest) to the purchaser an amount equal to such tax.

''(b) QUALIFIED NONBUSINESS PURCHASE.—For purposes of this section, the term 'qualified nonbusiness purchase' means any purchase of property or services if—

''(1) such purchase is not in connection with a business,

''(2) the purchaser establishes to the satisfaction of the Secretary that substantially all of the use of such property or services is outside the United States, and

''(3) the amount of the tax imposed by section 10001 on such purchase is separately stated.

''(c) PERIOD FOR FILING CLAIMS.—No claim shall be allowed under this section with respect to any purchase unless filed by the purchaser not later than 180 days after the date of such purchase.

''Subchapter E—Small Business Exemption

''Sec. 10041. Small business exemption.

''SEC. 10041. SMALL BUSINESS EXEMPTION.

''(a) EXEMPTION.—Except as provided in subsection (b), if the aggregate amount of gross receipts of any person for any taxable period and the 3 preceding taxable periods does not exceed the exemption amount, no tax shall be imposed under section 10001 (and no credit or refund shall be allowed under section 10011) for the taxable period.

''(b) EXCEPTIONS.—

''(1) PERSON MUST ALWAYS BE EXEMPT.—Subsection (a) shall not apply to any person for a taxable period unless the person was exempt from the tax imposed by section 10001 for all preceding taxable periods.

''(2) ELECTION.—Subsection (a) shall not apply to any person for a taxable period if the person elects not to have subsection (a) apply for the taxable period.

''(c) STATEMENTS.—A person to which this section applies for any taxable period shall file a statement containing such information as the Secretary may prescribe.

''(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) EXEMPTION AMOUNT.—The term 'exemption amount' means $12,000 (or an equivalent amount if the taxable period is not a calendar quarter).

''(2) PERSONS NOT ENGAGED IN BUSINESS FOR ENTIRE PERIOD.—If a person was not engaged in a business activity for the entire period referred to in subsection (a), such subsection shall be applied on the basis of the period the person was so engaged.

''(3) PREDECESSORS.—Any reference in this section to a person shall include a reference to any predecessor of the person.

''Subchapter F—Definitions

''Sec. 10051. Definitions.

''SEC. 10051. DEFINITIONS.

''For purposes of this chapter—

''(1) SALE OF SERVICES.—The term 'sale of services' means the performance of services for consideration, and includes the granting of a right to the performance of services or to reimbursement (including the granting of warranties, insurance, and similar items) for consideration.

''(2) GRANT OF RIGHT TO USE PROPERTY.—The term 'grant of a right to use property' means the granting of a right to use property for consideration.

''(3) SALE OF PROPERTY.—The term 'sale of property' means the transfer of ownership of property from a seller to a purchaser for consideration.

''(4) PROPERTY.—The term 'property' means any tangible or intangible property.

''(5) BUSINESS.—The term 'business' includes any activity carried on continuously or regularly, whether or not for profit, that involves or is intended to involve the sale of property, the grant of a right to use property, or the sale of services.

''(6) BUSINESS PROPERTY OR SERVICE.—The term 'business property or service' means any property or service the sale of which by the owner or provider thereof would be a business activity or which is used by the owner or provider in a business activity.

''(7) EMPLOYEE.—The term 'employee' has the same meaning as when such term is used for purposes of chapter 24 (relating to withholding).

''(8) PERSON.—The term 'person' has the meaning given such term by section 7701(a)(1), but also includes any governmental entity.

''(9) UNITED STATES.—The term 'United States', when used in a geographic sense, includes the customs territory of the United States (as defined in General Headnote 2 of the Harmonized Tariff Schedules of the United States) and any area seaward of the States lying within the outer boundaries of the outer continental shelf (as defined in section 1331 of title 43, United States Code).

''(10) GOVERNMENTAL ENTITY.—The term 'governmental entity' means the United States, any State or political subdivision thereof, the District of Columbia, a Commonwealth or possession of the United States, or any agency or instrumentality of any of the foregoing.

''(11) EXEMPT ORGANIZATION.—The term 'exempt organization' means any organization exempt from taxation under chapter 1.

''(12) FINANCIAL INSTRUMENT DEFINED.—The term 'financial instrument' means any—

''(A) share of stock in a corporation,

''(B) partnership or beneficial ownership interest in a widely held or publicly traded partnership or trust,

''(C) note, bond, debenture, or other evidence of indebtedness,

''(D) interest rate, currency, or equity notional principal contract,

''(E) evidence of an interest in, or a derivative financial instrument in, any financial instrument described in subparagraph (A), (B), (C), or (D), or any currency, including any option, forward contract, short position, and any similar financial instrument in such a financial instrument or currency, and

''(F) position which—

''(i) is not a financial instrument described in subparagraph (A), (B), (C), (D), or (E),

''(ii) is a hedge with respect to such a financial instrument, and

''(iii) is clearly identified in the dealer's records as being described in this subparagraph before the close of the day on which it was acquired or entered into (or such other time as the Secretary may by regulations prescribe).

''(13) USE INCLUDES HELD FOR USE.—Property or services held for use by any person shall be treated as used by that person.

''(14) EXCHANGES TREATED AS SALES.—An exchange shall be treated as a sale.

"Subchapter G—Administration

''Sec. 10061. Liability for tax.

''Sec. 10062. Time for filing return; taxable period.

''Sec. 10063. Treatment of related businesses.

''Sec. 10064. Secretary to be notified of certain events.

''Sec. 10065. Regulations.

"SEC. 10061. LIABILITY FOR TAX.

''The person selling property, granting the right to use property, or selling services shall be liable for the tax imposed by section 10001.

"SEC. 10062. TIME FOR FILING RETURN; TAXABLE PERIOD.

''(a) FILING RETURN.—Before the 16th day of the second calendar month beginning after the close of each taxable period, each person subject to tax under this chapter shall file a return of the tax imposed by section 10001 for such taxable period.

''(b) TAXABLE PERIOD.—For purposes of this chapter—

''(1) IN GENERAL.—The term 'taxable period' means a calendar quarter, except that if a taxpayer has a taxable year under chapter 1 other than the calendar year, then such term means a quarter of that taxable year.

''(2) OTHER PERIODS.—To the extent provided in regulations, the term 'taxable period' includes a period selected by a person other than a calendar quarter.

''(3) AUTHORITY TO SHORTEN LENGTH OF TAX PERIOD.—The Secretary may shorten the length of a person's taxable period under this subsection to the extent the Secretary deems such action necessary to protect the revenue.

"SEC. 10063. TREATMENT OF RELATED BUSINESSES.

''(a) GENERAL RULE.—For purposes of this chapter—

''(1) AFFILIATED GROUPS AND BUSINESSES UNDER COMMON CONTROL.—Except to the extent otherwise provided in regulations—

''(A) an affiliated group of corporations (as defined in section 1504(a) without regard to paragraphs (2), (4), and (7) of section 1504(b)), or

''(B) two or more businesses (whether or not incorporated) under common control within the meaning of section 52(b) and the regulations thereunder,

shall be treated as one person.

''(2) CONTROLLED GROUP.—A controlled group of corporations, as defined in section 1563(a) (determined without regard to the second sentence of paragraph (4) of such section and without regard to section 1563(e)(3)(C)), may elect to be treated as one person.

''(b) RELATED PARTY TRANSACTIONS.—For purposes of this chapter, transactions in the United States between corporations or other businesses that are treated, or that may elect to be treated, as one person under subsection (a) shall not be taken into account in computing the gross receipts or business purchases of any such corporation or business.

"SEC. 10064. SECRETARY TO BE NOTIFIED OF CERTAIN EVENTS.

''To the extent provided in regulations, each person engaged in a business shall notify the Secretary (at such time or times as may be prescribed by regulation) of—

''(1) any change in the form in which the business is conducted, and

''(2) any other change that might affect—

''(A) the liability for the tax imposed by section 10001,

''(B) the amount of such tax or any credit against such tax, or

''(C) the administration of such tax in the case of such person.

"SEC. 10065. REGULATIONS.

''The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this chapter.''

SEC. 202. REFUND AUTHORITY.

Section 6402 (relating to authority to make credits or refunds) is amended by designating subsection (h) as subsection (j) and by inserting after subsection (g) the following new subsection:

''(h) REPAYMENT OF VALUE ADDED TAX.—Within 45 days after the date on which a value added tax return is filed pursuant to section 10062 showing an overpayment, the Secretary shall make, to the extent the Secretary deems practical, a limited examination of the return to discover omissions and errors of computation, and shall determine the amount of the overpayment, if any, for the taxable period to which the return relates and refund the amount of such overpayment to the person who filed the return.''

SEC. 203. DEDICATION OF PORTION OF VAT REVENUES TO SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—The Secretary of the Treasury shall deposit in each Social Security Trust Fund for periods after 1997 that portion of the revenues from the tax imposed by chapter 100 of the Internal Revenue Code of 1986 which is necessary to maintain each such Fund in the same position it would be in but for the amendments made by section 102 of this Act.

(b) SOCIAL SECURITY TRUST FUNDS.—For purposes of subsection (a), the Social Security Trust Funds are—

(1) the Federal Old-Age and Survivors Insurance Trust Fund established by section 201(a) of the Social Security Act,

(2) the Federal Disability Insurance Trust Fund established by section 201(b) of such Act, and

(3) the Federal Hospital Insurance Trust Fund established by section 1817(a) of such Act.

TITLE III—BURDEN ADJUSTMENTS

SEC. 301. REBATE OF VALUE ADDED TAX TO LOW-INCOME INDIVIDUALS; BURDEN ASSESSMENT ON HIGH-INCOME INDIVIDUALS.

(a) IN GENERAL.—Subtitle A is amended by adding at the end the following new chapter:

"CHAPTER 7—VALUE ADDED TAX BURDEN ADJUSTMENTS

''Subchapter A. Rebate to low-income individuals.

''Subchapter B. Burden assessment on high-income individuals.

"Subchapter A—Rebate to Low-Income Individuals

''Sec. 1601. Rebate to low-income individuals.

''Sec. 1602. Advance payment of rebate.

"SEC. 1601. REBATE TO LOW-INCOME INDIVIDUALS.

''(a) GENERAL RULE.—The Secretary shall, for each taxable year, pay to each eligible individual an amount equal to the VAT rebate for such year.

''(b) VAT REBATE.—For purposes of this section—

''(1) IN GENERAL.—The VAT rebate for any taxable year is an amount equal to the applicable percentage of so much of the adjusted net income of the eligible individual for such year as does not exceed $30,000.

''(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is 20 percent reduced (but not below zero) by ⅔ of 1 percentage point for each whole $1,000 of the individual's adjusted net income.

''(3) ADJUSTED NET INCOME.—The term 'adjusted net income' means the sum of—

''(A) the net income (as defined in section 1611(c)) for the taxable year, plus

''(B) the value of specified Federal transfer payments received during the taxable year.

''(4) SPECIFIED FEDERAL TRANSFER PAYMENTS.—The term 'specified Federal transfer payments' means—

''(A) aid provided under a State plan approved under part A of title IV of the Social Security Act (relating to aid to families with dependent children),

''(B) assistance provided under—

''(i) the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977), or

''(ii) the portion of the program under sections 21 and 22 of such Act which provides food assistance, and

''(C) any other Federal assistance which consists of money payments or script and which is not adjusted for changes in the cost-of-living.

''(c) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means any individual if—

''(1) such individual is a citizen or resident of the United States for the entire taxable year,

''(2) such individual's principal place of abode is in the United States for more than one-half of such taxable year,

''(3) such individual is not a dependent of another taxpayer for any taxable year beginning in the same calendar year as such taxable year, and

''(4) such individual's adjusted net income for the taxable year does not exceed $30,000.

''(d) AMOUNT OF REBATE TO BE DETERMINED UNDER TABLES.—

''(1) IN GENERAL.—The amount of the rebate allowed by this section shall be determined under tables prescribed by the Secretary.

''(2) REQUIREMENTS FOR TABLES.—The tables prescribed under paragraph (1) shall reflect the provisions of subsection (b) and shall have income brackets of not greater than $50 each.

''(e) MARRIED INDIVIDUALS MUST FILE JOINT CLAIM.—In the case of an individual who is married (within the meaning of section 7703), this section shall apply only if a joint claim is filed by such individual and such individual's spouse, and such joint claim shows the combined adjusted net incomes of such individual and spouse.

''(f) COORDINATION WITH PERIODIC PAYMENTS OF REBATE.—If any payment is made to the individual under section 1602 during any calendar year or if periodic payments have been made to the individual under this section during any calendar year, then such

individual shall pay to the Secretary an amount equal to the excess (if any) of—

''(1) the aggregate amount of such payments, over

''(2) the maximum amount which would be payable to such individual under this section (for such individual's last taxable year beginning in such calendar year) without regard to such payments and on the basis of the actual adjusted net income of such individual for such taxable year.

Any amount required to be paid under this subsection shall be assessed and collected in the same manner as tax imposed by chapter 1.

''(g) CLAIM REQUIRED TO BE FILED, ETC.—

''(1) IN GENERAL.—No payment shall be made under this section unless claim therefor is filed with the Secretary.

''(2) REBATE PAYABLE WITH FEDERAL TRANSFER PAYMENTS, ETC..—To the maximum extent practical, the Secretary shall arrange for the payment of the rebate under this section to be made with Federal transfer payments and payments of social security benefits.

''SEC. 1602. ADVANCE PAYMENT OF REBATE.

''(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages to an employee with respect to whom a VAT rebate eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment to such employee equal to such employee's VAT rebate advance amount.

''(b) VAT REBATE ELIGIBILITY CERTIFICATE.—For purposes of this title, a VAT rebate eligibility certificate is a statement furnished by an employee to the employer which—

''(1) certifies that the employee will be eligible to receive payments under section 1601 for the taxable year,

''(2) certifies the employee's estimate of his adjusted net income (as defined in section 1601(b)) for the taxable year other than income from wages from such employer, and

''(3) certifies—

''(A) that the employee does not have another VAT rebate eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer, and

''(B) that the spouse of the employee does not have a VAT rebate eligibility certificate in effect.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

''(c) VAT REBATE ADVANCE AMOUNT.—For purposes of this title, the term 'VAT rebate advance amount' means, with respect to any payroll period, the amount determined—

''(1) on the basis of the employee's wages from the employer for such period and the employee's estimate under subsection (b)(2) of his adjusted net income (as defined in section 1601(b)) for the taxable year other than from such wages, and

''(2) in accordance with tables prescribed by the Secretary.

''(d) PAYMENTS TO BE TREATED AS PAYMENTS VALUE ADDED TAX.—

''(1) IN GENERAL.—For purposes of this title, payments made by an employer under subsection (a) to his employees for any payroll period—

''(A) shall not be treated as the payment of compensation, and

''(B) shall be treated as made out of amounts of the taxes imposed for the payroll period under chapter 100 (relating to value added tax), as if the employer had paid to the Secretary, on the day on which the wages are paid to the employees, an amount equal to such payments.

''(2) ADVANCE PAYMENTS EXCEED TAXES DUE.—In the case of any employer, if for any payroll period the aggregate amount of VAT rebate advance payments exceeds the sum of the amounts referred to in paragraph (1)(B), each such advance payment shall be reduced by an amount which bears the same ratio to such excess as such advance payment bears to the aggregate amount of all such advance payments.

''(3) EMPLOYER MAY MAKE FULL ADVANCE PAYMENTS.—The Secretary shall prescribe regulations under which an employer may elect (in lieu of any application of paragraph (2))—

''(A) to pay in full all VAT rebate advance amounts, and

''(B) to have additional amounts paid by reason of this paragraph treated as the advance payment of taxes imposed by this title.

''(e) FURNISHING AND TAKING EFFECT OF CERTIFICATES.—Rules similar to the rules of section 3507(e) shall apply for purposes of this section.

''Subchapter B—Burden Assessment on High-Income Individuals

''Sec. 1611. Assessment on high-income individuals.

''Sec. 1612. Inclusion of undistributed income of certain corporations.

''SEC. 1611. ASSESSMENT ON HIGH-INCOME INDIVIDUALS.

''(a) GENERAL RULE.—Each assessable person whose net income for the taxable year exceeds the threshold amount shall pay an assessment for such year equal to 17 percent of the excess (if any) of such income over the threshold amount.

''(b) ASSESSABLE PERSON.—For purposes of this subchapter, the term 'assessable person' means any individual, estate, or trust other than a trust exempt from taxation under chapter 1.

''(c) NET INCOME.—

''(1) IN GENERAL.—For purposes of this section, the term 'net income' means adjusted gross income determined with the modifications described in the following paragraphs.

''(2) CERTAIN EXCLUSIONS DISREGARDED.—Net income shall be determined without regard to—

''(A) sections 911, 931, and 933,

''(B) section 457, and

''(C) any exclusion from gross income for any elective deferral (as defined in section 402(g)(3)).

''(3) CERTAIN AMOUNTS INCLUDED.—

''(A) TAX EXEMPT INTEREST.—Net income shall be increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

''(B) NONQUALIFIED DEFERRED COMPENSATION.—Deferred compensation shall be included in gross income for the 1st taxable year in which there is no substantial risk of forfeiture of the rights to such compensation (within the meaning of section 457(f)(3)). The preceding sentence shall not apply to any plan or contract described in section 457(f)(2).

''(4) ESTATES AND TRUSTS.—The adjusted gross income of an estate or trust shall be determined in accordance with section 67(e).

''(d) THRESHOLD AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'threshold amount' means—

''(A) except as provided in subparagraph (B), $75,000, and

''(B) zero in the case of a taxpayer who—

''(i) is married as of the close of the taxable year (within the meaning of section 7703) but does not file a joint return for such year, and

''(ii) does not live apart from his spouse at all times during the taxable year.

''(2) SPECIAL RULES FOR TRUSTS.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, the threshold amount for any trust shall be zero.

''(B) EXCEPTION FOR CURRENT DISTRIBUTION TRUSTS.—Subparagraph (A) shall not apply to any trust to which section 651 applies for the taxable year.

''(C) BENEFICIARY MAY ALLOCATE THRESHOLD.—Any beneficiary of a trust to which subparagraph (A) applies may elect to allocate any portion of such beneficiary's threshold amount under paragraph (1) for any taxable year to such trust. Such allocation shall apply for such trust's taxable year beginning in the taxable year from which made and shall reduce the threshold amount otherwise available to such beneficiary.

''(d) ASSESSMENT COLLECTED AS TAX.—For purposes of subtitle F, the assessment imposed by this section shall be treated as if it were a tax imposed by chapter 1.

''SEC. 1612. INCLUSION OF UNDISTRIBUTED INCOME OF CERTAIN CORPORATIONS.

''(a) GENERAL RULE.—Each assessable person who owns (within the meaning of section 542(a)) stock in a corporation on the last day in the taxable year of such corporation on which such corporation was an applicable corporation shall include in gross income (for such person's taxable year in which or with which such taxable year of the corporation ends) as a dividend the amount such person would have received as a dividend if on such last day such corporation had distributed pro rata to its shareholders an amount which bears the same ratio to the undistributed income of the corporation for the taxable year as the portion of such taxable year during which such corporation is an applicable corporation bears to the entire taxable year.

''(b) APPLICABLE CORPORATION.—For purposes of this section—

''(1) IN GENERAL.—The term 'applicable corporation' means—

''(A) any corporation engaged in a service-related business in which a shareholder performs substantial services, and

''(B) any closely held C corporation.

Such term shall not include any corporation exempt from taxation under chapter 1.

''(2) SERVICE-RELATED BUSINESS.—The term 'service-related business' means any trade or business described in subparagraph (A) of section 1202(e)(3).

''(3) CLOSELY HELD C CORPORATION.—The term 'closely held C corporation' means any C corporation if, at any time during the last half of the taxable year, more than 50 percent in value of its outstanding stock is owned, directly or indirectly through the application of section 544, by or for not more than 10 individuals.

''(c) UNDISTRIBUTED INCOME.—For purposes of this section—

''(1) IN GENERAL.—The term 'undistributed income' means the net income of the corporation for the taxable year reduced any distributions by the corporation to its shareholders with respect to its stock—

''(A) which are made during the taxable year and not taken into account under subparagraph (B) for the preceding taxable year, or

''(B) which—

''(i) are made after the close of the taxable year and on or before the 45th day following the close of the taxable year, and

''(ii) are designated, at such time and in such manner as the Secretary may prescribe, as distributions for purposes of this paragraph.

Any distribution described in subparagraph (B) shall be included in the gross income of

the shareholder for the shareholder's taxable year which includes the last day of the taxable year of the corporation for which the reduction under this paragraph was made.

''(2) NET INCOME.—Net income shall be determined in the same way as taxable income under chapter 1 as in effect on the day before the date of the enactment of this section.

''(d) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (d) and (e) of section 551 shall apply with respect to amounts required to be included in gross income under this section.''

(b) CLERICAL AMENDMENT.—The table of chapters for subtitle A is amended adding at the end the following new item:

''Chapter 7. Value added tax burden adjustments.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

THE SUPREME COURT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 4, 1996 into the CONGRESSIONAL RECORD.

THE SUPREME COURT

The U.S. Supreme Court recently completed its 1995–1996 term. Hoosiers don't often talk to me about the Court, but its actions have a wide-ranging impact on our daily lives and have important consequences for Congress as well. Under our constitutional system of checks-and-balances, the Court's decisions help define the limits of congressional authority.

The Court in recent years has been marked by the emergence of a conservative majority. Its conservatism is marked by a preference for law enforcement in the area of criminal law, by a general skepticism of affirmative action, and by a sympathetic view of state powers in our federal system of government. This Court has worked on several occasions to enhance the powers of the states at the expense of Congress.

But the conservative majority is not monolithic. Justice Antonin Scalia is perhaps the most ardently conservative voice on the Court, but his sharp and bitter dissents, often directed at fellow conservatives, suggest his influence has diminished. The decisive votes on key decisions, in contrast, belong to the two ''moderate'' conservatives, Justices Sandra Day O'Connor and Anthony Kennedy. Both are conservative, but not predictably so. In some areas of the law, most notably redistricting and state-federal relations, O'Connor and Kennedy have joined their conservative colleagues to upset long-settled constitutional principles. But in other areas, often involving individual liberties, the two Justices have taken a pragmatic, incremental approach, forging narrow majorities with their more liberal colleagues.

The number of petitions arriving at the Supreme Court has climbed to about 7,000 a term, but the Justices are taking and deciding fewer cases. This term, the Court issued the fewest written opinions (just 75) in more than 40 years. This trend reflects in part the judicial philosophy of the Court's conservative majority—that the Court should defer to elected lawmakers on policy matters and should let legal issues percolate in the lower courts before weighing in.

What follows is a summary of the key decisions from this term.

INDIVIDUAL RIGHTS

The highest profile cases decided this term involved individual rights. Justices O'Connor and Kennedy were the swing votes. Both have rejected government policies which seek to classify people—to their advantage or disadvantage—by race, gender or sexual orientation.

In an important sex-discrimination case, the Court ruled that the men-only admissions policy at the Virginia Military Institute, a state-supported college, was unconstitutional and that the alternative program the state had devised for women was an inadequate substitute for admitting women to the military college. The Court also struck down a Colorado state constitutional amendment that nullified existing civil rights protections for homosexuals and barred the passage of any new laws protecting them at the state or local level.

The Court invalidated four congressional districts in Texas and North Carolina which included a majority of minority voters. The Court held that the use of race as a ''predominant factor'' in drawing district lines made the districts presumptively unconstitutional. Many states, particularly in the South, had created majority-black or hispanic districts in the last round of redistricting in an effort to comply with Justice Department interpretations of the federal Voting Rights Act. The Court, in the last two terms, has thrown out several of these maps, and will likely revisit the issue next term.

FEDERALISM

The Court also addressed fundamental questions about the distribution of power between states and the federal government. The conservative majority has acted in recent years to curb the reach of federal authority, particularly when it may intrude on state powers. Last year, for example, the Court overturned a federal law banning gun possession within 1000 feet of a school.

This term the Court curbed the authority of Congress to subject states to lawsuits in federal courts. The case centered on a 1988 gaming law that gave Indian tribes the right to sue states in federal court to bring them to the bargaining table over terms for opening casinos. The Court held that the Eleventh Amendment to the Constitution forbids Congress from authorizing private parties, including Indian tribes, to bring lawsuits in federal court against unconsenting states.

OTHER KEY DECISIONS

The Court issued several other important decisions this term.

The Court decided several important cases relating to free speech. The Court struck down a provision of a 1992 federal law permitting cable television stations to ban indecent programming on public access channels. It also ruled that political parties could not be limited in the amount of money they spend on behalf of their candidates as long as the expenditures are independent and not coordinated with the candidate. In a third case the Court said independent government contractors could not be fired for failing to show political loyalty. In addition, the Court struck down laws in Rhode Island and other states that prohibited the advertising of beer and liquor prices.

In the area of criminal law, the Court upheld provisions of a new federal law setting strict limits on the ability of federal courts to hear appeals from state prison inmates who have previously filed a petition challenging the constitutionality of their conviction or sentence. The Court also held that the government may seize cars, houses and other property used for criminal activity even if the actual owner of the property did not know about the wrongdoing.

CONCLUSION

Conservatives now control the Court, and even the liberal-leaning Justices, including Clinton appointees Ruth Bader Ginsburg and Stephen Breyer, are much more pragmatic than the old left. They are moderate on economic issues and fairly liberal on social issues, but often side with the conservative majority in criminal law cases.

The ideological center of the Court has moved to the right over the last few years, but the conservative majority is fragile. Only three Justices—Scalia, Thomas and Rehnquist—are reliably conservative, and overall the conservatives hold a narrow 5–4 advantage. The replacement of a single Justice could make a significant difference in the dynamics of the Court.

SPEECH BY KIM SANG HYUN

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. DAVIS. Mr. Speaker, I believe that my colleagues would benefit from hearing the words of Kim Sang Hyun, Member of the National Assembly of the Republic of Korea, and I ask unanimous consent to have Kim Sang Hyun's speech at National Press Club on September 5, 1996, be entered into the RECORD.

BEYOND AUTHORITARIAN LEGACIES: NEW POLITICAL LEADERSHIP FOR KOREA

(By Kim Sang Hyunq, Member of the National Assembly, The Republic of Korea)

Good morning, ladies and gentlemen.

I would like to begin by telling you what a long way it took me to be here this morning to speak to you at this prestigious press club. It took ten years. It was back in 1986 when I was invited to have the honor of speaking before this forum. Korea was then under the military dictatorship of Chun Doohwan, and I was prohibited from leaving the country, as were many other democracy fighters, including my colleagues who have joined me here today. I would like to introduce them to you all in the audience: (would you all come forward here, please.)

From my left, Congressman Park Chung-Hoon. He was an able leader of student movement, and he was put into jail for four times for his courageous struggle for democratization. Congressman Chang Young-Dal, who spent 8 years in prison for the crime of fighting for democracy against military rule. The last but not the least in importance, Congressman Kim Chang Be, who was the leader of the citizens of Kwangju who bravely fought the troops of General Chun and General Roh during the massacre of 1980, and later was sentenced to death.

As for myself, I spent 4 years and 3 months in prison; I was put under house arrest on 73 occasions; I was physically tortured on three occasions; and I was banned from politics for 17 years. Throughout these hard years of my political and personal ordeal, under prosecution, repression and humiliation, I never lost my spirit or my sense of duty and honor to struggle for the cause of democracy for Korea and for the cause of an ultimate unification of our nation.

It was not until 1992 that I was set free politically to make my way back to the national legislature. Well, I am sorry we may sound like a bunch of ex-convicts. And I don't even remember what my charges were for which I was sent to jail. (Wait for a

laughter.) (To the three members, ''Thank you for coming out.'')

Before we go into hard subjects, I want to introduce my wife. The life of the wife of an opposition politician in Korea was very difficult in those dark days. She persevered many difficult years because of me. Without her love and support, I would not have made it this far. The only good I have done for her is that I have chosen to stay married to her, now in our 38th year. But I had no other place to go anyway.

Ladies and gentlemen, I know this National Press Club, while dedicating itself to protection and promotion of the freedom of speech, has played an important role for human rights and democracy around the world. It is indeed my privilege to speak here on the topic of the need for new leadership for true democracy in Korea, and on the issue of national unification.

President Kim Young-sam's government was launched in 1993. However, the genesis of his government was a politically immoral merger of three parties under Roh Tae-woo in 1990. This brought an end to my political alliance with Kim Young-sam. Nevertheless, after he became President, I sincerely wished him to succeed in carrying out political reforms and completing the process of democratization for which we had fought together.

After more than three and a half years of his presidency, it is clear that he has failed to meet the expectation of the people for democratic reforms and a rebuilding of democratic institutions. In the view of many, including myself, Kim Young-sam has failed because of his role in the three-party merger and the complacency of supporters of authoritarian regimes who have resisted reform.

At the threshold of the 21st century, Korea calls for new political leadership to carry out genuine democratic reforms. Next year, 1997, we will have a presidential election, which I view as an opportunity to seek the kind of new leadership that can take the nation into the next millennium of civilization. If we fail to capture that opportunity, we would be pushed to the sidelines only to watch a continuation of the old practices of political division and internal bickering, instead of opening a new era of democracy and unification.

In every respect, the next year's presidential election is crucially important. It is crucially important because it offers an opportunity to realize a truly democratic transfer of power from the government party to the opposition party of a legitimate national and democratic tradition. It will be an opportunity for us to move forward to resolve the undesirable conflicts of regionalism and to narrow the unhealthy gaps between all socio-economic classes. We can then move forward to work for a settlement of peace on the Korean peninsula as a necessary step toward unification.

Ladies and gentlemen, I am preparing to run for the nomination of the presidential candidate of my party, the National Congress for New Politics. New politics today calls for new leadership. The era of coups, disrupting constitutional order or an era of authoritarian rule, suppressing democratic development, has ended.

We need a new leadership not to justify the means to an end, but to establish a tradition of respecting the process of democracy. We need a new leadership to bring about democracy within an organization as a model and to establish the rule of law as the basic instrument of governance. We need a new leadership that would not be content or remain complacent with past contributions to democratization or with the status quo of the division of the nation. A new leadership that can meet the challenge of an independent and peaceful unification. In the coming era of national unification, we need a national leader who can earn respect and trust from the 70 million Koreans of the North and the South.

By new leadership, I mean a political leadership of vision for a new world order, a statesmanship that can lead the nation harmoniously within and ''the politics of co-prosperity'' without into the 21st century and beyond. Korea needs a new political leader who sees politics not as a ''zero-sum game'' but as a process of building a consensus and maintaining a balance through discussion and negotiation.

If the 20th century was an age of conflict and confrontation, the 21st century should become a century of reconciliation and cooperation. If the Korean peninsula of the 20th century was the arena of competition in the balance of power between the East and the West, the 21st century Korea should be able to play the role of a bridge to cooperation and prosperity in the Asia Pacific region.

A new era of a new century needs a new, creative political leadership, and I seriously intend to provide that kind of leadership which our people deserve. To win the next year's presidential election and to realize a ''horizontal transfer of power'' for the first time in our history, we the main opposition party must develop the right strategy. I see three sides of the strategy:

First, a presidential candidate must be elected democratically by his or her party members in a national convention. To this end, I have insisted that my party's candidate be selected through a free and open competition at the next convention, not by acclamation for a particular individual. The democratic process of selecting our party candidate should result in a welcome festivity for all members of our party and the people of Korea. I firmly believe that free competition for the party's presidential candidate will reform the undemocratic practices of both government and opposition parties, which are currently controlled and led by equally authoritarian party heads. I believe free competition will provide a turning point for a mature democracy.

Second, we must bring an end to the chronic politics of regional hegemony, that has been a fact of life for decades. South Korea needs a successful presidential candidate who opposes against ''rule by regional division,'' and who can bring about regional harmony between the east and the west of its land.

Third, we must unite all opposition forces into a grand coalition. The absence of solidarity within the opposition camp has been one of the primary causes for the opposition's failure in taking over the reigns of government. Not to make the same mistake, an opposition presidential candidate should be someone who is considered objectively best qualified in terms of political career and statesmanship. Only such candidate can bring opposition parties together and move forward to win the presidency. When I am elected as the candidate of my party next year, I promise that with a vision of high politics, I will unite my party with the Democratic Party, which is an important stream of our opposition, and with other democratic forces.

Now I want to share with you some of my perspectives on the issue of North-South relations and unification.

In this post-Cold War era, Korea remains the only divided nation in the world, and there is no reconciliation between the north and the south; therefore, no genuine peace on the peninsula. In my view, we should change our thinking into a new approach to the frustrating task of unification. For a new turning point, I have long thought of an approach to a peaceful unification on the basis of what I would call ''the security and well-being of all Koreans'' and with cooperation and support of the surrounding countries.

In the past, the issue of unification was exploited as a means of protecting the security of regimes by both leaders of the south and the north. Unification policy should be carried out to help build an all Korean national community towards security, peace and prosperity for all Koreans. The principle of ''security and well-being for all Koreans'' should replace the conflict of political interest. The principle of ''an all Korean national community'' should replace ''the confrontation of political systems.'' Only then we can move forward to peaceful coexistence and common prosperity.

A unified Korea will have an expanded national economy to participate actively in world trade, playing a pivotal role in promotion of regional security and economic cooperation in Northeast Asia.

Having proven itself as a winner of a half-century long economic and political competition with North Korea, the confident South Korea should not be too hard on the North. In this context, a soft-landing makes a lot of sense. We should avoid implosion or explosion. We should take the initiative in inducing North Korea to reform and opening.

In order to secure a durable peace structure, I propose a two-track, parallel approach to negotiation with North Korea for a simultaneous successful conclusion of negotiations between the North and the South and between North Korea and the United States. A final peace agreement from such parallel negotiations should provide a nuclear transparency by North Korea.

As an interim move, and with the 4-party proposal pending, I propose that the U.S. president meet with the leaders of South Korea and North Korea in a third country outside the Korean peninsula to discuss and ultimately to sign a peace agreement.

With a peace mechanism for the peninsula, we can move forward to a ''2+4 peace agreement'' with the support of the United States, China, Japan and Russia, which will become the basis for a multi-lateral security cooperative system in the region.

Let me now focus on inter-Korean relations. To move closer to unification, agreements reached between the North and the South must be honored. We agreed on the July 4, 1972 joint statement on the principles of autonomy, peace and national unity, and signed the December 1991 Basic Agreement for reconciliation, non-aggression, exchanges and cooperation.

In the spirit of these agreements, we both North and South Korea should amend or abolish those laws and policies that impede progress towards the process of unification. Specifically, South Korea should replace ''the national security law'' with a ''law for maintaining the democratic order.'' For the same token, North Korea must revise its criminal laws the constitution of the North Korean Workers Party. At the same time, practical measures of confidence building must be put into action so that both sides can move towards a mutual reduction of military arms.

If we start these measures, and if we can build on them for a further step towards unification, a peaceful unification will become a matter of time, not direction. Our approach to unification should neither be the German style of absorption nor the Vietnamese style of a military takeover by force. Ours should be a creative third style that we have not yet seen in the history of the world.

To this end, I announce my intention to meet with North Korea's virtual leader Kim

Jong Il at Panmunjom or at a place to be agreed on after I become my party's presidential candidate. I am confident that we can reach a constructive agreement on an incremental but substantive modality of negotiations and progress towards ''security and prosperity for all Koreans.''

Because of geopolitics, Korea in the 20th century became a battlefield of power struggle and ideological conflict, but in the 21st century a unified Korea, because of the same geopolitical reason, is expected to play the role of a balancer in power relationship and an important contributor to regional cooperation and world peace.

Next I want to discuss the environmental issues. I have always had a special interest in environment. It seems to me many governments still do not deal with environmental protection as an urgent priority issue. I am particularly concerned about the deteriorating state of environment in Northeast Asia. Unless we do something more about it, it will only become worse.

This remarkable economic growth of South Korea, the failure of North Korea's socialist economic system, the rapid industrialization and a huge amount of energy consumption by China all are the culprits contributing to the pollution of environment in East Asia. To discuss these common problems, I am planning to hold a conference to which North Korea, China, Japan, Mongolia, Taiwan, and Russia will also be invited. In this conjunction, I also propose that an Asian environmental summit be held to find better ways to promote cooperation on environmental issues.

Finally, I would like to discuss my views on how we can develop a healthier relationship between the United States and Korea. There is no doubt that many Koreans remain appreciative of many constructive roles that the United States has played in the security and economic growth of their country in modern history. The people of Korea, along with those of the international community, believe that the United States, the only remaining superpower in this post-Cold War era, should play a leading role in the establishment of a new world order based upon a principle of mutual reciprocity.

At the same time, we want to see U.S. policy for Korea become more supportive of Korean unification. It should not in anyway contribute to the perpetuation of the divided Korea.

For the bilateral economic relations, I support Korea's market opening, but I oppose unfair pressure from the United States on the process of market opening.

Before I conclude, I want to say again, ''an era of confrontation and conflict is gone.'' In the new era of political negotiation and democratic compromise, the old political strategy of ''all or nothing'' will not work. I would not be shy to say that I am the one who can lead Korea towards a better nation in the next century, with a kind of new leadership of vision, open-mindedness, balance and creativity.

I want to create a new political culture of dialogue, through which the nation can build a non-partisan consensus on important national issues. I will pursue a democratic compromise rather than trying to impose a unilateral view of one party or one group on the people.

I also want to mention that Korea's political achievement owes a lot to many supporters from several countries, and particularly from America. I want to lead Korea, and under my leadership, Korea will pay back its debts to many friends of democracy and human rights.

Thank you very much.

CONGRATULATING THE MIDWAY, TX, ALL-STARS BOYS BASEBALL TEAM FOR WINNING THE STATE CHAMPIONSHIP

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. EDWARDS. Mr. Speaker, today I congratulate the Midway, TX, 10-year-old All-Stars Boys Baseball Team for an unbelievable comeback on the road to clinching the Texas State Championship.

The 12 young men on this team showed a winning attitude in late July when they were one game away from elimination in the Texas State tournament. The All-Stars lost the first game of the championship and were faced with a difficult situation: win every single game or be eliminated from the tournament.

The Midway All-Stars rose to the challenge. The team battled back to win four straight games, one of which went into extra innings. In the final championship game, the Midway All-Stars won 3–1 to bring home the State championship.

Everyone of these young men showed a can-do, never quit attitude. Even when they were faced with a nearly impossible situation, they showed pride, diligence, and dedication. They played as a team and won as a team.

Members of this championship squad include Tyler Andersen, Scott Boyd, Brady Conine, Craig Cunningham, Stephen Davis, Charlie Hicks, Jake Lee, Alberto Lopez, Ryan Lormand, Brandon Maddux, Jake Reichenstein, and Matt Reinke.

Thanks also go the Manager Brad Davis and Coach Butch Maddux for their work leading these young men.

I ask members to join me in congratulating this championship team and their coaches for this outstanding athletic accomplishment.

MERCY HEALTHCARE CELEBRATES 100 YEARS OF SERVICE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. MATSUI. Mr. Speaker, I rise today to recognize one of northern California's greatest medical resources, Mercy Healthcare, on the occasion of its 100th year of hospital service to this area.

The Sisters of Mercy began making their mark on this area some 140 years ago when they traveled from San Francisco to Sacramento, then an emerging Gold Rush town. Once here, they compassionately administered to the poor and the orphaned, offering basic necessities such as food, clothing and shelter.

Recognizing a greater need for health care, the Sisters quickly embarked on an endeavor to build an institution which would care for the medical needs of the people of Sacramento. Their dream was realized in 1896, when they opened the city's first private hospital.

In 1897, shortly after they opened Mater Misericordiae Hospital, the Sisters started a training school for nurses. Over the next half century, the Mercy College of Nursing would train more than 600 nurses, including many young women who traveled overseas to care for the injured and dying victims of both World Wars.

Less than 30 years after it opened, the hospital was closed and a new, more modern one took its place. The new hospital opened to the public on February 11, 1925. For the next 42 years, it would serve as the Sisters' only Sacramento area hospital, and the focal point for their evolving healthcare ministry.

Throughout this period, Mercy General would provide many firsts in the local medical community. In 1953, the hospital campus celebrated the opening of Sacramento Valley's first hospital dedicated solely to the care of children, the 40-bed Mercy Children's Hospital. A year later, the hospital dedicated the J.L.R. Marsh Memorial Wing to care for children crippled during the polio epidemic, as well as adults injured in industrial accidents. In 1959, the hospital opened Sacramento's first intensive care unit; in 1964, Mercy installed one of the west coast's first electronic data processing systems for accounting; and in 1968, they dedicated a special unit to provide care for heart patients. Today, Mercy General's tradition of quality continues, hosting one of the Nation's best cardiac surgery programs and a renowned stroke program.

As the region's healthcare needs changed and grew over the years, the Sisters were always poised to respond. Since the opening of their first hospital, Mercy has expanded its service to a number of communities in northern California. In addition to Mercy Healthcare Sacramento, there are now hospitals in Redding, Folsom, and Carmichael. In addition, the Sisters spread their health ministry south in 1993 with an affiliation between Methodist Hospital and Mercy Healthcare Sacramento, the organization that today carries out the Sisters' health ministry. Another affiliation between Mercy and Sierra Nevada Memorial Hospital in Grass Valley was completed in 1995.

Guided by the Sisters' values and compassion for serving those in need, Mercy Healthcare Sacramento is preparing to enter its second century of health ministry to the people of northern California. Mr. Speaker, I ask my colleagues to join me in saluting the tremendous service the Sisters of Mercy have provided this region during the past century, and in wishing them many years of continued growth and success.

UNITED STATES ARMED FORCES PROTECTION ACT OF 1996

SPEECH OF

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 5, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3308) to amend title 10, United States Code, to limit the placement of United States forces under United Nations operational or tactical control, and for other purposes:

Mr. POSHARD. Mr. Chairman, I rise today in support of H.R. 3308, the U.S. Armed Forces Protection Act. The American people

have made it clear that they want any American role in United Nations peacekeeping missions to be well structured and in the best interests of our country, with the safety of our troops being at the forefront of these considerations. I believe that this legislation goes a long way toward ensuring this by demarcating and preserving the role of Congress in the process of placing American troops in such situations. The intent of this measure is to be absolutely certain that when U.S. troops are involved in U.N. peacekeeping operations that they will be serving under American leadership. Further, the process by which the President will outline such missions to Congress can only aid the planning and support mechanisms critical for success. In my view, H.R. 3308 is not about restricting the actions of any President, but about making sure that the executive and legislative branches are on the same page when U.S. troops take part in actions sponsored by the United Nations.

I have supported provisions of this legislation when they have appeared in other bills, notably H.R. 1530 and H.R. 2540. The spirit of the latter is included in H.R. 3308 via the Bartlett, Chenoweth, and Traficant amendment and prohibits the wearing of the U.N. insignia by U.S. troops without the authorization of Congress. This should prevent future unfortunate incidents such as the events surrounding the dismissal of Michael New.

Mr. Chairman, in closing, I would like to emphasize that my vote today should not be construed as one against the United Nations, as I firmly believe that this body has a role to play in international relations. As evidenced in the Gulf War, the U.N. can be an effective coordinating device for the international community during times of crisis, thereby promoting the interests of the United States at a reduced cost from acting unilaterally. Also, the United Nations provides invaluable leadership on such issues as world hunger, which have historically been embraced by the U.S. populace. Rather, my vote is for the men and women that serve their country bravely as part of the U.S. Armed Forces. I urge my colleagues to support H.R. 3308, and I appreciate the opportunity to share my thoughts on this matter.

REPORT FROM INDIANA—DALE ANDERSON

HON. DAVID M. McINTOSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. MCINTOSH. Mr. Speaker, I'd like to include in the RECORD a very special letter that a constituent sent to me.

The letter was sent by Dale Anderson from Shelbyville, IN. Mr. Anderson wrote about the memory of his late wife, Carla Anderson. He describes Carla's hope of a bright future for our country.

And I would like to share his letter for our friends and colleagues.

Hon. NEWT GINGRICH,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. GINGRICH: I am writing this letter in memory of my wife, Carla. Unfortunately, she passed away on November 15, 1995. She was one of your greatest supporters and in favor of all your legislative agenda.

It was her hope and dream to see this country given back to the people, to protect our children and grandchildren from the grips of the liberal party of this nation. If everyone was as strong in their conviction to be a conservative Republican as she was, our country would be in better shape today. She wouldn't want the conservative lawmakers to back down on any of their legislative agenda or your contract with America.

We were on a $900.00-a-month Social Security.

She has your picture hanging above our telephone in the dining room and she was very proud of it. If all the Republicans in this country were as strong in their convictions to get this nation back on its feet as she was, you'd have no trouble passing your legislative agenda.

It would be a great honor to her if you would read this letter on the house floor with all members present. We live in the Second Congressional District of Indiana with the Honorable David McIntosh serving as our representative.

KASSEBAUM-KENNEDY PORTABILITY FOR MEDIGAP INSURANCE

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mrs. JOHNSON of Connecticut. Mr. Speaker, a few weeks ago, the Congress passed and President Clinton signed into law Federal guarantees that workers with health insurance cannot be denied coverage when changing or leaving jobs because of a preexisting condition. This is an important first step to improving access to health care for those who play by the rules and pay their premiums.

We owe the same guarantees to our senior and disabled constituents, and so today we are introducing a targeted portability bill for Medigap insurance.

People on Medicare who have a Medigap plan, or are in an HMO or Medicare Select plan should be able to purchase the same level of coverage without regard to a preexisting condition when they move out of the service area or if the insurer goes out of business.

Seniors and the disabled who want to try a managed care plan or a Medicare Select policy should have the peace of mind that they can return to their Medigap plan if they change their mind during the first year of their enrollment and have not tried these choices before.

As employers grapple with rising health care costs, their valued retirees should not be left out in the cold if their health plan coverage is terminated.

And very importantly, disabled individuals around the country should have the access to all Medigap choices that Medicare enrollees who are fortunate enough to live in Connecticut have, where we were smart enough to guarantee this access.

Proposals have been made to do more—just as have been made for health insurance reform.

My colleagues in the House and Senate who join me today in this initiative began this process with me last year when Senator CHAFEE and I helped make available nationwide the Medicare Select option which helps seniors save money on their Medigap insurance by using a network of participating providers. During that debate, worthwhile proposals to improve Medigap equity were made, and I am pleased that this bill moves this debate forward.

Like Kassebaum-Kennedy, our Medigap portability proposal is a first step to create fairness for people on Medicare who play by the rules to cover the costs Medicare does not.

H.R. 4047

MEDIGAP AMENDMENTS OF 1996

Insurers must guarantee issue Medigap insurance—with no preexisting condition limitations—to Medicare beneficiaries provided:

They have had continuous coverage (no break in coverage longer than 2 months/63 days); and

The policy in which they wish to enroll has a comparable or less generous benefits package.

This portability protection would apply to the following Medicare beneficiaries:

Individuals enrolled in a Medicare HMMO or Medicare Select plan and who move outside the plan service area, or if the plan goes out of business or withdraws from the market;

Individuals with Medigap policies who move to a state where their carrier is not licensed to do business, or whose carrier withdraws from the market;

Individuals with retiree health plans providing benefits supplemental to Medicare and whose employer terminates or substantially reduces plan benefits; and

Individuals enrolled in a Medicare HMO or Medicare Select plan who, during their first 12 months of enrollment in either plan type, choose to return to Medicare fee-for-service. In these situations, the following may apply:

Medicare beneficiaries will have a one-time option to try both a Medicare HMO and a Medicare Select plan.

Individuals electing HMO or Select coverage when first eligible for full Medicare benefits have up to 12 months to change their minds. During the first 6 months of their Medicare eligibility, they retain their current law ability to enroll in any Medigap plan without regard to preexisting conditions. Between 7 and 12 months, they will be able to obtain coverage comparable to the benefits offered by the plan in which they have been enrolled.

Individuals with coverage from a Medicare HMO or retiree health plan often have supplemental benefits which do not neatly fit one of the standard Medigap ''A through J'' policy definitions. In these cases, the state insurance commissioner will evaluate the plan to determine the most equivalent Medigap policy into which the individual could transfer.

Insurers may impose no preexisting condition limitation during the initial six-month enrollment period after a beneficiary first becomes eligible for Medicare.

All Medigap plan choices will be guaranteed for the Medicare disabled. Anyone will be able to enroll in a Medigap plan of their choosing without discrimination during the first six months of their eligibility for Medicare benefits, regardless of age. Current Medicare disabled beneficiaries will have a one-time open enrollment period to guarantee their access to all Medigap plan options.

Private organizations will be able to prepare consumer education and information materials through HHS grants funded by an assessment on Medigap insurers and managed care organizations. Information would be made available to Medicare beneficiaries and their families about the Medicare HMOs, Medicare Select policies, and Medigap insurance offered in their areas. Materials would include a comparison of benefits, cost, quality, and performance and the results of consumer satisfaction surveys of each plan.

TRIBUTE TO REV. DAVID A. MUELLER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Ms. ROS-LEHTINEN. Mr. Speaker, Rev. David Mueller has devoted the past 32 years of his life to parish ministry, including 15 years of service at Concordia Lutheran Church in south Dade County.

This Sunday, September 15, Reverend Mueller will retire from his full-time parish ministry and this will be marked by a special service at Concordia. Along with his wife Cassie, his children, Paul and Becky, and his brother and sister, the congregation will be joined by his former classmate Rev. Ronald Schuette in recognizing Reverend Mueller's contributions.

Reverend Mueller has provided leadership based on faith and compassion throughout the past three decades. He has served as a chaplain to the men and women of three branches of our armed services, the Navy, Marine Corps, and Coast Guard. He ministered to our troops in Vietnam, where he was present during the Tet offensive, and later to those who serve in the U.S. Coast Guard. As a reservist, Reverend Mueller pioneered the circuit-riding ministry with the 7th District Coast Guard cutters and was awarded the Coast Guard Achievement Medal in 1989 for this work. The Lutheran Church also recognized his work with the Bronze Saint Martin of Tours Medal.

South Florida has been the primary beneficiary of Reverend Mueller's labors. His first assignment, following graduation from Concordia Seminary in 1964, was to develop congregations in the Florida Keys. After serving as an active-duty chaplain, he returned to south Florida in 1975 as pastor of Concordia in Kendall.

Reverend Mueller has also been active in the field of human care ministry. In addition to his theological education, he was awarded a master's degree in counseling from the University of Miami. Reverend Mueller has served as director of Christian counseling for the Christian Community Service Agency in Miami.

He has lent his background and leadership to a number of community efforts, including the Lutheran Disaster Response which worked to ease the suffering inflicted by Hurricane Andrew.

As he lays down the burdens of full-time parish ministry, Reverend Mueller will now devote himself to pastoral counseling, as well as temporarily serving as a vacancy pastor at Mount Olive Lutheran Church and School in Perrine. While all the members of his congregation will miss him, the example he has set will continue to be felt in the years to come. Reverend Mueller can look back over his years of work and say, in the words of Saint Paul, ''I have fought the good fight, I have finished my course, I have kept the faith.''

THE CLUSTER RULE FOR THE PULP AND PAPER INDUSTRY

HON. JAMES A. HAYES

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. HAYES. Mr. Speaker, since it was first proposed in 1993, I have been one of the most outspoken critics of the Environmental Protection Agency [EPA] effort to institute comprehensive regulations of air emission and water effluent limitations for the pulp and paper industry.

The Clean Air Act of 1990 mandates the EPA set standards based upon maximum achievable control technology [MACT] for new and existing standards for 189 hazardous pollutants listed in the act. Similarly, the Clean Water Act authorizes the EPA to regularly amend effluent requirements that establish restrictions on the types and volume of pollutants that industrial facilities may discharge. Subsequently, in October 1993, EPA promulgated rules specifically designed to combine or cluster these requirements with respect to regulating the pulp and paper industry. This so-called cluster rule has become a prime example of how Federal regulators lose sight of the big picture and waste taxpayers dollars by working against the regulated community instead of with it to protect the environment.

Since agreeing to analyze industry collected data, the process has accelerated and run much more smoothly and unobtrusively. Yet, EPA is at it again by offering two possible best available technology [BAT] alternatives that their own data indicates are almost $1 billion apart for virtually identical environmental benefit. Substantial further investments in capital improvements without accounting for industry input will further jeopardize workers and their families for negligible environmental gain.

The substitution of chlorine dioxide for chlorine or Option A is already voluntarily being implemented across the country to enhance environmental effectiveness and is supported by both employers and employees throughout the pulp and paper industry. Although never a consequential source of dioxins, since 1985, the industry has decreased the amount of dioxins generated by almost 90 percent. The more costly options B could end up costing pulp, paper, and forestry operations in Louisiana alone an estimated $133 million more than option A.

The pulp, paper, and forestry industry is the second largest manufacturing sector in Louisiana. The industry employs nearly 27,000 workers earning almost $900 million.

Common sense, therefore, dictates that an industry that is this important to the past, present, and certainly the future economic good fortune of our State and its citizens merits praise, not punishment. The industry has been progressive in its commitment to the stewardship of our natural resources in Louisiana. Option A along with the appropriate voluntary incentive program will afford the pulp, paper, and forestry industry, employers and workers alike, the opportunity to better contribute to Louisiana's economy, provide for their families, and protect our environment. After all, in Louisiana, our marshes, our rivers, and our bayous as well as our great wilderness and the wildlife that resides there are not only a recreational delight but an economic necessity.

With all this in mind, I urge EPA to break from its inherent institutional culture and institute option A.

TRIBUTE TO THE NORTHPORT VETERANS AFFAIRS MEDICAL CENTER AND THE NASSAU/SUFFOLK CHAPTER OF AMERICAN EX-PRISONERS OF WAR IN HONOR OF THE 1996 POW/MIA RECOGNITION DAY CEREMONY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the Northport Veterans Affairs Medical Center and the Nassau/Suffolk County Chapter of American Ex-Prisoners of War, in honor of the 1996 POW/MIA Recognition Day ceremony they are sponsoring on Monday, September 16, in Northport, Long Island, NY.

Joining Commander Martin Andrews of the Nassau/Suffolk Chapter of American Ex-Prisoners of War and Director E.M. Travers, M.D. of the Northport Veterans Affairs Medical Center will be former prisoners of war, who will share their own personal accounts of their time in captivity.

I strongly believe the Federal Government has a sacred responsibility to determine, to the fullest extent possible, the fate of our missing military personnel and to share that information with their family. That's why we must provide due process for those who are desperately seeking the true fate of their loved ones and establish accountability measures for all American military service personnel who become missing in action or prisoners of war.

As a former prisoner of war, Commander Andrews knows firsthand the personal pain and suffering of being imprisoned by a wartime foe. That's why he and his wife volunteer at the Northport VA Medical Center's VIP (Very Important Patient/Persons) Customer Service Enhancement Program, to give something back to these true American patriots. The VIP Program recognizes valuable employees and volunteers as ambassadors who are committed to improving service to our veterans.

VA–VIP ambassadors greet visitors, answer questions about the medical center, provide directions and assistance to those needing help getting from their car, and provide care and courtesy to all visitors. This is the kind of program our brave service men and women have earned the right to expect and deserve.

As we gather together on September 16 to pay the highest honor and tribute to ex-prisoners of war like Arnold Bocksel, who will be on hand to give his own personal reflections of his time in captivity, I call upon my fellow Members of Congress to join me in expressing personal heartfelt thanks and gratitude for their outstanding service to our country.

Thank you Commander Andrews, Senior Vice Commander Thomas McGee, Junior Vice Commander Raymond Ives, and all members of the Nassau/Suffolk Chapter of American Ex-Prisoners of War, we are all glad to have you back.

FOREIGN MINISTER JOHN CHANG OF THE REPUBLIC OF CHINA

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. CLINGER. Mr. Speaker, President Lee Teng-hui of the Republic of China appointed Mr. John H. Chang as his new Foreign Minister in June 1996. Educated at Georgetown University, Minister Chang served previously as the Republic of China's political Vice Minister of Foreign Affairs and most recently as Minister of Overseas Chinese Affairs. At age 55, Minister Chang is a distinguished career diplomat and will certainly strengthen the ongoing relations between his country and ours.

Minister Chang came from a very deprived childhood. He and his twin brother, Winston H. (Hsiao-tz'u) Chang, were raised by their maternal grandmother and uncle. Overcoming their extreme poverty and lack of parental attention, the brothers struggled, worked hard and rose to positions of prominence: John H. (Hsiao-yen) is now the Foreign Minister and Winston H. (Hsiao-tz'u) was the president of Soochow University before succumbing to heart ailments last year.

In a moving chronicle, ''Days of Shelled Peanuts,'' the late Dr. Winston H. Chang detailed the hardships he and his brother endured during those years of deprivation. I ask that the chronicle be printed in the RECORD for the reference of students of contemporary Chinese history.

DAYS OF SHELLED PEANUTS

(By Winston Hsiao-tz'u Chang)

My twin brother Hsiao-yen and I were born in Kweiling, Kwangsi province, in 1941. Soon after our birth, our maternal (hereafter, Grandmother) took us to her home in Kiangsi province. In 1949 Grandmother and our maternal uncle (hereafter, Uncle) moved us to Hsinchu, Taiwan where they raised us.

When our mother died, Hsiao-yen and I were infants. We have no memory of our mother. But Grandmother described her as a loving daughter who wrote a good script. Grandmother said our mother was pretty, elegant, decisive and competent. I later found some information about Mother, along with pictures of her. I learned that soon after high school she volunteered in the War of Resistance against Japan by joining the Youth Corps. During her training in the Youth Corps, she worked as hard as any man. Mother was not reticent; she was resolute and ready to take on any assignment. Mother was considered a modern woman with new ideas.

My maternal grandfather (hereafter Grandfather), who lived in Nanchang, was quite wealthy. I left his Nanchang home when I was six years old. I remember Grandfather's home as being very big. It had a very imposing main door with two huge brass door rings. A pair of stone lions guarded each side of the main door. A large courtyard was enclosed on four sides by two-story buildings. It was an impressive compound. Grandfather was a typical scholar. He recited poetry, composed literary couplets, read classics, and practiced calligraphy. As a young man he had passed a number of examinations, including the village examination, the county examination and the provincial examination. Local people honored him with the title of ''Mini Triple Crown.'' He was born too late to have taken the national examination; when he was of age, the national examination was no longer given. Yet he was so erudite that he would have passed the national examination with top honors if he had taken it. Grandmother, on the other hand, was a kind woman with a firm and perservering personality. Despite her love for us, she never wavered from her strict principles of child rearing.

The 1940's in China were a period of upheaval. The family elders deliberated much about whether the family should leave China. Grandfather did not want to leave behind his vast fortune, including land and property, or the children. But Grandmother and Uncle finally decided to take Hsiao-yen and me to Taiwan.

Grandmother took some cash and jewelry with her to Taiwan. Believing that her stay in Taiwan would be brief, she did not take much money with her. What she brought with her was enough to support her family for a short time. But it soon became difficult to meet living expenses. Because everyone in Taiwan was poor, everyone's living standards were about the same. So our family's financial condition was not exceptional. Even though we had little we didn't feel any pain.

To make a living, Uncle made bread buns at home which he sold in the market. Later, he sold various small items, such as fountain pens, socks, and plastic bags. I went with him everywhere. I quickly understood that without Uncle's hard work, we would have trouble making ends meet.

We were so poor that we could not afford to buy shoes, so Grandmother made cloth shoes for us. My brother and I were usually barefoot when we went to school. All of our schoolmates were barefoot too, so no one had anything to complain about. Furthermore, not wearing shoes helped us run fast. We loved playing. We didn't care how hot or how cold the ground was. When we had to wear shoes on more formal occasions, we felt uncomfortable.

We dressed in our khaki school uniforms most of the time. Pencils and paper were used very sparingly. Buying a new pencil was a special occasion. A fountain pen was considered a fantastic luxury item. At the time I most admired those children who had bicycles; these children seemed to have the most fun. I wanted to borrow their bicycles to see if I could ride one.

Our home was very modest. It didn't even have a bathroom. At the time Uncle was peddling soap so we used a few wooden soapbar crates to partition a small corner of the kitchen, which we converted into a bathroom. To take a bath in winter we boiled water in a kettle, poured the hot water into a wooden tub and mixed it with cold water. Later, the wooden tub was replaced by a thicker aluminum basin. We used a homemade soap to bathe ourselves. That was a good snapshot of how we lived.

Sometimes we were so poor that we could not afford to buy rice. We had previously charged our rice and not paid our bill on time, so the rice vendor would not extend us any further credit. Then Uncle used flour, which was cheaper than rice, to make bread buns, which was many times all we ate. Sometimes Uncle would serve vegetables mixed with flour balls. When we could not afford flour, we ate peanuts. When we came home from school, if we saw Uncle kneading dough we knew we would be eating bread buns. But if we saw a big bundle wrapped in a newspaper, we knew we would be having peanuts for supper. We would first shell the cooked peanuts one by one and then eat them. Sometimes we ate peanuts for several days. But I am glad to have lived through those early days of deprivation. They helped build my character from an early age. I had no doubt that life is a struggle.

We had two bamboo beds in our house. Grandmother used the small one while Hsien-yen and I shared the big one. We pinched and poked each other every night until we reached senior high school. Those days gave me fondest memories of childhood.

I attended the Tungmen Primary School in Hsinshu. Most of my classmates were Taiwanese, so I learned to speak Taiwanese fluently. When I was in junior high school, Ms. Lu Hua-hsien was a mathematics teacher at a Chungli high school. A friend of the family, she suggested that my brother and I stay with her so she could help us build a good foundation in mathematics. So during three years of junior high school my brother and I lived with this Hakka lady and became very proficient in the Hakka dialect.

Grandmother and Uncle loved us totally, but they never spoiled us. They were very strict regarding our studies and manners. They had rules on grooming, dressing, eating properly and greeting elders appropriately. But I was certainly not a perfect child. I detested going to a tutor for supplementary lessons. As soon as I got to the tutor's home, I would quickly sneak out and go to a movie theater. Upon spotting an unsuspecting paying patron entering the theater, I would sneak in with him without paying. When the movie was over, Grandmother and Uncle would be waiting for me outside of the theater. They knew where I was. When they caught me, I had to kneel on the ground for punishment. After that, Grandmother would patiently explain why such harsh punishment was necessary.

Despite the strict discipline at home, I could not understand why I had to study hard. My casual attitude towards studying continued even during my junior high school years. Most of my classmates were from farming families. By our standards, they were extremely unruly. We would finish eating our lunch by ten o'clock. Then during the noon recess, we engaged in many activities. We filled our empty lunch boxes with shrimp and worms we caught in the fields. We then built a fire and feasted on what we had caught. In the summer I would go swimming in the river with my classmates. I really enjoyed the outdoor activities.

Although I played a lot with my friends, I kept up with my schoolwork because Grandmother and Uncle made sure I did not neglect my homework. During our junior high school days, Uncle made Hsiao-yen and me copy our Chinese and English lessons after school. Otherwise he would not give us any pocket money. Uncle believed that even if we didn't learn anything, at least copying the lessons once every day would help us remember something. In addition, we would learn good penmanship. Yet, in primary and junior high schools I never studied on my own initiative. However, seeds for learning were planted early in life; they began to sprout when I was in senior high school. I suddenly understood how to study on my own. I tasted the joy of learning.

Hsiao-yen and I attended Soochow University, but my family's financial condition was not any better at that time. A private school, Soochow charged high tuition. In addition to tuition, there were the living expenses. We never had enough money. We took our meals at a small eatery, but we could never pay our board on time every month. The man running the eatery was very nice. Even if we were behind in payments, he didn't force us to pay and continued to let us eat our meals there. He had an ingenious strategy. He hung a blackboard in his eatery and underneath everyone's name was a Chinese ideogram composed of five strokes. For each day that we didn't pay for our meal, he would add a stroke to the ideogram. He would later erase strokes, depending on how much we paid. Every month, Hsiao-yen's and my name would go on the E1586blackboard, some-

times accumulating more than ten strokes. We could not pay until we received money from our uncle in Hsinchu.

We had the same problem with our rent. We lived in a very tiny room with a bathroom right outside our room. We chose that room because it was cheap. When we failed to pay the rent, the landlord would embarrass us by raising his voice so that others could hear him. My brother and I had no choice but to swallow our pride and continue to live there. As for tuition, we had more than once asked Mr. Shen Ping to be our guarantor. He would take us to see the president of the University, praising Hsiao-yen and me as good students and asking that we be allowed to enroll before paying tuition since we didn't always have the tuition money on time. He also wrote a guarantee, pledging to pay our debts if we didn't. Through these delaying tactics, we were able to finish our college.

From a very early period, Grandfather taught my brother and me to recite poetry, and Uncle taught us classical Chinese. Because of these early lessons we had an interest in Chinese studies. After entering Soochow University, I enjoyed my Chinese studies classes very much—like a fish taking to water. But during my freshman year, a law suit against my uncle determined my career choice.

That trouble started with my uncle. He had borrowed money from someone and did not pay it back. But the lender didn't start any legal actions against my uncle; someone else went to the court and asked the court to seize our house. Uncle became very upset and he felt he was not being fairly treated. It was true that he owed someone money, but he felt it would be more appropriate for the lender to sue him instead of a third party. After the lawsuit was filed, Uncle had no idea about how to respond. He tried to study the law books of the Republic of China. It was all to no avail. He couldn't prevent his house from being seized.

Uncle's trouble devastated me. I thought that if I were a law student, I would know how to help my family. At the very least, I would be able to write petitions and to comprehend the legal procedures. Perhaps our legal rights would have been preserved and our house might not have been seized. After witnessing my uncle's misfortune, I made a quiet decision that I would switch from Chinese studies and study law.

The first year, there were many candidates for the law program. Only one space was available that year, but I placed second in a competitive examination. So I didn't get into the law program and felt very bad. The following year, there was no space at all. The third year I still wanted to switch to law, but a teacher told me that since I already had two years of Chinese studies, I would have wasted a lot of time because I would have to start from the beginning again. He advised me to finish my degree in Chinese studies first. If I switched to law after that, I would have a solid foundation in Chinese language training and would be a better lawyer because of my language skills. He also told me about a few well-known attorneys who were Chinese majors first before they studied law. The teacher suggested that I follow that route.

He convinced me to wait. I finished my degree in Chinese studies, served in the Army, and then returned to Soochow University as a sophomore majoring in law. The law program at Soochow takes five years to complete, so I spent a total of eight years, earning two bachelors' degrees from Soochow University.

Because I had tasted the joy of learning, I was a better law student than most. Right before an examination, my classmates would often ask me to help them review our course of study. Because of this type of prepping fellow classmates, I gained a very good understanding of law.

After Soochow University, I traveled to the U.S. for graduate studies. First I received my Master's degree in political science from the Southern Methodist University in Texas. Later I received my L.L.M. and J.D. degrees from Tulane University in New Orleans, Louisiana. When I returned to Taiwan in 1978, I was thirty-four years old. I was very glad that I had completed my studies by the age of 35—in accordance with the timetable I had set up for myself.

I have always maintained that you have to be very serious about your studies before you can reap any rewards. Your determination decides what you will achieve. Regardless of what stage or level of learning you pursue, you must always be enthusiastic about learning and you must never stop gaining knowledge. When I studied in the U.S., I totally immersed myself in my studies. Nothing distracted me. For example, my classnotes were sometimes sloppy because I had taken them very quickly. After I returned home, I listened to the tapes I had made of the class and recopied all of my classnotes so I would have very neat notes to review later. Only after such painstaking work was I able to identify the issues I needed to focus on as well as grasp the professor's main points. Later when I became a teacher, I shared my learning experiences with my students.

I was in the United States for six years. In order to earn money for tuition I worked every summer. The first summer, a friend of an American roommate gave me a ride every day to a construction site. I helped lay foundations for houses. American houses are very simple to construct. My fellow workers and I would dig a hole in the ground, set up steel rods and pour cement. The rest would be taken care of by a different crew. So our foundation crew moved rapidly from job site to job site. The Texas sun is very hot, and I perspired profusely. The first day after work, my fingers were bruised and bleeding so I had to wrap them in bandages. The following day I wore gloves. A few days later, I wore out my gloves. For the entire summer, I worked with my hands, laying crude steel rods and pouring cement. I earned only three dollars an hour. But it was good money then, and I didn't mind all the hard work.

I also worked as a waiter. I started out as a busboy; my job was to help waiters move tables, to clear tables for waiters, and to take the dirty dishes to the kitchen.

Besides construction work and waiting on tables, I also worked as a security guard at a beer factory and at a bank. Wearing a tight-fitting uniform and carrying a gun, I made my rounds every hour. The rest of the time was essentially mine. It was easy work and the job was ideal for me. I had plenty of time to study. That summer, I had enough spare time to translate a law book into Chinese.

Grandmother is the most important person in my life. Hard times in Taitung did not overcome her. She always told us that poverty would never crush anyone and that everyone must have pride and ambition. She never mentioned our father. When we were kids, we would ask her about him. She assured us that our father was an upright and courageous man—a very good man. Our thoughtful and loving grandmother enabled us to have a normal childhood and taught us to be resourceful and respectful.

When I was in the last year of senior high school, Grandmother was already in poor health. She still got up early every morning to do some light housework such as dusting tables and chairs. She patiently welcomed each new day. Then one morning it was eerily quiet. I did not hear her comforting activity. When I rushed to her bedside, she had already died in her sleep.

Grandmother has passed on. I will never forget what she taught me. She instilled a typical Chinese attitude that has deeply permeated my life. Grandmother has enabled Hsiao-yen and me to live normal productive lives despite all the speculation about our parents. Grandmother gave Hsiao-yen and me the support to live our lives with dignity and pride.

Ten years ago when I finished my studies in the U.S., Soochow University happened to have a teaching position available. So I returned to my alma mater to start a career in academia. I have always been attracted to law. I have always believed that for a country to thrive, it must have its own body of law. For example, if the United States did not have a strong legal system and Constitution, all of its material goods and scientific progress would not be enough to sustain its social cohesiveness. Here in Taiwan we must head in a similar direction. It does not matter what career a person has chosen—whether education, academic studies, administration or any other field—he too can serve both his society and country and find meaning in life if he is totally dedicated and selfless. Even though not all of us will be successful in all we do, as long as we do our best in our chosen field, we will be completely fulfilling our mission in life. This is my attitude towards life. This is what I expect of myself. This is what I pledge to myself for now and the future.

EXPORTS, JOBS, AND GROWTH ACT OF 1996

SPEECH OF

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1996

Mr. LAZIO of New York. Mr. Speaker, I rise today in favor of U.S. exports, quality jobs for American workers and H.R. 3759. This bill reauthorizes the Overseas Private Investment Corporation [OPIC] which plays a crucial role in encouraging and supporting U.S. private investment overseas. This bill is important to my home State of New York which ranks behind only California and Texas in total exports.

OPIC enables U.S. companies to play a major role in overseas markets. Since the breakup of the Soviet Union this need has become greater, and there is no better time for American companies to get a foot in these markets than now and by passing this bill, we will create jobs for Americans through the exports which are created. By the end of this month, OPIC estimates that their projects will generate $6 billion in U.S. exports and nearly 20,000 jobs.

OPIC operates as a self-sustaining institution, and there is no cost to the taxpayers. In fact, OPIC generated an income of $189 and had reserves of more than $2.4 billion and since 1971 OPIC has supported investments that will generate more than $43 billion in exports.

I ask my colleagues to join me in voting for a pro-jobs, pro-American measure.

FEDERAL AVIATION AUTHORIZATION ACT OF 1996

SPEECH OF

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 10, 1996

Mr. FRANKS of New Jersey. Mr. Speaker, today I rise in strong support of H.R. 3539, a bill which would reauthorize the Federal Aviation Administration. Although this bill contains many worthwhile provisions that will modernize and improve the FAA, I commend to my colleagues' attention an amendment I offered during committee consideration of this legislation that is of particular importance to my constituents, many of whom have been severely impacted by aircraft noise. Specifically, my amendment would establish the position of aircraft noise ombudsman within the FAA. My colleagues may recall that a nearly identical provision passed the House last March as part of H.R. 2276, the Federal Aviation Administration Revitalization Act of 1995.

The idea of an aircraft noise ombudsman is long overdue. In my home State of New Jersey, the FAA has either arrogantly dismissed or totally ignored the pleas from my constituents for relief from intolerable aircraft noise. After the Expanded East Coast Plan [EECP] was implemented by the FAA in 1987, it took years for the FAA to even react to the significant increase in aircraft noise over New Jersey that resulted from their policies. The adoption of my amendment would ensure that the American people have an advocate in the FAA bureaucracy who will represent the concerns of residents affected by airline flight patterns.

My amendment also gives citizens someone to turn to should they have a comment, complaint, or suggestion dealing with aircraft noise. As the experience in New Jersey demonstrates, the FAA views the very real concerns of constituents regarding aircraft noise as nothing more than a minor inconvenience. For example, when the FAA was flooded by telephone calls from irate citizens after the EECP was implemented, their response was to belatedly install an answering machine on a single telephone line which was constantly jammed and to which citizens were unable to get through. The insensitivity of this agency can no longer be tolerate. Our constituents deserve to talk to a real, live human being who can answer their questions about the decisions that directly affect their quality of life.

Madam Speaker, my amendment is extremely important to the people of New Jersey and to the residents of any area that could find themselves severely impacted after the FAA announces a change in flight patterns. Already, my congressional office has received inquiries from around the country asking for the phone number of the aircraft noise ombudsman. I am sure the citizens who hear aircraft noise constantly, be they in New Jersey, Denver, or St. Louis, will be heartened by the passage of H.R. 3539.

Of course, this new position will only be as effective as the person occupying it. This is why I will be recommending to the administrator of the FAA that a person from outside the FAA, preferably from a citizens' aircraft noise organization, be appointed to fill this position. For example, a member from New Jersey Citizens Against Aircraft Noise [NJCAAN] would make an ideal aircraft noise ombudsman. NJCAAN members are personally familiar with the problem of aircraft noise, and understand the frustrations of citizens affected by aircraft noise.

Furthermore, NJCAAN members are knowledgeable about how the FAA bureaucracy operates. An aircraft noise ombudsman from NJCAAN would also have a reservoir of credibility with the public on this issue—something the FAA sorely lacks. For these reasons, I will be urging the FAA to carefully consider a NJCAAN member for this position.

Madam Speaker, Chairman DUNCAN has done a superb job on this legislation. I also commend Dave Schaffer and Donna McLean of the House Aviation Subcommittee staff for their hard work on this worthy bill.

Madam Speaker, my ombudsman provision is extremely important to the residents of any area of the Nation affected by aircraft noise. I urge my colleagues to vote yes for this excellent bill.

CONFERENCE REPORT ON S. 1316, SAFE DRINKING WATER ACT AMENDMENTS OF 1996

SPEECH OF

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mr. BLILEY. Mr. Speaker, earlier this summer, the Congress passed S. 1316, the Safe Drinking Water Act Amendments of 1996, a bill which reauthorizes the Safe Drinking Water Act and makes many important reforms in the law. The President signed this legislation into law on August 6, 1996.

I am convinced that we would not have achieved these important reforms without the support and assistance of the Safe Drinking Water Act Coalition. The coalition is made up of representatives of State and local governments, and organizations representing all types of public water systems, including the National Governors' Association, the National League of Cities, the Association of Metropolitan Water Agencies, the American Water Works Association, the U.S. Conference of Mayors, the National Association of Water Companies, the Association of State Drinking Water Administrators, the National Association of Counties, the National Conference of State Legislatures, the National Water Resources Association, and the National Rural Water Association.

The coalition worked tirelessly for many years to accomplish these important and necessary reforms in the Safe Drinking Water Act. The members of the coalition deserve our thanks for helping to improve the Safe Drinking Water Act to better protect public health and the environment.

A TRIBUTE TO JOSEPHINE PIRACCI

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. SOLOMON. Mr. Speaker, every now and then in my position as a Congressman, I have the privilege of honoring those people out there whose performance day in and day out improves the quality of life for an entire neighborhood or school or community. I call these people our silent heros. That's because they do their job without remiss and all too often without the accolades they deserve.

Mr. Speaker, I'd like to bring your attention to one such hero today, Ms. Josephine Piracci of Clifton Park, NY in my congressional district. Josephine has been a faithful employee of the Shenendehowa Public Library for 20 years now and has done more than her share in making the Clifton Park and Halfmoon area of New York a great place to live and raise a family.

I say that because what could be more critical to any community and especially its young people, than a library. And there's something even more special about a public library that just seems so American. I think it's that it embodies the free exchange of ideas and intellectual freedom that has allowed this country to thrive and has been the beacon drawing millions from distant lands throughout our history.

Now, how does Ms. Piracci fit into all this? Easy. For 20 years now, she has played an active role in helping others to expand their minds, be it a child forming their first sentences, or a businessowner researching the latest trends and technologies that might allow their business to expand and put someone else to work.

Josephine made this type of impact right from the beginning starting part-time as a children's librarian. And she didn't stop there, Mr. Speaker. Jo, as her friends and colleagues know her, went on to become director of the library by 1985 and has remained so ever since. During her tenure, she presided over the largest expansion in the history of the Shenendehowa Library. In fact, the library grew four times its size, from 4,500 square feet to 18,000 square feet.

As you know, Mr. Speaker, organizing and directing such a rapid and enormous change can be both exhilarating and frustrating. But Jo had a vision of a facility that would better serve all aspects of her community and the persistence to carry it through. Now that's what it takes to get the job done.

Mr. Speaker, I have always been one to judge people based on what they return to their community. By that measure, Josephine Piracci is a truly great American. I ask you, Mr. Speaker, and all Members of the House to rise with me now in tribute to her and her outstanding record of public service. She has certainly earned it.

AVIATION CADET ANNIVERSARY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mr. DORNAN. Mr. Speaker, October 11, 1996 will mark the 35th anniversary of the last person to graduate from the U.S. Air Force's Aviation Cadet Program. I graduated as an aviation cadet myself at the start of my military service in the Air Force. The Aviation Cadet Program actually started in 1917 and almost all rated officers in the Signal Corps, Army Air Corps, Army Air Forces, and U.S. Air Force were trained under this program.

The pilots were called flying cadets for the first 24 years of the program and the name was changed to aviation cadets on June 24, 1991. Cadet alumni are honorably advancing the cause of having the U.S. Postal Service issue a postage stamp commemorating the achievements of aviation cadets. I am proud of my experience as a cadet and of my service to our great Nation. I believe it would be a fitting tribute for aviation cadets to be recognized and honored for their service by the Postal Service.

IN HONOR OF THE CHAIRS OF THE WOMEN'S CAMPAIGN OF THE UJA-FEDERATION OF NEW YORK

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 11, 1996

Mrs. LOWEY. Mr. Speaker, tonight, the UJA-Federation of New York will honor the 56 women who have chaired the Women's Campaign since 1934. These women of vision dedicated themselves to the UJA-Federation's mission of safeguarding and caring for the Jewish community throughout the world. They understood the importance of the United States-Israel relationship, and worked tirelessly to bring together Jews in Israel and the diaspora. We can all take pride in the contributions these women made to the well-being of the Jewish people.

What is striking about these women is both the depth and breadth of their commitment to the Jewish community. Through their outstanding efforts with the UJA-Federation, they left their mark on New York, on the Nation, on Israel and on the world. These women were truly leaders.

Many of these women fought for education and for the arts, for human rights and for religious freedom, raising funds for a local and overseas network of health and human service organizations. In the 1930's and 1940's, these women led the fight to bring European Jews to safety in America. They were at the forefront of efforts to establish and then secure the independent Jewish homeland of Israel. And, more recently, they led Operation Exodus, which transported Jews in peril to Israel and the United States.

Each of these women devoted her time, her heart, and her life to Jewish communal service. And each is proof that just one woman can make a real difference.

The chairs of the Women's Campaign, past and present, are:

Barbara Ochs Adler (1934–35), Adele Lehman (1936), Edith Limburg (1937–38), Adele Levy (1939), Hortense Hirsch (1939–41), Cecile Mayer (1939–40), Rose Goldenstein (1941–43), Leonie Guinzberg (1942–43), Elinor Bernheim (1943–44), and Jane Heimerdinger (1943–44).

Bess Lazrus (1944–45), Dorothy Geller (1945–46), Sophie Udell (1945–49), Rose Carlebach (1947–48), Evelyn Asinof (1949–50), Lea Horne (1950–51), Louise Schwarz (1951–52), Gertrude Oresman (1952–54), Elinor Guggenheimer (1953–54), Berenice Rogers (1955–56), Doris Rosenberg (1955–56), and Margaret Kempner (1957–58).

Erna Michael (1957–58), Syd Goldstein (1957–58), Phyllis Siegel (1958–60), Elaine S. Winik (1958–60), Phyllis Tishman (1959–60), Jean P. Bloustein (1961–63), Rena A. Cohen (1961–64), Jennie Whitehill (1961–62), Elinor Gimbel (1963–65), Fan Harris (1964–66), Pat Gantz (1964–66, 1976–77), Jane Marx (1966–67), Bobbie Abrams (1967–69), and Blanche Ross (1967–69).

Elaine Guld (1968–71), Eleanor Sack (1970), Blanche G. Etra (1970–71), Adele Block (1971–73, 1975), Betty Dreifuss (1972–73), Lilian Marcus (1972–73), Myrtle Hirsch (1974–75), Bernice L. Rudnick (1974–75), Peggy Tishman (1975), Mary Froelich (1976–78), Mildred Geiger (1978–79), and Elaine P. Moore (1980–81).

Esther Treitel (1982–83), Phyllis Carash (1984–85), Naomi Kronish (1986–87), Klara Silverstein (1988–89), Frances Brandt (1990–91), Bryn Cohen (1992–93), Arlene Wittels (1994–95), and Mady Harman (1996–97).

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, September 12, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 16

3:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review benefits to the United States of U.S. foreign assistance.
SD–138

SEPTEMBER 17

9:00 a.m.
Small Business
To hold hearings to examine the impact of Union Salting Campaigns on small businesses.
SR–428A

9:30 a.m.
Commerce, Science, and Transportation
To hold closed hearings to examine aviation security challenges.
S–407, Capitol

Energy and Natural Resources
To hold hearings to examine issues with regard to United States climate change policy.
SD–366

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

Indian Affairs
To hold hearings to examine economic development on Indian reservations.
SR–485

10:00 a.m.
Labor and Human Resources
To hold oversight hearings on activities of the National Labor Relations Board.
SD–430

2:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on issues relating to computational biology.
SR–253

SEPTEMBER 18

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to examine how fatigue affects the various transportation systems.
SR–253

Energy and Natural Resources
To hold hearings on S. 1920, to amend the Alaska National Interest Lands Conservation Act, and S. 1998, to provide for expedited negotiations between the Secretary of the Interior and the villages of Chickaloon-Moose Creek Native Association, Inc., Ninilichik Native Association, Inc., Seldovia Native Association, Inc., Tyonek Native Corporation and Knikatnu, Inc. regarding the conveyances of certain lands in Alaska Under the Alaska Native Claims Settlement Act.
SD–366

10:00 a.m.
Judiciary
To hold hearings on S. 1961, to establish the United States Intellectual Property Organization, and to amend the provisions of title 35, United States Code, relating to procedures for patent applications, commercial use of patents, reexamination reform.
SD–226

2:00 p.m.
Judiciary
To hold hearings to examine the Bailey decision's effect on certain prosecutions with regard to violent and drug trafficking crimes.
SD–226

SEPTEMBER 19

9:30 a.m.
Energy and Natural Resources
Parks, Historic Preservation and Recreation Subcommittee
To hold hearings on S. 1539, to establish the Los Caminos del Rio National Heritage Area along the Lower Rio Grande Texas-Mexico border, S. 1583, to establish the Lower Eastern Shore American Heritage Area, S. 1785, to establish in the Department of the Interior the Essex National Heritage Area Commission, and S. 1808, to establish a program for the preservation of additional historic property throughout the Nation.
SD–366

10:00 a.m.
Veterans' Affairs
To hold hearings on the implementation of Public Law 102-4, the medical and scientific bases for associations between herbicide exposure and disease.
SR–418

2:00 p.m.
Judiciary
Administrative Oversight and the Courts Subcommittee
To hold hearings to examine the power of the Federal courts to impose taxes.
SD–226

SEPTEMBER 24

9:30 a.m.
Indian Affairs
To hold hearings to examine civil jurisdiction in Indian country.
SR–485

SEPTEMBER 25

9:30 a.m.
Indian Affairs
To hold hearings to examine the phase out of the Navajo/Hopi relocation program.
SR–485

OCTOBER 2

9:30 a.m.
Indian Affairs
To hold oversight hearings on the regulatory activities of the National Indian Gaming Commission.
Room to be announced

CANCELLATIONS

SEPTEMBER 12

9:30 a.m.
Labor and Human Resources
To hold hearings on S. 2031, to provide health plan protections for individuals with a mental illness.
SD–430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD–226

Daily Digest

HIGHLIGHTS

The House and Senate met in a joint meeting to receive an address by His Excellency John Bruton, Prime Minister of Ireland.

House Committees ordered reported 9 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S10245–S10347

Measures Introduced: Four bills were introduced, as follows: S. 2063–2066. **Page S10327**

Treasury/Postal Service Appropriations, 1997: Senate resumed consideration of H.R. 3756, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1997, taking action on amendments proposed thereto, as follows: **Pages S10245–S10319**

Adopted:

Warner Amendment No. 5240, to grant flexibility to the General Services Administration in regards to telecommuting centers. **Page S10280**

By 59 yeas to 39 nays (Vote No. 285), Thomas Modified Amendment No. 5224, to limit the use of funds to provide for Federal agencies to furnish commercially available property or services to other Federal agencies. **Pages S10281–86**

Shelby (for Stevens) Amendment No. 5249, to provide for the Advisory Commission on Intergovernmental Affairs to continue operations. **Pages S10286–90**

Shelby (for Inhofe) Amendment No. 5250, to strike Section 404. **Pages S10286–90**

Shelby (for McCain) Amendment No. 5251, to provide for an audit by Inspector Generals of administratively uncontrollable overtime practices, and to revise guidelines for such practices. **Pages S10286–90**

Shelby (for Hollings) Amendment No. 5252, to increase the reimbursement for funeral and burial costs to $10,000 for Federal civilian employees who die as a result of injuries sustained in the performance of duty. **Pages S10286–90**

Shelby/Kerrey Amendment No. 5253, to provide for training of explosive detection canines. **Pages S10286–90**

Shelby Amendment No. 5254, to provide for the designation of the Mark O. Hatfield United States Courthouse in Portland, Oregon. **Pages S10286–90**

Shelby (for Brown) Amendment No. 5255, to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government. **Pages S10286–90**

Rejected:

Dorgan Amendment No. 5223 (to committee amendment beginning on page 16, line 16, through page 17, line 2), to amend the Internal Revenue Code of 1986 to end deferral for United States shareholders on income of controlled foreign corporations attributable to property imported into the United States. (By 58 yeas to 41 nays (Vote No. 282), Senate tabled the amendment.) **Pages S10245–61**

Committee amendment beginning on page 80, line 20, through page 81, line 4, striking language that prohibits funds to be made available to pay for an abortion, or the administrative expenses in connection with any health plan under the federal employees' health benefit program which provides any benefits or coverage for abortions. (By 53 yeas to 45 nays (Vote No. 284), Senate tabled the amendment.) **Pages S10270–78**

Pending:

Kassebaum Amendment No. 5235 (to committee amendment on page 16, line 16, through page 17, line 2), to express the sense of the Senate regarding communications between physicians and their patients. **Pages S10267–70**

Reid/Levin/Biden Modified Amendment No. 5256, to refer the White House travel office matter to the Court of Federal Claims. **Pages S10294–S10319**

Hatch Amendment No. 5257 (to Amendment No. 5256), to reimburse the victims of the White House Travel Office firing and investigation.

Pages S10295–S10319

Subsequently, the amendment was modified.

Pages S10294–95, S10312

During consideration of this measure, Senate also took the following action:

By 51 yeas to 48 nays (Vote No. 283), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate rejected a motion to waive the point of order with respect to Congressional Budget Act with respect to consideration of Wyden/Kennedy Amendment No. 5206 (to committee amendment beginning on page 16, line 16, through page 17, line 2), to prohibit the restriction of certain types of medical communications between a health care provider and a patient. Subsequently, a point of order that the amendment was in violation of Section 202 of the Congressional Budget Resolution, was sustained, and the amendment was ruled out of order. **Pages S10245, S10261–67**

A unanimous-consent agreement was reached providing for the consideration of certain further amendments to be proposed to the bill.

Pages S10280–81, S10284–85

A further consent agreement was reached providing for votes to occur on Amendments No. 5256 and No. 5257, listed above, on Thursday, September 12, 1996. **Page S10302**

Senate will continue consideration of the bill on Thursday, September 12, 1996.

Executive Reports of Committees: The Senate received the following executive reports of a committee:

Report to accompany the Chemical Weapons Convention (Treaty Doc. 103–21) (Exec. Rept. No. 104–33). **Pages S10325–27**

Messages From the House: **Page S10324**

Measures Referred: **Page S10324**

Measures Placed on Calendar: **Page S10324**

Communications: **Pages S10324–25**

Executive Reports of Committees: **Pages S10325–27**

Statements on Introduced Bills: **Pages S10327–28**

Additional Cosponsors: **Pages S10328–29**

Amendments Submitted: **Pages S10329–43**

Notices of Hearings: **Page S10343**

Authority for Committees: **Page S10343**

Additional Statements: **Pages S10343–46**

Record Votes: Four record votes were taken today. (Total—285) **Pages S10261, S10267, S10278, S10286**

Adjournment: Senate convened at 11 a.m., and adjourned at 10:21 p.m., until 9:30 a.m., on Thursday, September 12, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on pages S10346–47.)

Committee Meetings

(Committees not listed did not meet)

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT

Committee on Environment and Public Works: Subcommittee on Transportation and Infrastructure concluded hearings on proposed legislation authorizing funds for programs of the Intermodal Surface Transportation Efficiency Act, and to examine the role of Federal, State, and local governments in surface transportation, after receiving testimony from Federico Peña, Secretary, and Rodney E. Slater, Administrator, Federal Highway Administration, both of the Department of Transportation; Kentucky Governor Paul E. Patton, Frankfort, on behalf of the National Governors' Association; Virginia Governor George F. Allen, Richmond, on behalf of the Southern Governors' Association; Mayor Bill Campbell, Atlanta, Georgia, on behalf of the United States Conference of Mayors; William G. Burnett, Texas Department of Transportation, Austin, on behalf of the American Association of State Highway and Transportation Officials; Stephen J. Del Giudice, Prince George's County, Maryland, on behalf of the National Association of Regional Councils and the Association of Metropolitan Planning Organizations; and Carol Roberts, Palm Beach County, Florida, on behalf of the National Association of Counties.

UNITED NATIONS REFORM

Committee on Foreign Relations: Subcommittee on International Operations concluded hearings to examine proposals to reform the United Nations system, after receiving testimony from Jeane J. Kirkpatrick, American Enterprise Institute, and former U.S. Permanent Representative to the United Nations, and John R. Bolton, National Policy Forum, and former Assistant Secretary of State for International Organization Affairs, both of Washington, D.C.; and Edward C. Luck, United Nations Association, New York, New York.

TELECOMMUNICATIONS

Committee on the Judiciary: Committee concluded hearings to examine recent developments in the telecommunications industry, focusing on the state of competition in the telecommunications industry and the application of antitrust laws with regard to certain mergers, after receiving testimony from James

R. Young, Bell Atlantic Corporation, Arlington, Virginia; James D. Ellis, SBC Communications, Inc., San Antonio, Texas; Bernard J. Ebbers, LDDS WorldCom, Jackson, Mississippi; Michael H. Salsbury, MCI Communications Corporation, and Robert W. Crandall, Brookings Institution, both of Washington, D.C.; William P. Barr, GTE Corporation, Stamford, Connecticut; Robert C. Atkinson, Teleport Communications Group, Inc., Staten Island, New York; Peter W. Huber, Manhattan Institute for Policy Research, Bethesda, Maryland; Ronald J. Binz, Competition Policy Institute, Denver, Colorado; and Dale N. Hatfield, Hatfield Associates Inc., Boulder, Colorado.

House of Representatives

Chamber Action

Bills Introduced: 16 public bills, H.R. 4046–4061; and 4 resolutions, H. Con. Res. 212, and H. Res. 518–520 were introduced. **Page H10235**

Reports Filed: No reports were filed today.

Speaker Pro Tempore. Read a letter from the Speaker wherein he designated Representative Hefley to act as Speaker pro tempore for today. **Page H10175**

Recess: The House recessed at 9:02 a.m. and reconvened at 12:00 noon. **Pages H10175, H10179**

Address by the Prime Minister of Ireland: The House and Senate met in a joint meeting to receive an address by His Excellency John Bruton, Prime Minister of Ireland. Prime Minister Bruton was escorted to and from the House Chamber by Senators Simpson, Cochran, Stevens, Mack, Daschle, Kennedy, Leahy, and Pell; and by Representatives Armey, DeLay, Boehner, Cox, Gilman, Blute, Franks of New Jersey, King, Lazio, Quinn, English, Flanagan, Kelly, Martini, Bonior, Kennelly, Hoyer, Montgomery, Markey, Kildee, Williams, Borski, Manton, McDermott, Neal, Moran, Maloney, and Kennedy of Rhode Island. **Pages H10175–79**

VA/HUD Appropriations: House disagreed with the Senate amendments to H.R. 3666, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997 and agreed to a conference. Appointed as conferees, Representatives Lewis, DeLay, Vucanovich, Walsh, Hobson, Knollenberg, Frelinghuysen, Neumann, Livingston, Stokes, Mollohan, Chapman, Kaptur, and Obey. **Pages H10182–89**

Agreed to the Stokes motion to instruct conferees that the managers on the part of the House be instructed to agree to the amendments of the Senate numbered 95, 117, and 118 (agreed to by a yea-and-nay vote of 392 yeas to 17 nays, Roll No. 407). **Pages H10182–89**

Immigration in the National Interest: House disagreed with the Senate amendment to H.R. 2202; to amend the Immigration and Nationality Act to improve deterrence of illegal immigration to the United States by increasing border patrol and investigative personnel, by increasing penalties for alien smuggling and for document fraud, by reforming exclusion and deportation law and procedures, by improving the verification system for eligibility for employment, and through other measures, to reform the legal immigration system and facilitate legal entries into the United States; and agreed to a conference. Appointed as conferees: Representatives Hyde, Smith of Texas, Gallegly, McCollum, Goodlatte, Bryant of Tennessee, Bono, Goodling, Cunningham, McKeon, Shaw, Conyers, Frank of Massachusetts, Berman, Bryant of Texas, Becerra, Martinez, Green of Texas, and Jacobs. **Pages H10189–95**

Rejected the Conyers motion to instruct conferees that managers on the part of the House be instructed to recede to the provisions contained in section 105 relating to increased personnel levels for the Labor Department (rejected by a yea-and-nay vote of 181 yeas to 236 nays, Roll No. 408). **Pages H10189–95**

Suspensions: House voted to suspend the rules and pass the following measures which were debated on Tuesday, September 10:

Monitoring the Student Right to Know and Campus Security Act: H. Res. 470, expressing the sense of the Congress that the Department of Education should play a more active role in monitoring and enforcing compliance with the provisions of the Higher Education Act of 1965 related to campus crime (agreed to by a yea-and-nay vote of 413 yeas, Roll No. 409); **Pages H10195–96**

Student Debt Reduction Act: H.R. 3863, amended, to amend the Higher Education Act of 1965 to permit lenders under the unsubsidized Federal Family Education Loan program to pay origination fees

on behalf of borrowers (passed by a yea-and-nay vote of 414 yeas to 1 nay, Roll no. 410) and;

Pages H10196–97

FAA Authorization: H.R. 3539, amended, to amend title 49 United States Code, to reauthorize programs of the Federal Aviation Administration (passed by a recorded vote of 398 ayes to 17 noes, Roll No. 411). **Page H10197**

Suspension Failed—Exports, Jobs, and Growth Act: By a yea-and-nay vote of 157 yeas to 260 nays, Roll No. 412, the House failed to suspend the rules and pass H.R. 3759, amended, to extend the authority of the Overseas Private Investment Corporation. This measure was debated on Tuesday, September 10. **Pages H10197–98**

Late Report: Conferees received permission to have until midnight tonight to file a conference report on H.R. 3816, making appropriations for Energy and Water Development for fiscal year 1997. **Page H10198**

Sonny Montgomery Medical Center: House passed S. 1669, to name the Department of Veterans Affairs medical center in Jackson, Mississippi, as the "G. V. (Sonny) Montgomery Department of Veterans Affairs Medical Center"—clearing the measure for the President. **Page H10198**

Referral: One Senate-passed measure, S. 1669, to establish areas of wilderness and recreation in the State of Oregon, was referred to the Committees on Resources, Agriculture, and Commerce. **Page H10228**

Senate Message: Message received from the Senate today appears on page H10179.

Quorum Calls—Votes: Five yea-and-nay votes and one recorded vote developed during the proceedings of the House today and appear on pages H10188–89, H10195, H10195–96, H10196–97, H10197, and H10197–98. There were no quorum calls.

Adjournment: Met at 9:00 a.m. and adjourned at 7:45 p.m.

Committee Meetings

MISCELLANEOUS COMMEMORATIVE COIN MEASURES

Committee on Banking and Financial Services: Subcommittee on Domestic and International Monetary Policy approved for full Committee action amended the following bills: H.R. 2026, George Washington Commemorative Coin Act of 1995; H.R. 1684, James Madison Commemorative Coin Act; and H.R. 1776, Black Revolutionary War Patriots Commemorative Coin Act.

Prior to this section, the Subcommittee held a hearing on these measures. Testimony was heard from Representatives Bliley, Johnson of Connecticut, Payne of New Jersey and Davis; and public witnesses.

TAXPAYER SUBSIDY OF FEDERAL UNIONS

Committee on Government Reform and Oversight: Subcommittee on Civil Service held a hearing on Taxpayer Subsidy of Federal Unions. Testimony was heard from Lorraine Green, Deputy Director, OPM; Sally Katzen, Administrator, Office of Information and Regulatory Affairs, OMB; Timothy Bowling, Associate Director, Federal Management and Workforce Issues, General Government Division, GAO; Michael P. Dolan, Deputy Commissioner, IRS, Department of the Treasury; and a public witness.

OVERSIGHT—NASA'S INFRASTRUCTURE DOWNSIZING EFFORTS

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held an oversight hearing on NASA's infrastructure downsizing efforts. Testimony was heard from Thomas J. Schulz, Associate Director, National Security and International Affairs Division, GAO; and the following officials of NASA: Roberta L. Gross, Inspector General; and Daniel S. Goldin, Administrator.

COUNTER-NARCOTICS POLICY TOWARD COLOMBIA

Committee on International Relations: Held a hearing on Overall U.S. Counter-Narcotics Policy Toward Colombia. Testimony was heard from the following officials of the Department of State: Robert S. Gelbard, Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs; Eric Newsom, Principal Deputy Assistant Secretary, Bureau of Political-Military Affairs; and Peter Romero, Principal Deputy Assistant Secretary, Bureau of Inter-American Affairs; and public witnesses.

NIGERIAN WHITE COLLAR CRIME

Committee on International Relations: Subcommittee on Africa held a hearing on Nigerian white collar crime. Testimony was heard from Sally Miller, Director, Office of Africa, International Trade Administration, Department of Commerce; Mark M. Richard, Deputy Assistant Attorney General, Department of Justice; S.A. Michael Stenger, Special Agent in Charge, Financial Crimes Division, U.S. Secret Service, Department of the Treasury; and Jonathan Winer, Deputy Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, Department of State.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported the following measures: H.R. 3723, amended, Economic Espionage Act of 1996; S. 1507, amended, Parole Commission Phaseout Act of 1995; H.R. 3676, amended, Carjacking Correction Act of 1996; H.R. 3968, amended, Federal Courts Improvement Act of 1996; S. 533, to clarify the rules governing removal of cases to Federal court; S. 677, to repeal a redundant venue provision; and H.J. Res. 191, to confer honorary citizenship of the United States on Agnes Gonxha Bojahiu, also known as Mother Teresa.

The Committee also considered private immigration bills.

The Committee began markup of H.R. 2092, Private Security Officer Quality Assurance Act of 1995.

The Committee recessed subject to call.

MEDICARE SUBVENTION

Committee on National Security: Subcommittee on Military Personnel held a hearing on Medicare subvention. Testimony was heard from Representatives Hefley, Watts of Oklahoma, and Taylor of Mississippi; Stephen Joseph, M.D., Assistant Secretary, Health Affairs, Department of Defense; and public witnesses.

SPACE COMMERCIALIZATION PROMOTION ACT

Committee on Science: Ordered reported amended H.R. 3936, Space Commercialization Promotion Act of 1996.

COMMITTEE BUSINESS

Committee on Standards of Official Conduct: Met in executive session to consider pending business.

AVIATION DISASTER FAMILY ASSISTANCE ACT

Committee on Transportation and Infrastructure, Subcommittee on Aviation approved for full Committee action amended H.R. 3923, Aviation Disaster Family Assistance Act of 1996.

AVIATION SECURITY AND ANTI-TERRORISM

Committee on Transportation and Infrastructure: Subcommittee on Aviation held a hearing on aviation security and anti-terrorism. Testimony was heard from public witnesses.

The Subcommittee also met in executive session to continue hearings on aviation security and anti-terrorism. Testimony was heard from the following officials of the Department of Transportation: David R. Hinson, Administrator; RAdm. Cathal Flynn, Associate Administrator, Office of Civil Aviation Security, both with the FAA; and RAdm. Paul E. Busick, Director, Office of Intelligence and Security; Robert M. Blitzer, Section Chief, Domestic Terrorism/Counterterrorism Planning Section, National Security Division, FBI, Department of Justice; Keith O. Fultz, Assistant Comptroller General, GAO.

DULLES AIRPORT AIR AND SPACE ANNEX

Committee on Transportation and Infrastructure: Subcommittee on Public Buildings and Economic Development held a hearing on H.R. 3933, to authorize the construction of the Smithsonian Air and Space Annex at Dulles Airport. Testimony was heard from Representatives Davis and Moran; Donald D. Engen, Director, National Air and Space Museum, Smithsonian Institution; and Robert Martinez; Secretary, Department of Transportation, State of Virginia.

SNOW REMOVAL POLICY ACT

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment held a hearing on H.R. 3348, Snow Removal Policy Act. Testimony was heard from Representative Stupak; Dennis Kwiatkowski, Deputy Associate Director, FEMA; Charles F. Wynne, Director, Emergency Management Agency, State of Pennsylvania; and public witnesses.

SOCIAL SECURITY MISCELLANEOUS AMENDMENTS ACT

Committee on Ways and Means: Ordered reported H.R. 4039, Social Security Miscellaneous Amendments Act of 1996.

WORLD TRADE ORGANIZATION SINGAPORE MINISTERIAL MEETING

Committee on Ways and Means: Subcommittee on Trade held a hearing on the World Trade Organization (WTO) Singapore ministerial meeting. Testimony was heard from Representative Spratt; Charlene Barshefsky, Acting U.S. Trade Representative; and public witnesses.

Joint Meetings

APPROPRIATIONS—ENERGY AND WATER

Conferees agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 3816, making appropriations for energy and water development for the fiscal year ending September 30, 1997.

APPROPRIATIONS—TRANSPORTATION

Conferees agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 3675, making appropriations for the

Department of Transportation and related agencies for the fiscal year ending September 30, 1997.

COMMITTEE MEETINGS FOR THURSDAY, SEPTEMBER 12, 1996

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, Subcommittee on Commerce, Justice, State, and the Judiciary, to hold open and closed hearings on the Administration's counterterrorism efforts, 10:30 a.m., SD–124.

Full Committee, business meeting, to mark up H.R. 3755, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1997, 2 p.m., SD–192.

Committee on Armed Services, to hold hearings on the situation in Iraq, 10 a.m., SD–106.

Subcommittee on Personnel, to hold hearings on the practices and procedures of the investigative services of the Department of Defense and the military departments concerning investigations into the deaths of military personnel which may have resulted from self-inflicted causes, 2 p.m., SH–216.

Committee on Energy and Natural Resources, business meeting, to consider pending calendar business, 9:30 a.m., SD–366.

Subcommittee on Parks, Historic Preservation and Recreation, to hold hearings on S. 1695, to authorize the Secretary of the Interior to access up to $2 per person visiting the Grand Canyon or other national parks to secure bonds for capital improvements to the park, 9:45 a.m., SD–366.

Committee on Foreign Relations, Subcommittee on East Asian and Pacific Affairs, to hold hearings to review the situation in North Korea, 10 a.m., SD–419.

Committee on Governmental Affairs, to hold hearings on S. 1794, to provide for the forfeiture of retirement benefits in the case of any Member of Congress, congressional employee, or Federal justice or judge who is convicted of an offense relating to official duties of that individual, and for the forfeiture of the retirement allowance of the President for such a conviction, 10 a.m., SD–342.

NOTICE

For a listing of Senate committee meetings scheduled ahead, see page E1589 in today's Record.

House

Committee on Agriculture, to consider pending committee business, 9:30 a.m., and to hold a hearing to review State Trading Enterprises, 10 a.m., 1300 Longworth.

Subcommittee on Department Operations, Nutrition and Foreign Agriculture, to consider Hatch Act and related law violations, 1 p.m., 1302 Longworth.

Committee on Banking and Financial Services, hearing on the Implications of Recent Increases in the Rates of Delinquency and Default on Consumer Loans for the Financial Services Industry, 10 a.m., 2128 Rayburn.

Committee on Commerce, Subcommittee on Commerce, Trade, and Hazardous Materials, hearing on H.R. 2900, National Motor Vehicle Safety, Anti-Theft, Title Reform, and Consumer Protection Act of 1996, 2 p.m., 2322 Rayburn.

Subcommittee on Telecommunications and Finance, to markup H.R. 3957, FCC Modernization Act of 1996, 10 a.m., 2123 Rayburn.

Committee on Economic and Educational Opportunities, Subcommittee on Workforce Protections, oversight hearing on the Fair Labor Standards Act, 10 a.m., 2175 Rayburn.

Committee on Government Reform and Oversight, Subcommittee on Human Resources and Intergovernmental Relations, hearing on Off Label Drug Use and FDA Review of Supplemental Drug Applications, 10 a.m., 2247 Rayburn.

Committee on International Relations, hearing on Consequences of China's Military Sales to Iran, 11 a.m., 2172 Rayburn.

Subcommittee on Asia and the Pacific and the Subcommittee on International Economic Policy and Trade, joint hearing on International Financial Institution Lending to Asia, 2 p.m., 2200 Rayburn.

Committee on the Judiciary, Subcommittee on Commercial and Administrative Law, hearing on the role of Congress in monitoring administrative rulemaking, including the following bills: H.R. 47, Regulatory Relief and Reform Act; H.R. 2727, Congressional Responsibility Act of 1995; and H.R. 2990, Significant Regulation Oversight Act of 1996, 10 a.m., 2226 Rayburn.

Subcommittee on Courts and Intellectual Property, hearing on H.R. 3386, Ethical Standards for Federal Prosecutors Act of 1996, 10 a.m., B–352 Rayburn.

Subcommittee on Crime, hearing on H.R. 3508, Children's Privacy Protection and Parental Empowerment Act, 9:30 a.m., 2237 Rayburn.

Subcommittee on Immigration and Claims, oversight hearing on alleged misconduct surrounding the House Task Force on Immigration Reform's trip to Miami, 9:30 a.m., 2141 Rayburn.

Committee on National Security, to markup the following measures: H.R. 4000, to amend title 10, United States Code, to restore the provisions of chapter 76 of that title, relating to missing persons as in effect before the amendments made by the National Defense Authorization Act for fiscal year 1997; H.R. 3142, Uniformed Services Medicare Subvention Demonstration Project Act; H. Con. Res. 200, expressing the sense of the Congress regarding the bombing in Dhahran, Saudi Arabia; and H. Con. Res. 180, commending the Americans who served the United States during the period known as the cold war, 10 a.m., 2118 Rayburn.

Subcommittee on Military Installations and Facilities, hearing on infrastructure requirements to support the Army strategic mobility program, 2 p.m., 2212 Rayburn.

Subcommittee on Military Procurement, hearing on military modernization, 2 p.m., 2118 Rayburn.

Committee on Resources, hearing on H.R. 3752, American Land Sovereignty Protection Act of 1996 (Public Law 104–43), 10:30 a.m., 1324 Longworth.

Subcommittee on Fisheries, Wildlife and Oceans, oversight hearing on the Fisheries Act of 1995 (P.L. 104–43), 10 a.m., 1334 Longworth.

Subcommittee on National Parks, Forests and Lands, hearing on H.R. 2712, Northwest California Forest Health and Economic Recovery Act; to be followed by an oversight hearing on Forest Service resource management and fire control, 1:30 p.m., 1334 Longworth.

Subcommittee on Water and Power Resources, oversight hearing on progress report on the administrative attempts to implement the Central Valley Project Improvement Act, 2:30 p.m., 1324 Longworth.

Committee on Rules, Subcommittee on Rules and Organization of the House and the Subcommittee on Legislative and Budget Process, to continue joint hearings on Building on Change: Preparing for the 105th Congress, 9 a.m., H–313 Capitol.

Committee on Science, Subcommittee on Space and Aeronautics, hearing on Life on Mars?, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, to markup the following: H.R. 3923, Aviation Disaster Family Assistance Act of 1996; H.R. 3217, National Invasive Species Act of 1996; H.R. 3348, Snow Removal Policy Act; H.R. 3153, to amend title 49, United States Code, to exempt from regulation the transportation of certain hazardous materials by vehicles with a gross vehicle weight rating of 10,000 pounds or less; H.R. 2233, Railroad Retirement and Railroad Unemployment Insurance Amendments Act of 1995; the Intermodal Safe Container Transportation Amendments Act of 1996; and Water Resources Survey Resolutions, 12 p.m., 2167 Rayburn.

Subcommittee on Coast Guard and Maritime Transportation, oversight hearing on drug interdiction and other matters related to the National Drug Control Policy, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, Subcommittee on Health, hearing on rural health care issues, 10 a.m., 1100 Longworth.

Subcommittee on Social Security, to continue hearings on the performance of the Social Security Administration as an Independent Agency, 10:30 a.m., B–318 Rayburn.

Next Meeting of the SENATE

9:30 a.m., Thursday, September 12

Senate Chamber

Program for Thursday: Senate will resume consideration of H.R. 3756, Treasury/Postal Service Appropriations, with votes on certain of the pending amendments to occur at 9:45 a.m., following which Senate will consider the Chemical Weapons Convention (Treaty Doc. No. 103–21).

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, September 12

House Chamber

Program for Thursday: Consideration of available conference reports.

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