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House of Representatives

The House met at 10 a.m.

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

We remember with gratitude and thanksgiving the life and work of our colleague, STEVE SCHIFF, and we recall his life with a deep and lasting appreciation. We pray that your blessing, O God, would be with his family and upon all those who loved him and who received his love and his grace.

We remember the great traits that he brought to his responsibilities as a Member of this body and we are aware how this institution was ennobled by his integrity and his honesty. He was a friend to so many and his ideas and counsel made a difference for good in the history of our Nation. For his wisdom and sound judgment, for the dignity and intellect that he carried with him, for his commitment to the people he represented and for the love of family that he showed, we offer our thanks and praise.

May your peace, O God, that passes all human understanding, be with his family and with each of us now and evermore. Amen.

THE JOURNAL

The SPEAKER. 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. Will the gentlewoman from Oregon (Ms. FURSE) come forward and lead the House in the Pledge of Allegiance.

Ms. Furse led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

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

S. Con. Res. 87. Concurrent resolution to correct the enrollment of S. 419.

QUESTION OF PERSONAL PRIVILEGE

Mr. SHUSTER. Mr. Speaker, I rise to a point of personal privilege.

The SPEAKER pro tempore (Mr. CALVERT). Based on the Chair's examination of press accounts referring to the gentleman from Pennsylvania (Mr. SHUSTER) which he has furnished to the Chair, the gentleman is recognized for a question of personal privilege. Under rule IX, the gentleman is recognized for 1 hour.

(Mr. SHUSTER asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. SHUSTER. Mr. Speaker, many years ago, Joseph McCarthy in Wheeling, West Virginia stood up and waved papers and said he had the names of 57 Communists in government. Well, he got lots of headlines but, of course, he was eventually proved to be a liar. I am reminded of that event, although I certainly make no such charge here today.

Mr. Speaker, three of our colleagues have made numerous statements in the media that we have been, quote, ''buying votes,'' to get them to support our BESTEA transportation legislation in exchange for projects which we have given them. Indeed, conversely, that we have been threatening Members that if they did not vote with us, they would not get the projects.

Let me make this very clear. I challenge these Members to name one person, one person whom I went to and said they will get a project in exchange for their vote. I challenge them to name one person who I threatened that they not get a project if they voted against us.

Indeed, if we look back at the battle we had here last year on the budget resolution where we had our transportation amendment, I urge my colleagues to go look at Members who voted against us and then look at the projects they are receiving today. This is simply a blatant falsehood.

Now, no doubt many Members support our legislation because it is important to their district, because it is important to America, because they are getting projects that they have requested and which have been vetted through our 14-point requirement.

It seems that in life sometimes there are those who, when one takes a different view from their view, they must somehow ascribe some base motivation. They simply cannot believe that because someone disagrees with them, that another's motives can be as pure as theirs. Indeed, sometimes it seems as though the smaller the minority they represent, the more incensed they become, because they view themselves as more pure, more righteous, more sanctimonious than the larger majority of us who are mere mortals. But I do not ascribe any of these motives to our colleagues. I prefer to believe that they simply are misinformed.

Mr. Speaker, the supreme irony, the supreme irony is that the three individuals who have been attacking us, attacking our motives, attacking our integrity, have submitted projects to us for their own congressional districts.

Mr. Speaker, I yield to the distinguished gentleman from Minnesota (Mr. OBERSTAR), ranking member of the full committee.

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. SHUSTER) for yielding.

Mr. Speaker, I join in the gentleman's indignation, to put it mildly,

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over these attacks that are totally unjustified, unfounded, and inappropriate for Members of this body to make.

First of all, the projects in question have gone through a very thorough and careful vetting process according to a 14-point outline that the committee fashioned, which includes a requirement that the project be on the State's priority or State's future project development list. The points that are included in the review of projects are all the points that States use to measure validity of projects that their transportation departments will fund.

After reviewing all of these projects and ensuring that they meet standards accepted by States and that these are projects necessary in a Member's district, we accept the Member's judgment as to what is necessary for his or her district, and those projects are included in this package, as was done in 1991 in the previous transportation bill.

Mr. Speaker, I could understand Members disagreeing with the process, but I do not approve, I am offended by the use of language and by the accusations made. The gentleman from Pennsylvania has been a vigorous advocate for transportation since before he was elected to Congress in 1972 and since taking his place on the then-Committee on Public Works and now-Committee on Transportation and Infrastructure. Under his chairmanship, he has waged a nationwide campaign for increased investment in the Nation's portfolio of bridges, highways, buses, transit systems, but above all, its safety. He is a champion of safety.

The gentleman's drive to increase spending out of the highway trust fund, tax dollars that have been collected at the pump but not paid into projects for which driving America has already been taxed, is clear and well known and widely respected, open and clear for everyone to review.

So when the gentleman from Pennsylvania or I, together on a bipartisan basis, present our program to our respective caucuses and to this body and ask for their support, we do so very clearly, very openly, without any hidden agenda. And for Members then to say that they have been somehow browbeaten, whipped into line, or threatened is totally inappropriate and totally untrue.

As a strong and vigorous advocate for his viewpoint, I respect the gentleman from Pennsylvania and I respect those who take a differing viewpoint. They are entitled to that viewpoint. They are also entitled to the fair share of funding that we have designated without any questions, without any quid pro quo.

We respect and always have respected the Members' right to vote their district and their conscience. We would ask them, and I do not think there is anything inappropriate to ask a Member to support this legislation, but we respect their right not to.

Mr. Speaker, I think the gentleman from Pennsylvania has conducted himself with the highest dignity, with the appropriate character of a Member of Congress of this distinguished body, in the same manner that he has done for his 26 years in the House of Representatives. I join with him in reproving those who have used such inappropriate language. It is an assault upon the integrity of the chairman of this committee, a Member who has championed the cause for all of America for better transportation, better investment in the future of our economy, and I salute the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, reclaiming my time, I thank the gentleman from Minnesota for those words.

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

Mr. SHUSTER. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Speaker, I want to commend the gentleman from Pennsylvania (Mr. SHUSTER) for being a chairman and taking care of the jurisdictional authority which he is in charge of. I am tired of the ''pork barrel'' labels on the gentleman from Pennsylvania and on the gentleman from Minnesota (Mr. OBERSTAR).

Mr. Speaker, I had five bridges in the original ISTEA bill, and one of the major news networks came to my district and said, boy, you are getting all of this pork. And I said, come on down. Then I showed them bridges with a sway, with a 2-ton weight limit. The next bridge down had a 5-ton weight limit. And I got those bridges built. I got the money for them. And they are still not built; they are now under process. That is how many years it takes.

Well, I want to announce here that as soon as the wrecking crew appeared on the Center Street Bridge, the first time the backhoe hit one of the steel structures, the bridge collapsed.

□ 1015

They said, thank God citizens were not killed. Enough of this pork barrel madness. Ohio had 28 major projects announced last year, and my district did not get one of them; and I have the most infrastructure needs in the country. No Member of Congress should go home and flout this pork barrel if they have got infrastructure needs and they are not taking care of it. Because that is why we are elected.

And by God, I am just glad we are building the Center Street bridge and no one in my district got hurt. I want to say this as a former Pitt grad, my colleague stands for what a chairman should be; and all chairmen should deal with their jurisdictional authority and dispatch the duties like he has.

I stand with him, proud to be associated with him, and I commend him and the gentleman from Minnesota (Mr. OBERSTAR) for the fine job they have done on this bill.

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for his statement.

Mr. OBERSTAR. Mr. Speaker, if the Chairman would continue to yield, let me just emphasize once again, never on our side or on the chairman's side of the aisle was any Member told that conclusion of their project was contingent upon or dependent upon their vote. No Member was asked how they intended to vote in advance. Projects were included for Members on the basis of the merits of the project, not on how they would vote.

Mr. Speaker, I include the following for the RECORD:

Washington, DC, March 7, 1996.

Hon. BUD SHUSTER,
Chairman, Committee on Transportation and Infrastructure, Washington, DC.

DEAR CHAIRMAN SHUSTER: Recently, the Oklahoma Department of Transportation submitted an authorization request to your Committee to extend the Broken Arrow Expressway from I–44 southeast approximately 8.0 miles to the Tulsa County Line.

I am forwarding the enclosed request on to your Committee for its consideration. I am confident that the merit of the project will speak for itself.

Sincerely,

STEVE LARGENT,
Member of Congress.

INFORMATION REQUESTS FOR TRANSPORTATION PROJECTS STATE OF OKLAHOMA

Project Description: SH 51 (Broken Arrow Expressway) extending from I–44 southeast approximately 8.0 miles to the Tulsa County Line.

EVALUATION CRITERIA AND RESPONSES ARE AS FOLLOWS

1. Name and Congressional District of the Primary Member of Congress sponsoring the project, as well as any other Members supporting the project (each project must have a single primary sponsoring Member).

U.S. Representative Steve Largent.

2. Identify the State or other qualified recipient responsible for carrying out the project.

Oklahoma Department of Transportation.

3. Is the project eligible for the use of Federal-aid funds (if a road or bridge project, please note whether it is on the National Highway System)?

This project is eligible for Federal-aid funds and it is on the National Highway System.

4. Describe the design, scope and objectives of the project and whether it is part of a larger system of projects. In doing so, identify the specific segment for which project funding is being sought including terminus points.

Design/Scope: Reconstruct the existing 4 lane highway and add 2 additional lanes to provide a 6 lane facility. This project will complete the final improvements to upgrade the Broken Arrow Expressway which connects the Tulsa central business district with Broken Arrow, Oklahoma and the residential developments in the western portion of Wagoner County. The specific section we are requesting funding for extends from I–44 southeast 8.0 miles to the Tulsa/Wagoner County Line.

5. What is the total project cost and proposed source of funds (please identify the federal, state, or local shares and the extent, if any, of private sector financing or the use of innovative financing) and of this amount, how much is being requested for the specific project segment described in item #4?

The estimated total cost of this project is $160,000,000 and the average daily traffic volume on this section of highway is in excess of 78,000 vehicles daily.

10. Does the project have national or regional significance?

This project is on the National Highway System and it serves as a connector route between I–44, I–444, I–244, US 64, US 169 and the Muskogee Turnpike. Consequently, this highway serves both local commuter traffic and interstate travel which makes it significant from a national and regional level.

11. Has the proposed project encountered, or is it likely to encounter, any significant opposition or other obstacles based on environmental or other types of concerns?

Although an environmental assessment has been completed on this project, a reassessment will be required. The EA includes the mainline, but does not include the interchange at US 169. Clearance of the SH 51/US 169 interchange will likely require intermodal issues and a major investment study (MIS).

12. Describe the economic, energy efficiency, and environmental, congestion mitigation and safety benefits associated with completion of the project.

Widening this expressway to 6 lanes, reconstructing the major clover leaf interchanges, and providing full directional interchanges will significantly increase capacity, reduce congestion and improve the safety of this major highway serving the Tulsa metropolitan area.

13. Has the project received funding through the State's Federal aid highway apportionment, or in the case of a transit project, through Federal Transit Administration funding? If not, why not?

The State of Oklahoma has expended in excess of $34,000,000 in State and Federal funds on this project to perform preliminary engineering work, acquire right-of-way, relocate utilities, and reconstruction work on several sections of the highway in the past few years.

Is the authorization requested for the project an increase to an amount previously authorized or appropriated for it in federal statue (if so, please identify the statute, the amount provided, and the amount obligated to date), or would this be the first authorization for the project in a federal statute? If the authorization requested is for a transit project, has it previously received appropriations and/or received a Letter of Intent or entered into a Full Funding Grant Agreement with the FTA.

The authorization requested for this project would be the first one received by the State of Oklahoma on the Broken Arrow Expressway.

Washington, DC, February 25, 1997.

Hon. BUD SHUSTER,

Chairman, Committee on Transportation and Infrastructure, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN SHUSTER: Enclosed, please find a copy of an ISTEA funding request by the City of Charlotte, North Carolina, which we both represent. As the attached proposal indicates, the City of Charlotte is seeking funds for a South Corridor Transitway, one of the first of its kind in the United States. This project would link Uptown Charlotte to Southeast Charlotte via a 13.5 mile express bus transitway, relieving traffic congestion and providing improved access to the City's Uptown area.

We respectfully submit this proposal by the City of Charlotte and ask for your due consideration of this request. Please do not hesitate to contact either one of us with questions or concerns. We would both be pleased to speak with you further concerning this project.

Thank you in advance for your consideration.

Sincerely,

SUE MYRICK,
Member of Congress.

MELVIN WATT,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 6, 1997.

Hon. THOMAS E. PETRI,

U.S. House of Representatives, Chairman-Subcommittee on Surface Transportation, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN PETRI: I encourage you to read the following testimony and letter. The enclosed detail very carefully the importance of Oklahoma's surface transportation.

I request that you give the State Highway 51 demonstration project proposal your full consideration.

In advance, I would like to thank you and your colleagues on the Transportation and Infrastructure Committee for your diligence and hard work on the upcoming ISTEA reauthorization.

Sincerely yours,

TOM A. COBURN, MD,
Member of Congress.

STATE OF OKLAHOMA,
OFFICE OF THE GOVERNOR,
Oklahoma, OK, February 21, 1997.

Hon. THOMAS E. PETRI,

U.S. House of Representatives, Chairman-Subcommittee on Surface Transportation, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN PETRI: The significance of our surface transportation system should not be under estimated. Careful investment in our infrastructure increases productivity and economic prosperity at local and regional levels. Despite the importance of our transportation system to the nation's economic health, investment has fallen well short of what is truly needed. Dealing with these needs will require numerous approaches, including special project funding.

As you begin the monumental task of reauthorizing the Intermodal Surface Transportation Efficiency Act of 1991 (ISETA), we, the undersigned, wish to lend our support to the following special funding request which is in addition to our existing obligation limit and is critical to the transportation needs of the State of Oklahoma.

SH 51 extending from Coweta east approximately 14.6 miles to Wagoner, Oklahoma.

We commend your committee for its role in enacting ISTEA and for the subsequent improvements made with the passage of the National Highway System Bill last year. A sound national transportation policy is critical to our state's economy and our nation's ability to compete globally. To that end we urge you to evaluate our request and take the appropriate action.

Sincerely,

FRANK KEATING,
Governor.

NEAL A. MCCALEB,
Secretary of Transportation.

HERSCHAL CROW,
Chairman, Oklahoma Transportation Commission.

DEMONSTRATION PROJECT TESTIMONY, STATE HIGHWAY 51, WAGONER, OKLAHOMA

Submitted by: the Honorable Tom A. Coburn, U.S. House of Representatives and Neal A. McCaleb, Secretary of Transportation, State of Oklahoma

State Highway 51 (SH 51): SH–51 extending east from Coweta to the Arkansas border, has been identified as a Transportation Improvement Corridor. Eastern Oklahoma has an ever increasing population. Tourism has also increased in the Fort Gibson Lake and Tahlequah areas. These two factors form the basis of why reconstruction of SH–51 is of foremost concern.

The route has a high accident rate and contains bridges that are structurally deficient or functionally obsolete. For projected traffic, this two lane route with no shoulders is unacceptable, and could ultimately curb any future economic growth in the northeastern region of Oklahoma.

In addition to tourism dollars, the highway also serves as a major travel corridor and commuter route extending from the Tulsa Metropolitan area east to Broken Arrow, Muskogee and the Arkansas state line.

SH–51 is crucial to the region's business, industry and labor, because it provides access to the Tulsa metropolitan area, McClellan Kerr Navigational System, and several recreational areas in eastern Oklahoma.

Nationally significant, SH–51 connects with I–44, I–244, the Muskogee Turnpike, US–412 and other major routes in eastern Oklahoma.

It is essential that SH–51 be expanded to four lanes to increase capacity, promote tourism, boost economic growth, and to improve safety and congestion. This project is estimated to cost $63 million, and although the state has expended nearly $34 million to improve this corridor, it is simply not enough in view of the overall critical needs of the entire highway system.

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE, SUBCOMMITTEE ON SURFACE TRANSPORTATION INFORMATION REQUESTS FOR TRANSPORTATION PROJECTS, STATE OF OKLAHOMA

Project Description: SH 51 extending from Coweta east approximately 14.6 miles to Wagoner, Oklahoma.

Evaluation Criteria and Responses are as follows:

1. Name and Congressional District of the Primary Member of Congress sponsoring the project, as well as any other Members supporting the project (each project must have a single primary sponsoring Member).

Response to No. 1: U.S. Representative Tom Coburn.

2. Identify the State or other qualified recipient responsible for carrying out the project.

Response to No. 2: Oklahoma Department of Transportation.

3. Is the project eligible for the use of Federal-aid funds (if a road or bridge project, please note whether it is on the National Highway System)?

Response to No. 3: This project is eligible for the use of Federal-aid funds, but it is not on the National Highway System.

4. Describe the design, scope and objectives of the project and whether it is part of a larger system of projects. In doing so, identify the specific segment for which project funding is being sought including terminus points.

Response to No. 4: Design/Scope: Reconstruct to 4 lanes. The objectives of this project is to continue improving SH 51 from Tulsa extending west approximately 59.0 miles to Tahlequah, Oklahoma. The specific section for which we are requesting funding extends from Coweta east 14.6 miles to Wagoner, including the Wagoner bypass.

5. What is the total project cost and proposed source of funds (please identify the federal, state, or local shares and the extent, if any, of private sector financing or the use of innovative financing) and of this amount, how much is being requested for the specific project segment described in Item No. 4?

Response to No. 5: The estimated total cost of this project is $63,000,000.00 and we are requesting $50,400,000.00 in Federal-aid funds. The State of Oklahoma will provide $12,600,000.00 in matching funds to finance this project.

6. Of the amount requested, how much is expected to be obligated over each of the next 5 years?

Response to No. 6: All of the funds we are requesting can be obligated over the next 5 years.

7. What is the proposed schedule and status of work on the project?

Response to No. 7: The environmental clearance has been completed on this project. However, a reassessment may be necessary. Following completion of the environmental reassessment, right-of-way and design plans will be prepared and this takes approximately 2 years. Right-of-way acquisition will then take about 18 months to complete. Construction contracts should be ready for letting within 4 to 5 years.

8. Is the project included in the metropolitan and/or State Transportation Improvement Program(s), or the State long-range plan and, if so, is it scheduled for funding?

Response to No. 8: The right-of-way acquisition and utility relocations for one section of this project are currently on the Statewide Transportation Improvement Program and funding is scheduled for these items. The entire project limit, however, is identified as one of the transportation improvement corridors in the Statewide Intermodal Transportation Plan (long range plan). Due to the high cost of this project and the State's limited funds, the remaining construction, right-of-way, and utility phases of this project are not currently scheduled.

9. Is the project considered by State and/or regional transportation officials as critical to their needs? Please provide a letter of support from these officials, and if you cannot, explain why not.

Response to No. 9: This project is considered critical to the economic growth of the eastern region of Oklahoma which generates a large amount of tourism in the Fort Gibson Lake and Tahlequah areas. The highway also serves as a major travel corridor and commuter route extending from the Tulsa Metropolitan area east to Broken Bow, Muskogee and the Arkansas State Line.

10. Does the project have national or regional significance?

Response to No. 10: This project is regionally significant because it provides access to the Tulsa metropolitan area, McClellan Kerr Navigational System, and several recreational areas in eastern Oklahoma. SH 51 is also nationally significant because it connects with I–44, I–244, the Muskogee Turnpike, US 412, and other major routes in the eastern section of Oklahoma.

11. Has the proposed project encountered, or is it likely to encounter, any significant opposition or other obstacles based on environmental or other types of concerns?

Response to No. 11: The environmental clearance has been completed on this project. However, a reassessment is likely. We do not anticipate any major opposition or other obstacles that will delay construction of this project.

12. Describe the economic, energy efficiency, environmental, congestion mitigation and safety benefits associated with completion of the project.

Response to No. 12: Widening SH 51 to a 4 lane highway will increase capacity, promote tourism and economic growth in the region, and improve the safety and congestion along this major highway serving the eastern region of Oklahoma.

13. Has the project received funding through the State's Federal-aid highway apportionment, or in the case of a transit project, through Federal Transit Administration funding? If no, why not?

Response to No. 13: During the past few years the State has expended in excess of $34,000,000.00 to improve this corridor between I–44 in Tulsa and the Arkansas State Line. However, because the overall critical needs of the entire highway system far exceeds the limited funding levels, this project from Coweta to Wagoner has not received funding through the State's Federal-aid highway apportionments.

14. Is the authorization requested for the project an increase to an amount previously authorized or appropriated for it in federal statute (if so, please identify the statute, the amount provided, and the amount obligated to date), or would this be the first authorization for the project in federal statute? If the authorization requested is for a transit project, has it previously received appropriations and/or received a Letter of Intent or entered into a Full Funding Grant Agreement with the FTA?

Response to No. 14: This is the first authorization we have requested for this project.

CONGRESS OF THE UNITED STATES,
Washington, DC, March 10, 1997.

Hon. BUD SHUSTER,
Chairman, House Committee on Transportation, Rayburn House Office Building.

Hon. THOMAS PETRI,
Chairman, Subcommittee on Surface Transportation, Rayburn House Office Building.

Hon. JIM OBERSTAR,
Ranking Democratic Member, House Committee on Transportation, Rayburn House Office Building.

Hon. NICK RAHALL,
Ranking Democratic Member, Subcommittee on Surface Transportation, Rayburn House Office Building.

DEAR MR. CHAIRMAN AND RANKING MEMBERS: On February 25, 1997, the North Carolina Delegation forwarded to your attention copies of the State of North Carolina's highway transportation project priorities.

Included in this package, there were two funding requests that are of particular concern to our districts, the Ninth and Twelfth Districts of North Carolina. These requests regarded funding for construction of the Eastern and Western Outer Loops in Charlotte, Mecklenburg County, North Carolina. The completion of the Outer Loop is the foremost road priority for our region during consideration of transportation funding this year. The purpose of this letter is to formally inform you of our strong support for this critical transportation need for the City of Charlotte.

We thank you in advance for your consideration of this request. Please do not hesitate to contact either of us if we can provide you with further information regarding the Outer Loop project.

Sincerely,

SUE MYRICK,
Member of Congress.
MELVIN WATT,
Member of Congress.

CONGRESS OF THE UNITED STATES,
Washington, DC, August 20, 1997.

Chairman BUD SHUSTER,
Committee on Transportation and Infrastructure, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN SHUSTER: We are writing to express our strong support for the I–40 cross bridge project, which was submitted to the Surface Transportation Subcommittee in February. This project is important not only to the State of Oklahoma, but also to the Nation.

The I–40 cross bridge is in a critical state of disrepair. There are serious safety concerns surrounding the continued use of this bridge. Due to these concerns Oklahoma inspects this particular bridge every six months; other bridges are inspected only once every two years.

It is critical to the State and to the Nation that this bridge remains open. Recently, the Oklahoma Department of Transportation determined that approximately 102,000 cars cross this bridge every day. Furthermore, 61% of all the trucks that cross this bridge are out of state trucks. Clearly, this bridge is heavily traveled by more than just Oklahomans.

Both the Governor of Oklahoma and the Secretary of Transportation have endorsed this project and have made it the number one transportation priority for the State of Oklahoma. Unfortunately, due to the magnitude of the project, Oklahoma does not have the funds to tackle it at this time.

We are committed to working with our state officials to ensure that this project receive the attention and funding it needs. We would greatly appreciate your consideration of the merits of this project. The I–40 cross bridge is indeed vital to both Oklahoma and the overall interstate system. Please let us know if we can provide you with additional information.

Sincerely,

REP. J.C. WATTS, JR.
REP. ERNEST ISTOOK, JR.
REP. STEVE LARGENT.
REP. FRANK LUCAS.
REP. WES WATKINS.
REP. TOM COBURN.

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CALVERT). The Chair will entertain 10 one-minutes on each side.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 981

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent to withdraw my name as a cosponsor of H.R. 981.

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

There was no objection.

FAIRNESS FOR SMALL BUSINESS AND EMPLOYEES ACT

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

Mr. BALLENGER. Mr. Speaker, the Fairness for Small Business and Employees Act will be considered by the House today. Title I of this bill makes it clear that an employer does not have to hire someone who is not a bona fide applicant. In other words, a job applicant's primary purpose in seeking the job must be to work for the employer, not for someone else.

Mr. Speaker, H.R. 3246 was drafted after careful examination of the best way to protect employers, while not upsetting the principles of the National Labor Relations Act. It addresses the worst examples of salting in which people who have no intention of really working for an employer are simply filling jobs and filing charges to disrupt the employer's operation, resulting in lost productivity and thousands of dollars in legal fees to defend weak allegations.

This bill addresses the problems which occur when someone applies for

a job in a nonunion workplace for the primary purpose of disrupting the workplace and furthering the union agenda. I hope my colleagues will vote for H.R. 3246.

TELECOMMUNICATIONS DEREGULATION

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

Mr. DEFAZIO. Mr. Speaker, just 3 years ago the Republican leaders and the Clinton administration touted all the benefits that would flow from telecommunications deregulation. Cable would compete with phone, phone with cable, lower rates, better service, new technology. Three years' experience has shown those promises to be hollow.

There is no competition between phone and cable. Cable rates have skyrocketed, local phone rates are going up, service has deteriorated. Then we get all those evening phone calls. This is not a consumer-friendly bill. But, all in all, it has delivered a golden egg for Wall Street and a few companies and a goose egg for Main Street consumers and small business.

Now the Clinton administration and the Republican leaders want to rush to deregulate our electric power. Lower rates, new technology, more competition. We have heard it before. Wall Street and a number of large energy companies are just slathering over the products. The results for consumers and small business will be the same as telecommunications, evening phone calls, higher rates, worse service.

SKY TAVERN JUNIOR SKI PROGRAM

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

Mr. GIBBONS. Mr. Speaker, when it comes to birthdays or anniversaries, it does not matter whether we call it five decades, 50 years, or just half a century. No matter how we say it, the Sky Tavern Junior Ski Program in northern Nevada deserves our special recognition and congratulations.

Today, I rise with great pride to announce that this year marks the 50th anniversary of the Sky Tavern Junior Ski Program. Since 1948, this program, maintained and run completely by volunteers, has taught thousands of young people in northern Nevada to ski.

The generosity and commitment of hundreds of volunteers and ski instructors have made it possible for these kids from all economic backgrounds to benefit from this program. But the Sky Tavern program provides these people with more than just skiing lessons. It also teaches them the value of a hard day's work and the importance of giving back to their community.

I am proud to represent a community with such outstanding people and such a marvelous program. I am also equally proud to call myself an alumnus of the Sky Tavern Junior Ski Program. To all of them, congratulations, and we look forward to another half century of success and contribution to the children of Nevada.

REPUBLICANS' CAMPAIGN FINANCE REFORM BILL

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

Ms. DELAURO. Mr. Speaker, it is Academy Award week, but the Republicans' campaign finance reform bill is not winning any Oscars this year. It is little wonder the Republican leadership pulled the bill from today's floor schedule, for the reviews are in and the critics have panned the GOP proposal.

Every credible campaign finance organization has sharply criticized this bill. The League of Women Voters says, ''This bill would take a big step in the wrong direction.'' Common Cause's Anne McBride says, ''This bill is a hoax. No one should be fooled by this cynical effort.'' Public Citizen's Joan Claybrook urges Members to ''oppose the sham and repugnant House Oversight reform bill, a partisan bill that is the exact opposite of reform.''

Democrats believe that campaign finance reform is essential to renewing America's faith in our democracy. Let us fight for real reform. Let us pass McCain-Feingold II and stop this sham with the Republican leadership's proposal.

CONGRESS NEEDS TO ASK MORE QUESTIONS

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

Mr. PITTS. Mr. Speaker, I have some questions to ask today.

Is it not strange that this White House can find and release in a matter of hours a half-dozen private letters written years ago by a volunteer, but it takes months and even years to find official documents officially requested by official government agencies?

Is it not strange that the pundits and spin doctors representing Bill Clinton have so much to say when no one elected them, while the President continues to say nothing?

Is it not strange that the President invokes executive privilege to keep his aides from telling what they know when he says he has nothing to hide?

Is it not strange that every person who dares to speak up about Bill Clinton's behavior is smeared and slandered by the White House attack team?

I think we need to ask more questions.

SECURING BORDERS FOR AMERICAN PEOPLE

(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, a classified U.S. Government report says that Mexico's military is allowing massive shipments of narcotics into America. Wow, what a surprise. Barney Fife even knows that, folks. Let us tell it like it is.

Mexico is the biggest drug pusher in the world, and Uncle Sam is the world's biggest junkie. Shame, Congress. It is time to stop this narcotic madness. Number one, Congress should absolutely repeal NAFTA; and number two, if Congress can ensure the securing of borders in Bosnia, Western Europe, the Mideast, and Korea, then, by God, Congress should be able to secure the borders for the American people.

Think about that. This narcotics business is not hard to figure out.

I yield back all the balance of overdoses in our cities throughout the country.

VIOLENCE IS PERVASIVE IN OUR CULTURE

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

Mr. LEWIS of Kentucky. Mr. Speaker, it is outrageous to me that the talking heads on the liberal news networks with all their expertise and social behavior have not figured out the cause of the Jonesboro, Arkansas, tragedy.

To listen to the evening and morning news and their take on the story, that it is because of Southerners with their obsession with guns and their hunting culture; in other words, Southerners, in their opinion, are a bunch of gun-crazy rednecks.

Mr. Speaker, being a Southerner, and along with many other Southerners that have felt the sadness of this tragedy and other tragedies, I am offended by that outrageous assumption. If we want to start placing blame for this and the other tragedies, why not start with the TV networks, where our children are exposed to assault, murder, rape, drug, sex, deviant lifestyles, cheating, stealing, and uncivilized gutter language.

Mr. Speaker, the tragedy is that violence is not confined to any one region or community in this Nation; it is pervasive in a culture that is obsessed with violence, sex, and self-gratification. The truth is, what goes in our children eventually comes out.

''SO-CALLED'' FOREST RECOVERY BILL

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

Ms. FURSE. Mr. Speaker, I am here to talk about the so-called forest recovery bill.

This bill is bad for the environment and it is bad for the economy. The

sponsors say it will fix environmental problems in the forest. But, in fact, it will harm our public forests. And because it is such a bad bill, we have a lot of people who are opposing it.

The League of Conservation Voters have said they will score this as a key no vote. Who else is opposing the bill? Quite a lot of people: the Methodist Church, Taxpayers for Common Sense, the Presbyterian Church, Religious Center for Reformed Judaism, The National Audubon Society, and the US PIRGs.

Sure, we do have environmental problems. But we are trying to fix those problems at a local level. We have hundreds of private-public partnerships working to fix those environmental approximate.

What this bill is is a fix from Washington, D.C. We do not need a fix from Washington, D.C. We need to fix our environmental problems on the ground, people who understand, people who know the problems.

So I say, vote no on H.R. 2515.

IRS IS OUT OF CONTROL

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

Mr. JONES. Mr. Speaker, I rise today to thank the individual who made the following statement: ''It is time to change IRS to RIP, rest in peace.'' They hit the nail on the head. The Internal Revenue Service is truly out of control, just like the tax system it oversees.

This Congress approved important Internal Revenue Service reforms last year which provide critical new protections for the American taxpayer. I hope those reforms will be enacted because they will certainly be an improvement. However, I fear these reforms will not be enough for the American people.

The American people need more tax relief, both from the size of the checks they write to the Internal Revenue Service and from the lengthy and burdensome process they must struggle through each year simply to determine how much they owe. In fact, Americans spend $200 billion a year and 5.4 billion hours annually merely complying with the Tax Code.

I believe that a fairer, simpler tax system is the answer. It is the best way to truly change IRS to RIP.

REPUBLICANS' CAMPAIGN FINANCE REFORM BILL IS EMBARRASSMENT TO COUNTRY

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

Mr. SNYDER. Mr. Speaker, why would the Republican leaders of this House send to the floor a campaign finance reform bill that is not campaign finance reform, a bill that Common Cause calls a ''hoax,'' the League of Women Voters calls a ''travesty,'' The New York Times calls a ''charade,'' and the Washington Post calls a ''mockery''?

Has the Republican leadership become like a fish that no longer feels the water, that no longer feels wet in the water?

What do I mean by that? Have they become like a fish that is swimming in money all the time in Washington, D.C., no longer aware of how inappropriate these huge, unregulated several hundred thousand dollar donations are?

This campaign finance reform bill they are presenting to this House floor, the only one they are letting come to this floor, is not campaign finance reform. It is not leadership; it is an embarrassment to this country.

FOR A BETTER AMERICA, WE MUST BE BETTER AMERICANS

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

Mr. TIAHRT. Mr. Speaker, Congress has worked very hard to rebuild a strong economy and bring hope to our children. It took a great deal of discipline and dedication and it was not without sacrifice. But the results are record-setting days on the New York Stock Exchange, dwindling unemployment and welfare lines, and expanding consumer confidence.

But what good will come from the strong economy if we have an empty soul? This week we were all stunned and saddened by the two boys who ambushed a school and killed four young girls with promising lives, and a young teacher with a promising career in Jonesboro, Arkansas. But that was not the only indication that our culture is in a moral free-for-all.

The day after this tragedy, in Dale City, California, a boy shot at a principal; in Coldwater, Michigan, another student committed suicide outside his school; and in Princeton, Texas, a student slashed three teachers with a razor blade.

Mr. Speaker, it is time for us to rebuild our moral culture like we rebuilt our economy. It is time to overcome the culture of violence that permeates on our TVs and from our movies. Each of us must participate. It is up to us. We must talk to our children, honor our commitments. If we want a better America, we must be better Americans.

WORKERS SHOULD BE ABLE TO ORGANIZE

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

Mr. KUCINICH. Mr. Speaker, I rise on behalf of working people to urge Congress to reject H.R. 3246, a bill to restrict workers from organizing.

H.R. 3246 will make it much more difficult for workers to organize other workers for better pay and benefits. It would allow employers to refuse employment to workers on the basis of their outside group affiliations. It would do this by overruling a Supreme Court decision which held that employees who took jobs at nonunion employers to assist other workers to form a union, that those employees could not be fired for disloyalty.

□ 1030

H.R. 3246 turns the clock back to the 19th century when workers had few rights. I urge my colleagues to defend the rights of workers. Let us unite to declare, people have a right to a job, a right to decent wages and benefits, a right to safe working places, a right to compensation if they are injured on the job, a right to decent health care, a right to organize, a right to join a union, a right to grieve about working, and a right to participate in the political process. We in Congress have an obligation to protect the rights of working people.

TAX CODE MUST GO

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

Mr. HEFLEY. Mr. Speaker, here is a quiz. What has over 3,500 pages, is practically impossible to understand and is so complicated that rich people, poor people, middle class people all think it is an unfair monstrosity? Of course it is the Federal Tax Code, all 3,500 pages of it.

The Tax Code is a monument to the power of special interests, a symbol of big government and liberalism run amok, a scourge to all who believe in fairness, openness and common sense. I am convinced that just reforming the Tax Code is not going to work. No, Mr. Speaker, the Tax Code will have to go because the Tax Code is fundamentally corrupt. It is not an honest system when people trying to do the best they possibly can to figure out how much they owe make innocent mistakes and then get hammered by the IRS. A simple tax, maybe a sales tax, maybe a flat tax, with a low interest rate is the only way to have fairness, transparency and honesty in the way the Federal Government collects revenue.

Let us get serious. Let us replace, not just reform, the 3,500 pages of the Tax Code.

MEXICO'S PLAN TO REDUCE THEIR OIL PRODUCTION

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

Mr. PASCRELL. Mr. Speaker, I rise today to express strong outrage concerning recent reports about Mexico's plans to reduce the production of crude oil, which will result in higher gasoline prices at the pump.

Mr. Speaker, it was not too long ago, the same Mexican government officials who today seek to increase the price of crude oil came to the United States

seeking financial assistance and aid. This special assistance was over and above what we have already given to the Mexican government in development aid and to support counternarcotics efforts. This body debated and ultimately approved a $20 billion bailout package to prop up the peso and save the Mexican economy from collapsing. Without this money, the Mexican economy would have surely fallen and today Mexico is on the road to recovery.

Now, just over 3 years later, how does Mexico repay us for our role in pulling them back from the brink of economic disaster? They repay us by attempting to drive up the price of crude oil. This is wrong and we need to stop it now.

AN AGENCY IN SHAMBLES

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

Mr. DUNCAN. Mr. Speaker, anyone who still believes big government works or that the Federal Government can do anything in an economical way should just read the daily newspaper almost any day.

Today it is the Forest Service. According to the Government Accounting Office, the Forest Service has lost $215 million. It has simply vanished. They cannot account for it. Can you imagine that? It would really take some doing to lose $215 million, but somehow the Forest Service has managed to do it.

A report being released today compiled from GAO reports describes the Forest Service as ''an agency in complete shambles.'' Yet at a hearing which begins in just a few minutes, the Forest Service will be requesting a $43 million increase in its budget. This agency in shambles has gotten huge increases in funding over the last decade and now it wants even more. Maybe the Forest Service can lose more than $215 million next year.

Mr. Speaker, we need to help every family in America by decreasing the government's budget and increasing the family's budget.

CAMPAIGN FINANCE REFORM

(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, last night the Republican leadership pulled the campaign finance bill from the House Committee on Rules. They did so not because they feared that it would fail, they did so because they feared that it would pass. They feared for the first time that there would be a bipartisan coalition in this House that would support meaningful campaign finance reform when we were given an opportunity to offer that on the motion to recommit. So rather than recognize that a majority of this House, Republicans and Democrats together, want to reform our finance system for campaigns, they pulled the bill, because the Republicans are trying to manage a defeat. They are not trying to manage a victory. They do not want campaign finance reform to pass. They want it to fail.

The problem is now the bill has too many votes. So they have to go back and tinker with it to see if they can make sure that enough people will not approve it. Their bill will fail. Real reform will pass. That is their problem. They want to stifle working families from participating in campaigns and triple the amount of money that rich families can give to campaigns.

CUBA

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

Ms. ROS-LEHTINEN. Mr. Speaker, next Tuesday Capitol Hill will be visited by various organizations that support the repressive regime's agenda which promotes the myth that there is an embargo on food and medicine to Cuba. Mr. Speaker, nothing can be further from the truth. The United States is in fact the leading humanitarian aid donor country to Cuba, more than all of the nations of the world combined. The United States has sent more than $227 million in humanitarian donations to the people of Cuba.

The shortages of medicine and food in Cuba is caused by the misguided failed Marxist policy of the dictatorship and not what people incorrectly perceive as U.S. policy and U.S. laws. The regime redirects these supplies to tourist-only hospitals and hotels.

U.S. policy, in fact, which a majority of the American people support according to a new survey released just yesterday by the American Enterprise Institute, is not at fault for Cuba's ills. The facts are clear. The embargo that must be lifted is the embargo on freedom and human rights and democracy which Castro imposes on his people.

INTERNET IN UGANDA

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

Mr. DELAY. Mr. Speaker, as the President travels the continent of Africa, he has made a whole lot of promises. For example, earlier this week he promised to send taxpayers' money to Uganda to help them wire their schools for the Internet. We have schools right here in the District of Columbia with roofs that leak, and the President has promised money for the school districts of Uganda.

You would think that Bill Clinton is running for the President of Uganda. But I doubt that the people of Uganda would support the President's agenda of higher taxes and more Washington spending. I wonder if this is just another version of executive privilege.

Mr. Speaker, I hope the President returns soon. The way he is making promises in Africa, we can all kiss that surplus good-bye.

SMALL BUSINESS PAPERWORK REDUCTION ACT AMENDMENTS OF 1998

Mr. MCINNIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 396 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 396

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3310) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(l)(6) of rule XI or section 303 or 311 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform and Oversight. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Reform and Oversight now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with section 303 or section 311 of the Congressional Budget Act of 1974 are waived. During consideration of the bill for amendment, the chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Colorado (Mr. MCINNIS) is recognized for 1 hour.

Mr. McINNIS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. McINNIS asked and was given permission to revise and extend his remarks and include extraneous material).

Mr. McINNIS. Mr. Speaker, this is a noncontroversial resolution. The proposed rule is an open rule providing for 1 hour of general debate equally divided between the chairman and ranking member of the Committee on Government Reform and Oversight. After general debate, the bill shall be considered for amendment under the 5-minute rule.

The proposed rule makes in order an amendment in the nature of a substitute recommended by the Committee on Government Reform and Oversight as an original bill for the purpose of amendment and provides that it will be considered as read.

Furthermore, Mr. Speaker, under House Resolution 396, points of order against consideration of the bill for failure to comply with clause 2(1)(6) of rule XI, or section 303 or 311 of the Congressional Budget Act of 1974 are waived. Likewise, points of order against the committee amendment in the nature of a substitute for failure to comply with section 303 or section 311 of the Congressional Budget Act are waived.

Mr. Speaker, House Resolution 396 also provides that the Chairman of the Committee of the Whole may accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. Furthermore, the rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce votes to 5 minutes on a postponed question if the vote follows a 15-minute vote.

At the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Finally, Mr. Speaker, the rule provides one motion to recommit, with or without instructions. This rule was reported out of the Committee on Rules by voice vote.

Mr. Speaker, the underlying legislation, the Small Business Paperwork Reduction Act Amendments of 1998, is intended to reduce the burden of Federal paperwork on small businesses by requiring the publication of a list of all Federal paperwork requirements on small businesses, and requiring each Federal agency to establish one point of contact to act as a liaison with small businesses.

In my opinion, Mr. Speaker, this legislation is a good step forward. Clearly, the burden of Federal regulations on the American public continues to grow. In 1997, total regulatory costs were $688 billion. When these costs are passed on to the consumer, the typical family of four pays about $6,800 per year in hidden regulatory costs. Therefore, the publication of all the Federal paperwork requirements on small business may further enlighten decisionmakers on the hidden costs of red tape. I encourage my colleagues to support this rule, and the underlying legislation.

Mr. Speaker, I include the following letter:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, March 25, 1998.

Hon. GERALD B.H. SOLOMON,
Chairman, Committee on Rules,
House of Representatives, Washington, DC.

DEAR CHAIRMAN: I understand that the Committee on Rules is scheduled to meet to consider a rule providing for the consideration of H.R. 3310, the Small Business Paperwork Reduction Act Amendments of 1998.

As reported by the Committee on Government Reform and Oversight, the bill would reduce revenue by $5 million in fiscal year 1999 and $25 million over five years.

Consequently, the bill violates sections 303(a) and 311(a) of the Congressional Budget Act by reducing revenue first effective in a fiscal year for which a budget resolution has not yet been agreed to (fiscal year 1999) and by reducing revenue below the five-year revenue floor as established by H. Con. Res. 84.

However, I would note that last year the House passed H.R. 2675, the Federal Employees' Life Insurance Improvement Act of 1997, which increased offsetting collections by $6 million in fiscal year 1998 and $72 million over five years. H.R. 2675 was also reported by the Committee on Government Reform and Oversight.

Sincerely,

JOHN R. KASICH,
Chairman.

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

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Colorado for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

□ 1045

Ms. SLAUGHTER. Mr. Speaker, I do not oppose this rule; it allows all germane amendments to be offered. However, the rule does include several waivers of House rules that trouble me. The rule waives clause 2(L)(6) of rule XI which provides for a 3-day layover of the committee report accompanying this bill. This House rule allows Members time to study the report and decide whether they would like to offer or support amendments. While this requirement is often waived for pressing budget or appropriations matters, there is nothing in the record as to why the House must take up H.R. 3310 in such haste.

Of more concern are the waivers in this rule of the Congressional Budget Act. Some are technical waivers, common for bills considered before the annual budget resolution is passed. However, this rule also waives section 311 of the Congressional Budget Act. Section 311 prevents measures from being considered which exceed the spending limits or lower revenues that have been set by the current budget agreement. The loss of receipts because of this bill are not large, about $5 million annually, but again nothing in the record indicates why a small offset could not have been found that would have allowed the House to consider this bill without violating our Budget Act and its pay-as-you-go provisions. As we all know, strict adherence to pay-as-you-go rules has been a key in our ability to lower the deficit and to balance the budget.

Mr. Speaker, I also have questions about some provisions of the underlying bill, H.R. 3310. I support efforts to reduce paperwork requirements on small business, and I have supported the legislation that was passed by Congress to reduce the paperwork requirements such as the Paperwork Reduction Act and the Small Business Regulatory Enforcement Fairness Act, and the administration has streamlined regulations through its initiative to reinvent government and the implementation of the White House Conference on Small Business Recommendations.

There are aspects of the bill that I support. H.R. 3310 would require Federal agencies to publish paperwork requirements for small businesses so that they can know exactly what is required of them. It would require each Federal agency to establish a liaison for small business paperwork requirements to help small businesses comply with their legal obligations, and would establish a task force to consider ways to streamline paperwork requirements even further.

It is unfortunate, however, that the Committee on Government Reform and Oversight included other provisions in this bill that could be dangerous to the safety and the health of the American people. This bill would prohibit the assessment of civil penalties for most first-time violations of information collection or dissemination requirements if those violations are corrected within 6 months. The civil penalty provisions in this bill effectively remove agency discretion from regulatory enforcement decisions against first-time violators. Although this provision may sound good on the surface, it could cause serious problems. It could hamper agency efforts to take actions to protect the health and safety of the American people.

For example, this bill could make it more difficult to catch drug dealers by weakening the enforcement of the requirement in the financial institutions report cash transactions that exceed $10,000, a requirement that obviously helps law enforcement officials identify criminal activity.

The bill can make our highways less safe by weakening the enforcement of reporting requirements on the transportation of hazardous materials.

The bill could make medicines more dangerous to take by weakening the enforcement of the requirement that manufacturers report adverse effects.

This bill could make it more difficult to protect investors and pensioners by weakening the enforcement of requirements that create audit trails and prevent fraud.

The bill could make it more difficult to deter illegal immigration by weakening the enforcement of the requirement that employers document the eligibility of new employees.

The bill could make our workplaces less safe by weakening the enforcement of health and safety requirements on the job.

While the bill does contain some exceptions to the suspension of first-time paperwork fines, the standards are high. They quote actual serious harm to the public health or safety, unquote, or, quote, eminent and substantial danger to the public health and safety, end quote. In fact, this provision provides no relief to honest businesses doing the best they can to obey the law. It gives an unfair advantage to the small minority of businesses that try to undercut their competition by willfully violating or ignoring the law. If this bill became law in its current form, those businesses disinclined to follow the law would have no incentive to obey the law until they had actually been cited for violation.

As has been pointed out often on this floor the past few years, many agencies do not have sufficient resources to regularly check on the businesses they regulate. That means that enforcement of public health and safety protections depends on voluntary compliance. This provision would reward noncompliance with a law.

For these reasons, this bill is opposed in its current form by the administration, consumer groups, labor unions, and environmental groups. However, the rule we are debating will allow the House to solve many of the problems in this bill. The gentleman from Ohio (Mr. KUCINICH) and the gentleman from Massachusetts (Mr. TIERNEY) will offer an amendment that provides for agency discretion in the imposition of civil penalties against first-time violations. The amendment also requires agencies to establish policies or waive or reduce civil penalties for first-time inadvertent violations.

Mr. Speaker, I support an H. Res. 396 provision that any germane amendment can be offered under the 5-minute rule.

I urge my colleagues to support the passage of the Kucinich-Tierney amendment allowed by the rule.

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

Mr. MCINNIS. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. MCINTOSH).

Mr. MCINTOSH. Mr. Speaker, I rise in favor of the rule and the resolution and would like to share with my colleagues a brief outline of what this bill does and how it came forward to this floor.

We have had over 21 hearings, field hearings around the country, in our subcommittee, listening to Americans about the problems with regulations, and time and time again we heard from small businesses that they felt government was coming in and playing ''gotcha.'' They would try to comply with all the different forms that they have to fill out. Oftentimes they found that that in itself was an enormous undertaking that costs them a great deal of money, took away their time from growing their small businesses.

One person who came and testified in Washington, Teresa Gearhart, who owns a small trucking company with her husband in Hope, Indiana, she told us that her company does have enough business to grow and create five new jobs next year, but they cannot create those new jobs because they cannot afford to fill out all of the paperwork that would go with those additional employees.

We also heard from Gary Bartlett and G.W. Bartlett Company in my district who sent us a ream of paperwork that he has to fill out for each of his employees.

At one of our field hearings in Minnesota, Bruce Goman who is in charge of a construction company said that he very consciously keeps the size of his small business under 50 employees because of all the Federal paperwork.

Well, Mr. Speaker, our committee looked at this, we passed a bill in the House of Congress in 1995, and it was signed by President Clinton, that mandated the Federal agencies to reduce their paperwork by 10 percent. Sadly, they failed to live up to that. In the first year after that bill was passed, the agencies only reduced their paperwork by 2.6 percent, and it is projected that last year, in 1997, it was only by 1.8 percent.

So our committee considered what can we do to seriously cut back on unnecessary Federal paperwork. We bring this bill to the floor that does four key things. First of all, it would put on the Internet a list of all of the different paperwork that is required by a small business to fill out in order to do their job. Many of the businesses who spoke with us told us they want to comply with Federal regulations, they just do not know all of the different requirements, all the forms they have to fill out, all the paperwork they have to keep at their job site. This would put it into one place, make it widely available to small businesses around the country on the Internet.

Second, it would offer small businesses compliance assistance instead of fines when they have a first-time violation. This is critical. So many times, even President Clinton has acknowledged, that agencies tend to play ''gotcha'' with small businesses where they come in and they say, well, we do not really see any real problem here, but you do not have this form filled out right, so that is a $750 fine. Or, you do not have this material data sheet, that is a $1,000 fine. Now for a small business, that can be the difference between survival and going out of business.

So our rule says that if they can correct that without causing any harm to the public health or safety, without undermining criminal enforcement, without causing any serious jeopardy to the public, then that company can go ahead and correct that mistake and not be fined because they were inadvertently not filling out Federal paperwork correctly.

The third provision says that we are going to establish a paperwork czar in each of the agencies, someone that small business will know is going to give them the answer from EPA or OSHA or the Treasury Department for every agency about the paperwork that they need to fill out as a small business and someone who will be an advocate within the agency to cut back on paperwork so that the agencies can start to meet their goal.

And fourthly, it will set up a multiagency task force to say how do we go further, how do we consolidate all of the different forms the Federal Government has so that we actually reduce the amount of paperwork that small businesses have?

I appreciate the efforts of my colleagues on the other side of the aisle to work with us on this bill. I urge my colleagues to support the resolution and the bill when it comes to the floor.

Ms. SLAUGHTER. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, before I rise in support of an open rule for debate on H.R. 3310, I want to commend my colleague, the gentleman from Indiana (Mr. MCINTOSH) for his efforts in not only developing the rule but also in developing an attempt at a bipartisan relationship on the underlying substance. Mr. MCINTOSH has certainly been open to the many discussions that we have had to try to improve the bill.

During this process today, we are hopeful that we will continue to see the kind of give and take here that can produce a better bill and can enable us to move this bill successfully out of the House. The gentleman from Massachusetts (Mr. TIERNEY) and I will be offering an amendment with that in mind.

In the meantime, as we go through this debate, I think Members of Congress need to look very carefully at the implication of this bill as it is currently formulated. It has been introduced under the title of paperwork reduction, yet it would have an enormous effect on the ability of Federal agencies to carry out and enforce the laws that have been passed by Congress. As it stands now, and I again say as it stands now, H.R. 3310 would grant mandatory waiver of civil fines to businesses that are first-time violators with a wide range of paperwork requirements.

Mr. Speaker, this language has been reviewed carefully by law enforcement officials in the Department of Justice, and they have raised a number of troubling issues. It is through information collection that law enforcement agencies can detect drug trafficking and money laundering. In turn, the Drug Enforcement Administration relies on written reports to ensure that controlled substances such as codeine and amphetamines are not diverted illegally. In order to carry out drug testing laws, the Department of Transportation requires reports from employers showing that their safety-sensitive employees have passed drug tests.

Under the bill's current language, DEA's oversight of dangerous drugs and the oversight of drug testing by DOT would be seriously undermined, and one of the reasons why it is important to have a rule where we can have open debate is to be able to bring into the record such testimony as was presented by the Federal Government in committee, where they talked about DOT requiring drug testing of safety-sensitive employees and various modes of transportation. When some entity involved in the drug testing process delays or deficiently reports the results of drug tests, it will delay the removal of employees from performing important safety functions.

Again, we would impose no fines for first-time violations even if the violation was intentional or careless and reckless. This was one of the concerns that was expressed in committee, and it is one of the concerns that needs to be fully aired in this discussion not only of the rule but in the underlying debate.

Furthermore, it has been stated that if a repair station fails to keep the necessary records showing that a required repair has been made to an aircraft, the Federal Aviation Administration generally will have to ground the aircraft for up to 5 days or longer until it can be shown that the aircraft was correctly repaired.

□ 1100

Grounding an aircraft could be extremely expensive for the airline as well as being disruptive for any passengers who had reservations on the flight in which the aircraft was to be used. Although the repair station may suffer contractually, we could not fine it for a first-time violation. Those remarks were made in committee, respecting the many difficulties which are inherent with the bill as it is drafted.

Now, Federal agencies believe that H.R. 3310, as it stands now, would interfere with the war on drugs, would undermine our ability to uncover criminal activity, would allow small businesses to evade drug testing statutes, and would harm our efforts to control illegal immigration.

The gentleman from Massachusetts (Mr. TIERNEY) and I will be introducing an amendment that is consistent with the underlying goals of this legislation to help small businesses with their paperwork requirements while protecting the health and safety of the public.

The Tierney-Kucinich amendment would ensure that Federal law enforcement agencies and others continue to have the tools they need to enforce many important statutes. It would do this by requiring all agencies to establish specific programs and policies to allow them to eliminate, delay, or reduce civil fines for first-time paperwork violations. It would mandate that agencies take a number of factors into account.

The amendment would ensure that paperwork reduction efforts are truly relevant to special circumstances. Agencies would be able to tailor their policies to the unique needs of the laws they are responsible to enforce, and congressional review of their policies would become a matter of course.

I urge my colleagues to support this open rule so that all of the implications of this bill can be fully and carefully examined. An open rule is important, Mr. Speaker, so that we can discuss the problems of a bill which currently grants mandatory waiver of civil fines to businesses that violate the law by failing to file reports, post OSHA notices in the workplace, or inform their communities about hazardous chemicals, so that we can talk about a bill which, in my estimation, currently would provide some protection for drug traffickers.

Law enforcement agencies which detect the drug trafficking and money laundering by using reports filed by businesses, we are told in the analysis that the Department of Justice did that.

This particular bill, as it is drafted, would cause problems in monitoring those important areas as well as encourage financial institutions to not report cash transactions that are more than $10,000.

Now, in the debate that will follow, we will go more into some of these details, but suffice it to say that the open rule is important.

I would like to conclude where I began these remarks on the rule, Mr. Speaker; and that is that I think that the gentleman from Indiana (Mr. MCINTOSH) has made a good-faith effort to attempt to come up with a bill that can be workable for all. I commend him on his efforts in that regard.

I have enjoyed the opportunity to work with the gentleman from Indiana (Mr. MCINTOSH). Again, I hope, as we go through this process today, we can find a way to improve this bill so that we can all come to an agreement.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Speaker, I thank the gentlewoman from New York for yielding to me.

Mr. Speaker, let me just start by saying that the gentleman from Indiana (Mr. MCINTOSH) and the gentleman from Ohio (Mr. KUCINICH) have done an admirable job of working through this bill.

There is much in this bill as it stands that can be supported. I think that everybody understands that small business has to have some relief from time to time over what might be overzealous application of the law. The idea of publishing in the Federal Register on an annual basis a list of the requirements applicable to small business concerns makes sense. That is fully supported by everybody that was involved in the drafting of this bill.

Establishing an agency point of contact where each agency must have a point of contact, a liaison for small businesses to work with, so that there can be ready compliance. And understanding what is entailed by compliance is something that everybody can support, as is the fact of establishing a tax force on the feasibility of streamlining information collection requirements.

That is why we need an open rule, so that we can talk not just about the things that we might disagree with, but those things that we find in this bill that are, in fact, good as it stands.

There are, however, the problems, as the gentleman from Ohio (Mr. KUCINICH) noted, with one provision in that bill. I congratulate, again, the gentleman from Indiana (Mr. MCINTOSH) on his continual work with the gentleman from Ohio (Mr. KUCINICH) and with me and the committee to try to resolve those differences.

Everybody here wants to make sure that business, particularly small businesses, has understanding and gets a break when it is deserved. We just want to make sure it is not a disincentive to filing some very serious documentation that protects the safety and the health and the welfare of the American people. I believe we can work toward that goal together through a good and open debate and through this rule.

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

Mr. MCINNIS. Mr. Speaker, this is an open rule. It is a good bill, and I urge its support.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MCINNIS). Pursuant to House Resolution 396 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3310.

□ 1106

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3310) to

amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, with Mr. CALVERT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Indiana (Mr. MCINTOSH) and the gentleman from Massachusetts (Mr. TIERNEY) each will control 30 minutes.

The Chair recognizes the gentleman from Indiana (Mr. MCINTOSH).

Mr. MCINTOSH. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, today the House takes up a bipartisan bill that I introduced with the gentleman from Ohio (Mr. KUCINICH), H.R. 3310, the Small Business Paperwork Reduction Act. This bill would give small businesses relief from government paperwork and agencies freedom from the ''gotcha'' techniques to which the President often refers.

As you know, Mr. Chairman, the burden of government paperwork is significant. It accounts for one-third of the total costs of all Federal regulations or about $225 billion a year. It took 6.7 million man-hours to complete all of the Federal paperwork in 1996, 6.7 million man-hours of work to complete government paperwork.

Now, our bill amends the Paperwork Reduction Act, which needs to be strengthened because the agencies have not met the goals to reducing paperwork set by the Paperwork Reduction Act of 1995.

The Office of Management and Budget reported to Congress that, instead of reaching the 10 percent goal in 1996, paperwork was only reduced across the agencies by 2.6 percent. It is estimated to have been reduced only by 1.8 percent in 1997, all this in spite of what President Clinton proclaimed as policy for his administration.

I would like to quote from a speech that the President gave in 1995 in Arlington, Virginia: We will stop playing ''gotcha'' with decent, honest business people who want to be good citizens. Compliance, not punishment should be our objective.

I wholeheartedly agree with the President on that objective, and our bill is a mechanism for furthering that goal.

At our first hearing the subcommittee held 3 weeks ago in which several small business owners spoke about their concerns and frustrations with government paperwork. Theresa Gearhart, who owns a small trucking company in Hope, Indiana, came and told us about how her company could grow and could create five new jobs next year. But they can't create those jobs because of all the paperwork that would come with them.

To demonstrate to my colleagues exactly how onerous that burden is, Gary Bartlett in my district sent the Federal paperwork that was required to be completed for one new hire. This stack of paperwork is all of the paperwork that is needed for one new hire. So if you have a company with 25 employees, they would have to complete the following paperwork. This is half of it, Mr. Chairman, and this is the other half. For 25 employees, that is what a small business has to fill out every year in government paperwork. I think it is outrageous. I think it is ridiculous.

Let me read to my colleagues just what some of those forms are. There is the insurance information for COBRA; the EEO–1 form listing race and gender of all employees, which then have to be kept hidden because you cannot use race and gender in making employment decisions; the employee evaluation, another document for EEOC; the disciplinary notices that may go out also have to be documented for EEOC; IRS tax payment form for automatic withdrawal of funds that have to be filled out weekly; Federal IRS withholding forms that have to be filled out every year; directory of new hires to comply with the Federal deadbeat dad law; form for Federal loans for mortgages; FAA loan form; Fannie Mae; COBRA notification explaining coverage options available when an employee quits his job; FMLA, Family Medical Leave Act forms; W–2 forms, one to the employee, and one must be kept on file for 8 years; employment application to comply with Federal standards for criminal and drug checks; receipt of safety glasses.

That is very important Federal paperwork that needs to be filled out for every employee. Form 15 is a form for badge timecards which have to be tracked to comply with the Fair Labor Standards Act. Then there is the IRS Form I–9 which has to be kept active for each employee and kept on file for the employee 3 years after they have been hired; the W–4 form, for new hires to comply, again, with the deadbeat dad law; health insurance form to keep track of COBRA; OSHA injury and illness report form; an employee handbook for exempt employees, another EEOC form; employee handbook for nonexempt employees, another EEOC form; employee's copy of COBRA, which has to be signed and kept on file.

This is the paperwork that goes along with every job that is created in America. If we do not do something to cut back on unnecessary paperwork, reduce the amount of forms that have to be filled out, we are making it more and more difficult for small businesses in this country to create new high-paying jobs.

Now, one of small business' greatest fears is that they may not know about all of these requirements. Mr. Bartlett happened to have kept them on his site and has an employee who keeps track of all of them. But when you only have four or five employees, or maybe 25 employees, you cannot afford to hire another person just to keep track of all these forms.

This is all in spite of the fact that some agencies have, indeed, made steps to reduce their paperwork and have, indeed, adopted policy that would waive fines for unintentional violations.

Gary Roberts, the owner of a small company which installs pipeline in Sulfur Springs, Indiana, told us that he was fined by OSHA $750 because of a hazardous communications program that was not on site.

All of his employees had been trained to comply with that hazardous communications program. A copy of it was in the main office that Mr. Roberts kept on file. But when the OSHA inspector came and they ran the copy out to the job site, he said, That is not good enough. Even though you have corrected the violation, you still have to pay $750. OSHA would not waive the fine in spite of President Clinton's directive not to play ''gotcha''.

Now, the consensus among the witnesses is that the small business owners genuinely want to comply with these regulations, they want to be good law-abiding citizens. They do not like filling out the form, but if that is what they are required to do, they will do it to meet their obligations under the law. But, frankly, they are overwhelmed, and they cannot do their job and run a business at the same time as they are filling out all of this paperwork.

The legislation that we bring to the floor today will help correct that. It does four things, Mr. Chairman. It would require that a list of all of these regulations and any other regulation that a small business has to comply with will be put on the Internet so that every employer has access to that via computer and can know what is expected of them.

Second, it would offer small businesses compliance assistance rather than fines. Let me go back again to President Clinton's quote, because I think our bill does exactly what he wanted to do: We will stop playing ''gotcha'' with decent, honest, business people who want to be good citizens.

Compliance, not punishment, should be our objective. So we have incorporated in section 2 a waiver that says if a small business makes a mistake somewhere in this stack of forms, they did not fill out the box correctly, or they did not keep it up to date, but it was a harmless mistake that did not endanger public safety, did not threaten law enforcement activities, did not interfere with the Internal Revenue Service collection of taxes, that harmless mistake can be corrected, and they will not suffer a fine for doing that in their business.

□ 1115

I think it is common sense. I think it is what small businesses have been telling us they want government to do.

They want to be good citizens, they want our help, but they do not want to feel that they have to live in fear of a government agency that will come in and play ''gotcha'' if they happen to make a mistake in one of these stacks of forms.

Third, it would establish a paperwork czar in each of the agencies, someone where small business can go and talk to about the paperwork that they are required to do; someone who is an advocate for small businesses within the agency. Maybe over at the EEOC they could tell them, look, we have about 5 different forms here that we ask these businesses to fill out; why do we not think about consolidating that and just have one form that people can fill out for their employees? That is what is needed within the agency, to be an advocate for these small businesses. Finally, a multi-agency task force to study how we can further streamline these requirements.

Mr. Chairman, it would be my fondest dream if we could take these stacks of regulations for 25 employees and say, we do not need half of this. The government can get rid of half of this stack, and we can get all the information we need to know from those small businesses.

Now, I am pleased to say that this bill does have bipartisan support. There is some controversy that has come up around section 2, the provision that focuses on the suspension of first-time paperwork violations, and I want to say I appreciate the concerns that the gentleman from Massachusetts (Mr. TIERNEY) and the gentleman from Ohio (Mr. KUCINICH) have raised as we have tried to craft that provision. They have given us some insight into areas where we can actually do a better job in crafting that, and in the committee we made changes to that provision.

We created an exemption for if there were actual harm, an exception if there was a threat to public health and safety, an exception for any IRS form, and that, by the way, would include any form that is required under the Internal Revenue Code. There is also an exemption of the waiver for fines in cases where the fines would interfere or impede the detection of criminal activity. This exemption covers any case where the waiver of a fine would interfere with or impede the detection of an illegal drug transaction.

This bill now includes many of the factors that the gentleman from Ohio (Mr. KUCINICH) brought forward to our committee, and I want to thank him for his hard work on this bill as well. He deserves a lot of credit for it, he has given a lot of thought to this bill, and the factors that he asked us to include are frankly common sense factors for when the agency might decide that in spite of the fact we are requiring a waiver, this business does not deserve it, and we have written that into the bill.

They can say, no, you do not have 6 months to correct it, you only have 24 hours, because it is so important, it is a threat to public health and safety, or if it impedes their effort to detect criminal conduct, they can decide they are not going to waive a particular fine for a particular business.

One of the things that I think it is important to stress here, by the way, is that our bill does not exempt any small business from the requirement to fill out these forms; this provision merely says, if you make a mistake, you have 6 months to correct it. But the requirement still remains in place until we have a chance to go through the agencies form-by-form and reduce that paperwork.

Now, all of these exemptions will ensure that the bill and the waiver provision do not have any unintended or harmful consequences. As I have said, this bill is consistent with Vice President GORE's Reinventing Government Initiative and President Clinton's statement that I read earlier. In 1995, the President actually ordered the agencies to waive fines for small businesses so that they could correct their mistakes. Our bill builds on that initiative of the President, puts it into law, because frankly, the testimony we took at a lot of our field hearings and the hearings we had 3 weeks ago showed that the agencies are ignoring the President's directive and continuing to fine small businesses.

Mr. Chairman, I think it is critical that we protect our Nation's small businesses from these kinds of ''gotcha'' techniques. The bill retains all of the agency's enforcement powers, except for the civil fine. So if they find out there is a real threat that a law might be violated in a criminal action or a real threat or imminent threat to health and human safety, they can still come in with all of the criminal law powers that the agency has, they can still come in with all of the injunction relief that they have.

Mr. Chairman, many agencies today can actually shut down America's small business if they feel that a crime is being committed. This bill continues to give them all of those tools to make sure that a bad actor is not allowed off the hook. This bill does allow fines where there actually is harm that has been created.

So, Mr. Chairman, in conclusion, I would ask the Members of the House to pass the Small Business Paperwork Reduction Act today so that we can bring some sanity back into the process to go a long way toward helping our Nation's small businesses deal with the excessive paperwork, get back to their real business of creating jobs for American workers.

Mr. Chairman, I urge my colleagues to support this bipartisan effort to reduce the burden of government paperwork for all of our Nation's small businesses.

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

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

Mr. Chairman, let me just say that much of what the gentleman from Indiana (Mr. MCINTOSH) says is absolutely accurate, and I want to acknowledge his fine efforts and those of the gentleman from Ohio (Mr. KUCINICH) in trying to work at the committee level and the subcommittee level to make this a bill that would, in fact, be beneficial to the small businesses of this country. Much has been done in that regard and in that direction.

When the gentleman from Indiana (Mr. MCINTOSH), the chairman of the subcommittee, says that the President wanted to end ''gotcha'' politics or ''gotcha'' efforts in administration, he is absolutely right. But unfortunately, this bill has some major flaws that still exist that do not do anything with regard to moving that process along.

Let me initially say that there is nothing, and I think Mr. MCINTOSH acknowledges this, there is nothing that reduces paperwork in the current bill. There will be no particular small business, as a result of this legislation, should it pass, that will have to file one less piece of paper than it had to the day before it passed. What happens here is we have 3 out of 4 provisions of this bill that are, in fact, very good and very agreeable.

It makes sense that it has to be published in the Federal Register on an annual basis a list of the requirements applicable to small business concerns. No small business should have to wonder what its obligations are, what paperwork has to be filed; they should be able to readily go to the register and see exactly what the obligations are.

There should be one point of contact within every agency a small business can go to to find out what must be done to be in compliance with regard to the requirements of that particular agency, and that is a part of this bill that we can all get behind without any disagreement.

The idea of establishing a task force on feasibility of streamlining information and collection requirements is something that the entire committee, and in fact, the gentleman from Ohio (Mr. KUCINICH) worked very hard with the gentleman from Indiana (Mr. McIntosh) and others on that provision, so that we have a lot of this bill that makes absolute and perfect sense.

However, there are corrections that have to be made. The administration does not want a ''gotcha'' type of atmosphere out there, particularly with small business. It perfectly well understands the contribution that is made to our economy by small business, as does the gentleman from Ohio (Mr. KUCINICH), as do I, as do other members of the committee and subcommittee, but it should be noted in its present form, Mr. Chairman, in its present form, the administration strongly opposes H.R. 3310, because it believes it would waive fines for first-time violators of Federal information collection requirements and that that waiver provision could seriously hamper the

agency's ability to ensure safety, protect the environment, detect criminal activity, and carry out a number of other statutory responsibilities.

In fact, the statement of the administration policy issued, Mr. Chairman, says that if H.R. 3310 were presented to the President in its current form, the Attorney General, the Secretary of Transportation, the Secretary of Labor, the Administrator of the Environmental Protection Agency would all recommend that the President veto this bill.

Current law already requires agencies to help first-time small business violators who make a good faith effort to comply. The primary beneficiaries of this law as it is currently written, Mr. Chairman, would appear to be those who do not act in good faith and those who intentionally and willfully violate the applicable regulations.

That is not what I believe this committee has in mind, and it is not what people in small business would want. They want fair competition. They want to know that when they are obligated to file some piece of paper or a document for safety reasons, for health reasons, for environmental reasons, that, in fact, their competitor also has to meet that requirement.

This particular law, as it is currently written, is an absolute disincentive to people complying with their obligations to provide information, whether it is about the environment, whether it is about safety, whether it is about pensions, and this is what we have an objection to, and the gentleman from Ohio (Mr. KUCINICH) and I will present an amendment to this bill at a later point this morning.

Mr. Chairman, if one reads carefully the bill language, and the gentleman from Indiana (Mr. MCINTOSH) referred to an attempt by the majority here to correct some of the provisions of the bill, it still says that failure to impose a fine would have to be filed in order for there to not be a waiver. Well, many times the detection of a criminal activity does not require, under the fine or the failure to impose a fine, but in fact whether or not the paperwork was filed, so it should be the failure of filing the required documentation that is a consideration, not whether or not failing to impose a fine would in any way impede the detection of a criminal activity.

They also talk about the problem of having an imminent or substantial danger to the public, a violation present that would be a factor in that, but the fact of the matter is, proving what is imminent or proving what is substantial is a cloudy area that leads everyone to the belief that they can get away with not filing any of this documentation for however long it takes somebody to find them, to discover the situation, and then to point out the violation, and then only the second time would they stand any risk. So that disincentive impacts badly on all small business as well as the public in general, and the people that are working within these companies.

Mr. Chairman, H.R. 3310 as currently constructed prohibits agencies from assessing civil fines for the first-time, information-related violations. It removes agency discretion. It actually creates a safe haven for willful, substantial and long-standing violations. It would have a wide-ranging and substantive negative effect, because it does not merely address technical violations and reporting requirements, it applies to the failure to distribute important information to the public, such as warning consumers of the dangers of a product or prescription drugs, educating employees on how to handle hazardous materials, and adequately disclosing a broker's disciplinary history to an investor. It would weaken the incentive to comply with the law because small businesses would be sure that they would not be fined even if they were caught, and it would put complying businesses at a competitive disadvantage.

The exemptions that the gentleman from Indiana (Mr. MCINTOSH) states that he did put in the law are still inadequate to protect the public. They would prohibit fines for most first-time violations unless the agency met some very extensive burdens of proof that the violation actually caused serious harm, that the failure to fine impeded the detection of criminal activity. These are standards that simply raise the bar so high that nobody will be encouraged to meet their requirement to file and they will know that they can get away in the first instance.

Mr. TIERNEY. Mr. Chairman, I yield 8 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding me this time. It has been a pleasure to work with both of my colleagues in trying to make this a better bill.

This bill that we are considering is the product of intensive bipartisan effort, and I think that since the beginning of our joint work on the bill, we have to realize that we have been focused on 2 goals: first, to help small businesses comply with paperwork requirements so that small business owners can devote more time to creating jobs for our people; and second, to make sure that the health and safety of the public and the integrity of environmental laws, worker protection and consumer protection laws are upheld.

I think we are all in agreement that small business is the backbone of our country, that small business creates the vast majority of new jobs, that small business owners work hard to build their communities; that small business needs to spend their time creating jobs, and it is the duty of the Federal Government to streamline paperwork requirements to allow small business to focus on job creation and economic development. We know that most small businesses obey the law. They are good Americans, I salute them, and I agree with both sides of the aisle, I think we are in agreement that we are both for small business.

But since the outset of this bill, we knew that the bill would go through improvements as we gain more and more information. I made this very clear in every statement that I made, both public and private, about the bill. In fact, every time that the gentleman from Massachusetts (Mr. TIERNEY) and I have consulted with agencies about the impact of the bill, we have made changes that have improved the legislation.

□ 1130

In turn, after hearing from small business owners recently, we have come up with more improvements in the bill that are consistent with our goals.

Based on the results of a hearing last Tuesday, we now have the benefit of the experience of a wide range of executive agencies, including the U.S. Department of Justice. All of these agencies, to one extent or the other, have implemented programs to help small businesses comply with their paperwork requirements.

At the same time, all of them are required to enforce a number of statutes. Oftentimes the ability of these agencies to protect the public interest depends, depends on the information that they collect through paperwork documents.

It has now become clear that one provision of the current draft of the bill, the mandatory waiver of civil fines, would in fact have the unintended consequence of making it more difficult to protect the health and safety of the public, of workers, of consumers, of all of those who are protected by law enforcement officials.

That, of course, was never my intent as a cosponsor, and when I heard this testimony from the U.S. Department of Justice, I have to say, Mr. Chairman, it gave me pause, because what the U.S. Department of Justice said was, ''The civil penalty waiver would have adverse effects that I am confident neither you nor any of the bill's other sponsors would intend. As I will describe, this position would interfere with the war on drugs, hinder efforts to control illegal immigration, undermine safety protections, hamper programs to protect children and pregnant mothers from lead poisoning, and undercut controls on fraud against consumers and the United States.''

The Department of Justice said that this result would put law-abiding businesses at an unfair competitive disadvantage, and could endanger the public. They go on to say, and I think it is critical that this be introduced into the RECORD in this debate, that the existing statutes and policies of the administration, and in particular, the President's memorandum of April 21, 1995, where he asked all agencies to reduce small business reporting requirements and to develop policies to modify or waive penalties for small businesses when a violation is corrected

within a time period appropriate to the violation in question, and in addition to that, the Department of Justice's current policies, where they say that the components with regulatory functions provide for the waiver of civil penalties in appropriate circumstances, we have policies right now that respect small business.

We need to go further, but the Department of Justice has said about this bill, as it is currently constituted, that we have to recognize that we have statutes and policies appropriate to recognize a good-faith effort to comply with the law, the impact of civil penalties on small businesses and other factors that may appropriately be considered in insisting on civil penalties. This policy compliments ongoing agency efforts specifically designed to help small businesses understand and comply with the law.

The Department of Justice says, and I agree, that we must continue our search for effective ways to streamline and simplify reporting and recordkeeping requirements that apply to small businesses. But efforts to streamline reporting need not undermine law enforcement or regulatory safeguards that protect the public from safety, health, or environmental hazards.

After hearing this, the gentleman from Massachusetts (Mr. TIERNEY) and I drafted an amendment which we think will meet the needs of small business for relief, and at the same time provide continued protections for the people of this country with respect to public health, public safety, and the environment.

I believe that we have provided an opportunity to produce a bill which can be agreed on, not only on both sides of the aisle, but will get the approval of the administration. But lacking that, we are missing an opportunity to be of service to small business.

I want to commend the efforts of the gentleman from Indiana (Mr. MCINTOSH), the chairman, to try to develop a better bill. We are not there just yet, Mr. Chairman, but we can keep trying. We have another hour.

I want to thank the gentleman from Massachusetts (Mr. TIERNEY) for the leadership he has shown on repeatedly insisting on protecting the rights of small business, at the same time regarding our obligation for the safety, the health, and the environment of the people of this country.

Mr. MCINTOSH. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, let me go through in some detail how this provision works on the suspension of fines for first-time violations.

Under the current law, what happens is paperwork is not filed or there is an error in the way the paperwork is filled out, or some other violation of the form not being in the right place at the right time. It is discovered by an agency, usually somebody who is coming in and inspecting a small business. Then there is a civil penalty. They are either written up on the spot or they receive in the mail a notice that they owe the government $750, $1,000, $2,000. That is the current law.

Now, what happens under our revision to the law has been greatly misunderstood by the agencies. When we hear about this ''might impede criminal violations, it might cause a threat to health and safety,'' I hear those all the time when we talk about government regulations.

Frankly, the agencies are a lot like traffic cops, where it is a lot easier to give out a speeding ticket than it is to apprehend a criminal who has been robbing somebody's house. So they like to give out speeding tickets, but they are a little bit nervous about going after the armed criminal who just robbed somebody's house.

But frankly, my preference would be that the agencies go after the bad guys and spend a little less time harassing innocent small businesses. So we have written a provision that would take care of this. First of all, if the paperwork is not filed or filed incorrectly, or not on site where it should be, it is discovered by the agency, then they have to go through a series of decisions before they assess a civil penalty.

First, does the violation cause actual harm? In that case there is a civil penalty, because if it has actually caused harm in some way, it is only fair that that business be penalized because of that harm. The failure to fill out the paperwork was a grave error and they should have taken care of it.

Second, if it threatens harm. So if there is no actual harm that occurred, but it might have caused actual harm in an imminent dangerous situation, then there is a civil penalty.

The third decision is, does it involve the Internal Revenue Act? We have explicitly exempted all of the paperwork that is required under the Internal Revenue laws of the United States. So there would be a civil penalty.

By the way, much has been made in the discussion of this bill about the $10,000 cash transaction that is often used for laundering drug money. But frankly, there is no basis for saying that that transaction would not be covered under the civil penalties.

I happen to have brought with me one of the forms that is required to be filled out when you have cash payments over $10,000. It is Form 8300. It is issued by the Internal Revenue Service. Every bank has to fill it out if they get a deposit over $10,000. It has an OMB circular number. Because of this provision that the Internal Revenue laws are exempt from our waiver provision, if you fail to fill this out, you are going to be subject to a civil penalty.

The fourth is if it interferes with the detection of criminal activity, which, by the way, is the reason they have people fill out this $10,000 form, because money launderers tend to drop large amounts of cash into a bank and then withdraw it quickly. On that ground, you would still pay a civil penalty if you fail to fill out the form.

Finally, if a violation is not corrected within 6 months, or if it is a serious violation, within 24 hours, then there is a civil penalty.

In every case, all we are saying is we are waiving the fine and allowing people time to correct the error. But we still have the injunctive relief, we still have the ability to come in and, if there is criminal fraud involved, say they are going to be subject to criminal penalties.

I was, frankly, a little disturbed to hear from the agencies that they are opposed to this bill. Then I went back and looked at their records under the paperwork reduction policy.

I noticed the Department of Labor, which opposes this bill, has failed to meet its 10 percent goal in both years. They only reduced it by 9½ percent in 1996 and by 8 percent in 1997.

The Department of Transportation, it has a somewhat mixed record. It actually exceeded its goal and reached 27 percent reduction in 1996, but then in 1997 something must have gone haywire, and they have increased paperwork by 32 percent, for a net increase from that agency.

The Department of Justice initially did a terrible job, and in 1996 only reduced paperwork by 1.4 percent. Last year they did a lot better. I will give them credit for that. They were at 14.5 percent reduction, but they still failed to meet the 20 percent goal.

EPA, the final agency listed in the statement of administration policy, they have actually increased paperwork in both years. It went up 4.5 percent in 1996 and 6.9 percent in 1997. So these agencies, it does not surprise me that they are advising the President that this is not a good bill.

Fortunately, and the President is in Africa, when he gets back he will have a chance to review the record and realize that what we are doing is putting into law what he said he wanted to do back in 1995.

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

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

Mr. WAXMAN. Mr. Chairman, that chart that says ''current law'' it seems to me is quite misleading, because nowhere in that chart does the gentleman indicate that just 2 years ago the Congress passed, and we all voted for it and heralded it as a great improvement, the Small Business Regulatory Enforcement Fairness Act.

That law, which is called SBREFA, was passed with strong bipartisan support. It calls on the agencies to use discretion not to impose civil penalties where there are other circumstances that ought to be factored in. It seems to me that should be reflected in the reality of current law.

Mr. McINTOSH. In fact, Mr. Chairman, the gentleman is correct, we did pass SBREFA 2 years ago. We gave the agencies discretion, as the gentleman mentioned, discretion to adopt policies that would allow a waiver of civil penalty. But as case after case has demonstrated, the agencies are refusing to

use that discretion. They continue to impose the civil penalties.

The key difference between SBREFA and our law is that we take it the next step. We say, by right the small agencies can correct the mistakes, unless it causes harm, threatens to cause harm, violates the Internal Revenue Service, would impede criminal detection, or is not corrected in 6 months.

Mr. TIERNEY. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, the statement was made that in case after case the agencies have not gone along with the discretion the Congress required them to use before they imposed civil penalties. I do not see how the gentleman can make that statement.

The law specifically requires each agency to file with the Congress whether they have employed this discretionary authority or not. The reports are due in the next couple of days. I do not think the gentleman from Indiana (Mr. MCINTOSH) has had any advance notice of it. He is making statements for which he has no backing, no authority. We ought to look at the reports from the administration on the exercise of SBREFA.

Mr. TIERNEY. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, first of all, it should be noted again, having looked at all this paperwork and posters that were put up, that there is no paperwork reduction even contemplated in H.R. 3310 as it is currently constructed. The only people that will now have to file less paperwork under this bill are people that said they want to be violating the law.

Law-abiding businesses are still going to have to file every piece of paper they ever filed, so that is not the issue. The issue is whether or not there will be a disincentive to file, and whether or not some businesses, law-abiding businesses, will be put at a disadvantage.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I thank the gentleman from Massachusetts for yielding time to me.

Mr. Chairman, I rise today in opposition to H.R. 3310, the Small Business Paperwork Reduction Act, as it is currently constituted. This legislation is not only not needed and is unnecessary, but could in fact actually make the American workplace more dangerous than it currently is.

The United States Environmental Protection Agency states that this bill does not constitute a viable approach to addressing small business compliance with needed safety and health regulations. In fact, this bill would create disincentives for voluntary compliance, compromise consumer protection laws, and worker and passenger safety.

The AFL–CIO states this bill will weaken the pension safeguards currently in place to protect the American worker.

□ 1145

I agree with all of those who say that we must work to ensure that workers' retirement and health benefits will be there when we need them.

Information collection requirements are essential to a wide variety of protections on which we all must rely. A blanket provision waiving civil penalties for first-time violators could put the health and safety of our families and our communities at risk.

This bill is the start of a movement where the biggest and most powerful want more than what is offered. We must work together to protect the basic rights of our Democratic community.

I am reminded of something that A. Philip Randolph once said when he said that ''a community is only democratic when the humblest and weakest person can enjoy the highest civil, economic and social rights that the biggest and most powerful possess.''

Therefore, Mr. Chairman, I urge my colleagues to vote against this bill, which would instill substantive negative effects, hamper law enforcement, jeopardize human safety and health and environmental protection for working families.

Mr. TIERNEY. Mr. Chairman, would you instruct us as to how much time each respective side has remaining?

The CHAIRMAN. The gentleman from Massachusetts (Mr. TIERNEY) has 13½ minutes remaining. The gentleman from Indiana (Mr. MCINTOSH) has 9 minutes remaining.

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

Mr. MCINTOSH. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, in response to the query of the gentleman from California (Mr. WAXMAN) about do we see a problem, I would just mention to the gentleman the testimony we heard in subcommittee from Gary Roberts, the owner of a small company that installs pipelines in Sulfur Springs, Indiana. He was fined last May $750. This is after SBREFA had been passed and after OSHA was supposed to have adopted a policy in these areas. He had a hazardous communications program in his home office. His employees had been trained on that. When the inspector showed up at the job site, they brought the communications program to show the inspector right there as he was inspecting the job site, and yet Mr. ROBERTS was fined $750.

Now, I think there clearly is a problem. By the way, I do not think filling out this much paperwork for 12 employees has anything to do with democratic process. I am a big supporter of the democratic process, but it does not require this much paperwork for us to engage in the democratic process in this country.

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

Mr. TIERNEY. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I would point out that in fact we were all present at the subcommittee hearings when the witnesses came in, and could distinctly hear representatives from OSHA saying that they have in fact now in place a policy under SBREFA and they are, in fact, down to zero occasions when they fine somebody a civil penalty for failing to post or put paperwork in where it is appropriate. So I think we should have all the information when we move forward.

Mr. Chairman, I yield 5½ minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. TIERNEY) for yielding me this time.

Mr. Chairman, I think what we have before us today is a solution in search of a problem. If we listen to the gentleman from Indiana (Mr. MCINTOSH), he is raising concerns that we have a paperwork problem for small business. We all are concerned about the paperwork burden on small businesses, and that is why the Congress responded just 2 years ago by adopting the Small Business Regulatory Enforcement Fairness Act or what is called SBREFA. This was passed with strong bipartisan support. We all heralded it as a way to reduce that paperwork burden. It called on the agencies to use discretion and not to impose a fine if there was some inadvertence in filing the necessary paperwork that was required by law.

We have seen other reforms by both Democratic and Republican Congresses, and we have seen this administration attempt to reinvent government so that it would be more efficient and fairer.

But what we have in this bill before us today is not a reduction in the amount of paperwork that would be imposed on small businesses but an excuse for small businesses not to file the paperwork required of them.

The administration witnesses from the Department of Justice and the Environmental Protection Agency and other areas of the Federal Government came in and said that what this would do would encourage some small businesses to intentionally refuse to file the paperwork required of them, and that could interfere with the war on drugs, hinder efforts to control illegal immigration, undermine food safety protections, hamper programs to protect children and pregnant mothers from lead poisoning, and undercut the controls on fraud against consumers and the United States. That seems to me a risk not worth taking if that will be the result of this legislation.

The legislation says not that we use discretion to not impose a civil penalty. The legislation that the gentleman from Indiana is proposing says that under no circumstances will we ever impose a fine for failure to file the paperwork on the first offense. And that just says no matter what, we are not going to have a fine.

Well, if one is laundering money and there is a requirement to report $10,000

transactions and an institution is involved in some skullduggery, they will decide that it will be in their interest not to file that information. They know they have a safe harbor, they can never be fined or anyone take offense at their failure to abide by that law.

Now, there are times when health and safety can be affected, but we are not going to know whether health and safety will be affected unless the paperwork has been filed that might indicate that there is a drug for which there are side effects or there is lead in a house that is being sold. But the seller, small business seller, does not disclose that fact, as is required by the law, because they do not want to discourage the purchaser from going ahead and buying the property. They know that they can get away without making these disclosures because of this legislation.

We are going to have before us an amendment by the gentleman from Ohio (Mr. KUCINICH) and the gentleman from Massachusetts (Mr. TIERNEY) that I think is a far more reasonable approach. It will say, in effect, that we should not go and impose a fine on small businesses if their inadvertence to file the paperwork was technical or inadvertent. If it involved willful or criminal conduct, we are not going to excuse that paperwork requirement. Or if they threaten to cause harm to health and safety of the public, consumers, investors, workers, or pension programs or the environment, we are not going to waive it. But if there were not that kind of matter, but in fact a good-faith effort to comply and rectify the violations, then there is no reason to have a civil penalty imposed.

There is going to be another amendment that we will have later today, and that is an amendment offered by the gentleman from Indiana (Mr. MCINTOSH), and it is going to say that we will prohibit the States from enforcing their own regulatory requirements. Now, all the Members of Congress who have come to this floor and extolled State's rights certainly ought to be opposing that amendment which will tell the States we are going to take away their ability to enforce their own laws and Federal laws and make all States abide by a one-size-fits-all approach that we in Washington will impose upon them.

Mr. Chairman, when we get into the amendment process, I would urge Members to support the Kucinich-Tierney amendment to make this bill worthwhile. If that amendment fails, then I want to point out that the administration is threatening a veto. In addition to that, the bill is opposed by the labor movement because they are worried about what it is going to do to workers, by environmentalists, by consumer advocates, by a wide range of groups that fear that this bill that sounds like it is doing something for small business is going to in fact do a great deal of harm to the American people.

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

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

Mr. Chairman, before yielding to my distinguished colleague, the gentleman from Missouri (Mr. TALENT) the chairman of the Committee on Small Business, let me point out, and I understand how in debate we sometimes exaggerate things around here, but as I showed all of our colleagues, what the gentleman from California (Mr. WAXMAN) said was simply not true: that automatically we would waive all fines under my bill.

Mr. Chairman, if there is a serious threat of harm to public health, if there is actual harm. And all of these provisions have been written into the bill, and in spite of the fact that they are there in black and white in plain English, the gentleman from California continues to say the same lines that he knows are not true, over and over again.

Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Missouri (Mr. TALENT) chairman of the Committee on Small Business.

Mr. TALENT. Mr. Chairman, I thank the gentleman from Indiana (Mr. MCINTOSH) for yielding me this time.

Mr. Chairman, the Committee on Small Business had concurrent jurisdiction over this bill, and I was happy to waive it in part because we have had so many hearings on this and these kinds of issues that I thought it really was not worth additional hearings or deliberations on the part of the committee, because to me, this just seems to me a very simple thing. Do we want to stand with and for the small businesspeople of this country against one of the things that irks them and demoralizes them and costs them the most, which is useless kind of government paperwork and arbitrary kinds of fines? Or do we want to stand with the government, with big government, with the regulatory state that believes that unless these people are minutely watched in all they do, they are going to go out and do all of these terrible things? It is a question of where we put our faith.

Mr. Chairman, all the bill says is we do not want agencies to fine small businesspeople for paperwork violations that do not matter to anything, that do not matter to the interest of the agency or public health and safety. They can check the paperwork violation, they can inspect them and tell them to do it over again and tell them to do it over in the future, but they cannot fine them.

Mr. Chairman, I do not want the agencies spending their enforcement time and effort tracking down people like Mr. Pat Caden of Caden's Restaurant in Tacoma, Washington, who was fined $1,000 because he had one missing material safety data sheet on handsoap, which he offered to provide by fax in 2 minutes. I want OSHA worrying about safety. I do not want them worrying about material safety data sheets that do not have anything to do with safety and that nobody even reads outside the context of an inspection.

Mr. Chairman, I do not want small businesspeople to feel like in order to do business in this country they have to pay protection to agencies, because that is what it amounts to. They come into the workplace and hit businesspeople with paperwork violations because that is easy for them to find. They pay the agencies $1,000 or $2,000.

Mr. Chairman, I hate to stop when I am in the middle of ''catharting.'' Mr. Chairman, businesses pay them fines of $1,000 or $2,000 and they go away for a while, just for a while. It is like the mob. They will leave people alone if they pay them protection. That is what this bill is about.

The argument on the other side seems to be that there are drug dealers out there, people smuggling in thousands and thousands of illegal immigrants who this bill will unleash, I suppose on the assumption that the possibility that the government might hit them with a fine for a paperwork violation is currently deterring them from selling millions and millions of dollars worth of illegal drugs on the black market or bringing in thousands and thousands of immigrants; that, Mr. Chairman, these people who are not deterred by the huge felony penalty for doing these things might be deterred by the prospect that INS might come on their workplace and fine them for a meaningless paperwork violation.

Again, we talk about the bill being a ''solution in search of a problem.'' The arguments against it are rationalization. It is just a question of where one stands. I would say that these kinds of bills do highlight the deep philosophical divisions in the House.

My faith is with the small businesspeople in this country, the private sector in the country, 99 percent of whom are trying to do good things in their communities for good reasons. All we are saying is, look, do not fine them for meaningless things. Agencies should concentrate their energies on health and safety or social justice in the workplace or environmental quality, and let businesses concentrate their efforts on building jobs and building the economic infrastructure in their communities and everybody will be better off.

□ 1200

Mr. TIERNEY. Mr. Chairman, I yield myself 30 seconds.

Let me just say that this idea, that this one side is in favor of small business and the other side is against small business, is ludicrous when we think of the time and the energy that went in, with the gentleman from Indiana (Mr. MCINTOSH) and the gentleman from Ohio (Mr. KUCINICH) working diligently to try to find some common ground so that small business could in fact get the benefit of this law.

I will speak at greater length about the particulars of it.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I was just shocked by the comments of the last speaker, because he said that we want to extol the virtues of small business, and we all agree to that, but then described Federal agencies, government employees that are trying to enforce the laws as equivalent to the mob. He said they are out for protection money. Is that the way we view government? It just seems to me an opening, a window to the mentality that would present this kind of legislation to us.

There are willful, intentional, reckless violations of the law that will not be in any way prosecuted under this legislation, because if it is a first-time offense, even if it were reckless and willful, then it would not be enforced.

How does my colleague justify doing that sort of thing, even if it is a reckless, willful violation of filing the report that indicates there is a hazard that workers may be exposed to? How can he justify that?

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

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. McINTOSH. Mr. Chairman, in fact, we do not justify it because the bill does not allow that. It still requires people to fill out the paperwork. What it says is, if they can correct it and it causes no harm, they will not be zapped with a civil fine.

Mr. WAXMAN. Mr. Chairman, that is not what the bill says. The bill says there will be a safe harbor, that there may not be, under any circumstance, the imposition of a money penalty for a first-time violation even if it were willful.

I yield to the gentleman to explain why he would do that.

Mr. McINTOSH. Well, because in addition to a civil penalty, the agencies have the ability to enjoin the business from further conducting its affairs. That is not affected by our bill. They have criminal provisions if there is fraud or willful violation.

Mr. WAXMAN. Let me say, that is not adequate. The reason it is not adequate is because they are going to impose a worse scenario for small businesses if they expect the agency to come and get injunctions, if it is a drug company to shut them down. What is involved in getting this paperwork is to know if there are problems, and then try to clear them up, not give a safe harbor for those who willfully violate the law.

Mr. MCINTOSH. Mr. Chairman, I yield myself 1½ minutes.

Let me say very clearly, there is a huge difference here, because I think it may have been the gentleman from Massachusetts (Mr. TIERNEY) or the gentleman from Ohio (Mr. KUCINICH) who pointed out what all of us recognize, that probably 99 percent of America's small businesses are good actors; they are trying to comply, they are not willfully not following the rules and filling out the paper work.

In the case of the 1 percent who are bad actors, who are trying to commit a crime, trying to ignore the law, I think the agency should come in and hit them with whatever it takes to get them to comply with the law.

The real difference here is the view of small businesses, because the coalition that has been for the special interests here in Washington to oppose this bill thinks that what we do is give them a get-out-of-jail-free card.

I quote from an e-mail that they circulated this morning,

> They think small businesses are criminals, and that is, why they are opposing this bill is they think that the Nation's small businesses are criminals. We don't believe that.

And that is what the gentleman from Missouri (Mr. TALENT) was saying so emphatically. We think the vast majority of small businesses in this country are good, decent people who are trying to get a job done, trying to hire people and create jobs in their economy, and they do not deserve to be zapped by Federal agencies when they make an innocent mistake. That is what the essence of this bill is all about.

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

Mr. TIERNEY. Mr. Chairman, I yield myself 2½ minutes.

Let me just say to the gentleman from Indiana (Mr. MCINTOSH) that this debate was going on rather high ground for a while as we were talking about some matters of disagreement. We had a speaker come down and throw in some bombast, and I think it has sort of taken us in a different direction.

Personally, I represented small businesses for 20 years. I was a small business. I was president of the local Chamber of Commerce. There is no belief in my heart or soul that small businesses, on the whole, that people try to comply with the law, but I try to recognize fully, Mr. Chairman, that there are those who do not.

My colleague's bill does nothing for that law-abiding small business person who continues to comply with paperwork filing requirements because they, first of all, do not reduce the amount of paperwork to be filed. And if we want to do that, then why do we not get our committee to start sitting down and sifting through those blocks of paper and weeding out those that should not be filed any longer and those that should be consolidated? That would be a worthwhile effort.

But to have an absolute disincentive for those who do not want to be a law-abiding business and to put the law-abiding businesses at a disadvantage is not the way to proceed. What we ought to do is make sure the agencies exercise their discretion, that those who are not willful violators, those who do not impose a serious harm to the public good or to the environment, let them deal with it in that way and let them use their discretion. Which is exactly what SBREFA does, which is what our proposed amendment demands that they do is set in place a policy to make sure that those businesses that deserve a break get a break, but reserving the ability to fine those that need to be fined in order to have compliance so that good law-abiding businesses will not be put at a disadvantage.

The language of 3310, as it is currently constructed, simply does not do that. It says that before they can have a fine, they have to show that the failure to impose the fine would impede detection of a criminal activity. Well, it would not be the failure to impose a fine that would in fact impede detection of criminal activity; it would be the failure to file the requisite paperwork. So now they have given them a disincentive on that basis.

They talk about occasions where there is actual harm that they would then not be able to give a waiver. But what about the case where there is a propensity for actual harm, where the failure to file work leads us to believe there will be resulting harm, but it may not have happened yet, but we want to make sure it does not happen?

My colleagues talk about threatening imminent and substantial, dangerous harm, but those are hard burdens for an agency to prove before it can go in there and ask somebody who is integrally involved and knowledgeable about business, Mr. Chairman. And let me tell my colleagues, given the choice of having to make my case that my mistake on paperwork was inadvertent and failure to do that might be a civil penalty, I will take that any day, besides them coming down with very expensive legal proceedings on an injunction or a criminal action. That is when it gets onerous.

That is when agencies go well beyond their bounds, and that is where the gentleman from Ohio (Mr. KUCINICH) and I have an amendment that tries to address that so that small businesses and law-abiding business can move in the proper direction.

Mr. McINTOSH. Mr. Chairman, we have no further speakers on my side. I would like to reserve the balance of our time for closing if the gentleman from Massachusetts (Mr. TIERNEY) has any on his side.

Mr. TIERNEY. Mr. Chairman, I do have some speakers. Would the Chair please instruct us as to how much time is left on this side.

The CHAIRMAN pro tempore (Mr. DICKEY). The gentleman from Massachusetts has 2¾ minutes remaining.

Mr. TIERNEY. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. GEJDENSON).

Mr. GEJDENSON. Mr. Chairman, I just want to commend the gentleman here, trying to change this bill. I was an original cosponsor. I believe in paperwork reduction. But what this bill would do, it would put in danger small businesses.

In my district, 90 people, including the president of the company, just lost their pension. Now, that happened even with the controls we have today. There is only one document really that gets filed on 401(k)s, which was the only pension these folks had, and that is Form 5500 from the Labor Department to find out if your 401(k) is really getting the money that it is supposed to be getting.

Under this bill, if you keep the original text, those workers are completely exposed. The biggest loser in this loss of the 401(k)? The president of the company, the head guy of the small business, because he had the biggest investment there.

This is not pro small business. This would support people who want to skirt and avoid the law and, frankly, would leave working families and small businessmen vulnerable in so many cases, so many cases where they buy products, where they have responsibilities to carry out for consumers.

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

Mr. MCINTOSH. Mr. Chairman, I understand that when there are no other speakers, I have the right to close. Is that correct? Which I am willing to do now if the gentleman is finished.

Mr. TIERNEY. Mr. Chairman, I have an additional speaker. But my colleague still has time left, I believe.

The CHAIRMAN pro tempore. The gentleman from Indiana may reserve for closing. Is that the intent of the gentleman?

Mr. MCINTOSH. Yes, it is, Mr. Chairman. I am prepared to close now if the gentleman is ready to proceed with amendments.

Mr. TIERNEY. We have one more speaker, if we might, Mr. Chairman.

Mr. Chairman, I yield the balance of the time to the gentleman from Ohio (Mr. KUCINICH).

The CHAIRMAN pro tempore. The gentleman from Ohio is recognized for 1¾ minutes.

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding me the time.

I do not think there is anyone in this Chamber who believes other than that most small businesses are law abiding. And the earlier reference that those who are standing up for environmental protections, workplace protections, fighting money laundering, and promoting drug testing somehow believe that small businesses represent a criminal class is fairly ridiculous, and it is unfortunate to have that kind of reference in what has been otherwise an important debate.

The problem with the bill is that, and this is a central part that has to be remembered, is the process of agency determination only kicks in if a violation has been discovered, because a business which has failed to file paperwork, that violation may never be discovered.

This is a matter of what we do not know may very well hurt us. It is not useless paperwork to require filings that have to do with drug testing, food safety, to avoid stock fraud, to stop money laundering, to promote workplace safety, to promote air passenger safety, to promote a safe environment. I mean, this is part of the responsibility of the government. This is our government, the government of the people; and one of the things we have to do is to promote for the general welfare of the people. That is why we are here.

And so the gentleman from Massachusetts (Mr. TIERNEY) and I will be offering an amendment which seeks to install in this legislation that essential imperative of our responsibility as government officials.

The violations that are discussed here, once they are uncovered, the onus is still on the agency to prove that one of five conditions has been met in order for the business to be fined. This bill would tie the hands of law enforcement in this country, and I urge its rejection.

The CHAIRMAN pro tempore. The gentleman from Indiana is recognized for closing for 2½ minutes.

Mr. MCINTOSH. Mr. Chairman, in closing, let me return to the tone that we had at the beginning of this debate because I agree with the gentleman from Massachusetts (Mr. TIERNEY) that is a helpful one.

I do want to thank the gentleman from Massachusetts and the gentleman from Ohio for their input in this bill at the subcommittee and committee levels. We will not be able to have an exact meeting of the minds today on the amendment that they are offering, but some of the points that they raised have been very helpful in crafting this bill.

For example, Mr. GEJDENSON'S concern that perhaps 401(k) programs would be exposed because of this bill, I would reassure him that looking at section B(iii) that says, ''the violation is a violation of an Internal Revenue law or a law concerning the assessment of collection of any tax debt revenue or receipt.'' Well, section 401(k) is section 401(k) of the Internal Revenue Code; and so that paperwork would continue to be fully covered even under the civil fine provisions.

Let me close, Mr. Chairman, by saying that many of the Nation's small business leaders have spoken out in favor of this bill. The National Federation of Independent Businesses, NFIB; the National Small Business United; the National Association of Women Business Owners; Small Business Survival Committee, American Farm Bureau; National Beer Wholesalers Association; National Association of Metal Finishers; National Automobile Dealers Association, and the printing industries of America have all endorsed our bill, H.R. 3110.

I think it is a very good bill. It moves forward under the Paperwork Reduction Act where the agencies have failed to act. And in particular, the provision that is a waiver of the first-time fines for failure to fill out the paperwork, I think is a good provision. What it says to our Nation's small businesses is, we know we are giving you too much paperwork. If you happen to make a mistake somewhere along the line and it does not cause any harm, is not a threat to harm, does not impede criminal investigations, does not have to do with your obligation to pay taxes or to protect your pension fund, then you are going to be given a second chance.

I think that is all that we can do. When our Nation's small business and one that employees 25 people has to fill out this much paperwork, Mr. Chairman, I think the least we can do is say, we are going to be on your side and be forgiving if you commit a harmless error somewhere in those thousands of pages.

I would urge all of my colleagues to support this bill, join the NFIB and other small businesses and the Farm Bureau and other groups in finally bringing this legislation to pass.

Mr. EHRLICH. Mr. Speaker, I rise today to offer my support to H.R. 3319, the Small Business Paperwork Reduction Act Amendments of 1998, introduced by my colleague, Representative DAVID MCINTOSH.

Small businesses are the engine of our national economy. Numbering twenty two million today, small businesses generate approximately half of all U.S. jobs and sales. Compared to larger businesses, they hire a greater proportion of individuals who might otherwise be unemployed—part-time employees, employees with limited educational background, young and elderly individuals, and individuals on public assistance.

Yet the smallest firms carry out the heaviest regulatory burden. They bear sixty-three percent of the total regulatory burden, amounting to $247 billion/year. Firms with under fifty employees spend on average nineteen cents out of every revenue dollar on regulatory costs. Small businesses desperately need relief from the burden of government paperwork.

One of small businesses' greatest fears is that they will be fined for an innocent mistake or oversight. The time and money required to keep up with government paperwork prevents small businesses from growing and creating new jobs. Paperwork counts for one third of total regulatory costs or $225 billion. In 1996, it required 6.7 billion man hours to complete government paperwork.

H.R. 3310 will give small businesses the relief they need from the burden of paperwork. It will put on the Internet a comprehensive list of all the federal paperwork requirements for small businesses organized by industry as well as establish a point of contact in each agency for small businesses on paperwork requirements. This legislation encourages cooperation and proper compliance by offering small businesses compliance assistance instead of fines on first-time paperwork violations which do not present a threat to public health and safety. Lastly, it will establish a task force including representatives from the major regulatory agencies to study how to streamline reporting requirements for small businesses. This legislation goes a long way in addressing the demands for reform of many of my small businessmen and women in the Baltimore area and the 2nd District of Maryland.

Mr. Speaker, the Small Business Paperwork Reduction Act will bring common sense into the process and go a long way toward relieving small businesses of excessive paperwork and fines. Please join me in strongly supporting this common-sense paperwork reduction bill for small business.

Mr. ALLEN. Mr. Chairman, I rise today in opposition to H.R. 3310, the Small Business Paperwork Reduction Act Amendments of 1998. The intent of H.R. 3310 is worthy. For years, the small business community has voiced its concerns about the scope and burden of regulatory costs. These concerns were addressed in the Paperwork Reduction Act (PRA) and the Small Business Regulatory Enforcement Fairness Act (SBREFA) and by the Administration in their current efforts to streamline paperwork requirements.

Small business is responsible for 80% of the jobs that are created in our country. We are innovative and prosperous when our capital markets are efficient and the demands by the federal government reasonable. I was self-employed not too long ago and remember well the challenges that any small business faces. Some of these challenges are addressed by H.R. 3310: requiring the Office of Information and Regulatory Affairs to publish a list annually on the Internet and in the Federal Register of all the federal paperwork requirements for small business; requiring each agency to establish one point of contact to act as a liaison with small businesses; and establishing a task force to study the feasibility of streamlining reporting requirements for small businesses.

The central problem with H.R. 3310 is its provision suspending civil fines for first-time violations by small businesses when they fail to comply with reporting and record-keeping requirements. I believe that this well-intentioned provision may reduce compliance and hamper the government's role to protect the public. When pension administrators, banks, financial advisors, food and drug manufacturers, and employers violate the law, these violations would not be addressed, even if willful, until a second violation.

Under H.R. 3310, a pattern of noncompliance would be difficult to detect by the agency with jurisdiction. For instance, the Consumer Product Safety Commission's efforts to monitor product safety would be hampered. Compliance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, which requires disclosure of lead-based paint hazards to prospective renters or buyers, would be reduced. The same applies to OSHA and ERISA requirements.

The case is clear that the burden of paperwork requirements does not outweigh public health, safety, and financial security considerations. While the title of H.R. 3310 is appealing, I believe its enactment would have serious, negative consequences on our nation. That is why I voted against H.R. 3310.

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

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 3310

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 ''Small Business Paperwork Reduction Act Amendments of 1998''.

SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PAPERWORK REQUIREMENTS.

(a) REQUIREMENTS APPLICABLE TO THE DIRECTOR OF OMB.—Section 3504(c) of chapter 35 of title 44, United States Code (commonly referred to as the ''Paperwork Reduction Act''), is amended—

(1) in paragraph (4), by striking ''; and'' and inserting a semicolon;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(6) publish in the Federal Register on an annual basis a list of the requirements applicable to small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)) with respect to collection of information by agencies, organized by North American Industrial Classification System code and industrial/sector description (as published by the Office of Management and Budget), with the first such publication occurring not later than one year after the date of the enactment of the Small Business Paperwork Reduction Act Amendments of 1998; and

''(7) make available on the Internet, not later than one year after the date of the enactment of such Act, the list of requirements described in paragraph (6).''.

(b) ESTABLISHMENT OF AGENCY POINT OF CONTACT; SUSPENSION OF FINES FOR FIRST-TIME PAPERWORK VIOLATIONS.—Section 3506 of such chapter is amended by adding at the end the following new subsection:

''(i)(1) In addition to the requirements described in subsection (c), each agency shall, with respect to the collection of information and the control of paperwork—

''(A) establish one point of contact in the agency to act as a liaison between the agency and small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)); and

''(B) in any case of a first-time violation by a small-business concern of a requirement regarding collection of information by the agency, provide that no civil fine shall be imposed on the small-business concern unless, based on the particular facts and circumstances regarding the violation—

''(i) the head of the agency determines that the violation has caused actual serious harm to the public;

''(ii) the head of the agency determines that failure to impose a civil fine would impede or interfere with the detection of criminal activity;

''(iii) the violation is a violation of an internal revenue law or a law concerning the assessment or collection of any tax, debt, revenue, or receipt;

''(iv) the violation is not corrected on or before the date that is six months after the date of receipt by the small-business concern of notification of the violation in writing from the agency; or

''(v) except as provided in paragraph (2), the head of the agency determines that the violation presents an imminent and substantial danger to the public health or safety.

''(2)(A) In any case in which the head of an agency determines that a first-time violation by a small-business concern of a requirement regarding the collection of information presents an imminent and substantial danger to the public health or safety, the head of the agency may, notwithstanding paragraph (1)(B)(v), determine that a civil fine should not be imposed on the small-business concern if the violation is corrected within 24 hours of receipt of notice in writing by the small-business concern of the violation.

''(B) In determining whether to provide a small-business concern with 24 hours to correct a violation under subparagraph (A), the head of the agency shall take into account all of the facts and circumstances regarding the violation, including—

''(i) the nature and seriousness of the violation, including whether the violation is technical or inadvertent or involves willful or criminal conduct;

''(ii) whether the small-business concern has made a good faith effort to comply with applicable laws, and to remedy the violation within the shortest practicable period of time;

''(iii) the previous compliance history of the small-business concern, including whether the small-business concern, its owner or owners, or its principal officers have been subject to past enforcement actions; and

''(iv) whether the small-business concern has obtained a significant economic benefit from the violation.

''(3) In any case in which the head of the agency imposes a civil fine on a small-business concern for a first-time violation of a requirement regarding collection of information which the agency head has determined presents an imminent and substantial danger to the public health or safety, and does not provide the small-business concern with 24 hours to correct the violation, the head of the agency shall notify Congress regarding such determination not later than 60 days after the date that the civil fine is imposed by the agency.''.

(c) ADDITIONAL REDUCTION OF PAPERWORK FOR CERTAIN SMALL BUSINESSES.—Section 3506(c) of title 44, United States Code, is amended—

(1) in paragraph (2)(B), by striking ''; and'' and inserting a semicolon;

(2) in paragraph (3)(J), by striking the period and inserting ''; and''; and

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

''(4) in addition to the requirements of this Act regarding the reduction of paperwork for small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)), make efforts to further reduce the paperwork burden for small-business concerns with fewer than 25 employees.''.

SEC. 3. ESTABLISHMENT OF TASK FORCE TO STUDY STREAMLINING OF PAPERWORK REQUIREMENTS FOR SMALL-BUSINESS CONCERNS.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is further amended by adding at the end the following new section:

''§ 3521. Establishment of task force on feasibility of streamlining information collection requirements

''(a) There is hereby established a task force to study the feasibility of streamlining requirements with respect to small-business concerns regarding collection of information (in this section referred to as the 'task force').

''(b) The members of the task force shall be appointed by the Director, and shall include the following:

''(1) At least two representatives of the Department of Labor, including one representative of the Bureau of Labor Statistics and one representative of the Occupational Safety and Health Administration.

''(2) At least one representative of the Environmental Protection Agency.

''(3) At least one representative of the Department of Transportation.

''(4) At least one representative of the Office of Advocacy of the Small Business Administration.

''(5) At least one representative of each of two agencies other than the Department of Labor, the Environmental Protection Agency, the Department of Transportation, and the Small Business Administration.

''(c) The task force shall examine the feasibility of requiring each agency to consolidate requirements regarding collections of information with respect to small-business concerns, in order that each small-business concern may submit all information required by the agency—

''(1) to one point of contact in the agency;

''(2) in a single format, or using a single electronic reporting system, with respect to the agency; and

''(3) on the same date.

''(d) Not later than one year after the date of the enactment of the Small Business Paperwork Reduction Act Amendments of 1998, the task force shall submit a report of its findings under subsection (c) to the chairmen and ranking minority members of the Committee on Government Reform and Oversight and the Committee on Small Business of the House of Representatives, and the Committee on Governmental Affairs and the Committee on Small Business of the Senate.

''(e) As used in this section, the term 'small-business concern' has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 631 et seq.).''.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''3521. Establishment of task force on feasibility of streamlining information collection requirements.''.

The CHAIRMAN pro tempore. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Are there any amendments to this bill?

□ 1215

AMENDMENT NO. 1 OFFERED BY MR. KUCINICH

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

The CHAIRMAN pro tempore (Mr. DICKEY). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. KUCINICH:

Page 4, strike line 10 and all that follows through page 6, line 25, and insert the following:

''(B) establish a policy or program for eliminating, delaying, and reducing civil fines in appropriate circumstances for first-time violations by small entities (as defined in section 601 of title 5, United States Code) of requirements regarding collection of information. Such policy or program shall take into account—

''(i) the nature and seriousness of the violation, including whether the violation was technical or inadvertent, involved willful or criminal conduct, or has caused or threatens to cause harm to—

''(I) the health and safety of the public;

''(II) consumer, investor, worker, or pension protections; or

''(III) the environment;

''(ii) whether there has been a demonstration of good faith effort by the small entity to comply with applicable laws, and to remedy the violation within the shortest practicable period of time;

''(iii) the previous compliance history of the small entity, including whether the entity, its owner or owners, or its principal officers have been subject to past enforcement actions;

''(iv) whether the small entity has obtained a significant economic benefit from the violation; and

''(v) any other factors considered relevant by the head of the agency;

''(C) not later than 6 months after the date of the enactment of the Small Business Paperwork Reduction Act Amendments of 1998, revise the policies of the agency to implement subparagraph (B); and

''(D) not later than 6 months after the date of the enactment of such Act, submit to the Committee on Government Reform and Oversight of the House of Representatives and the Committee on Governmental Affairs of the Senate a report that describes the policy or program implemented under subparagraph (B).

''(2) For purposes of paragraphs (1)(B) through (1)(D), the term 'agency' does not include the Internal Revenue Service.''.

Mr. KUCINICH. Mr. Chairman, I want to again commend the gentleman from Indiana (Mr. MCINTOSH) for the efforts that we have made throughout many long and arduous hearings over this important bill. I regret that we have not been able to come to an agreement, but I still can say that I admire his dedication and his willingness to attempt to craft a mutual agreement, and I look forward to an opportunity to work with him again on another occasion, hopefully something that could reach a mutual conclusion.

The amendment that the gentleman from Massachusetts (Mr. TIERNEY) and I are offering today is consistent with the goals that we have set out for this legislation, to help small business while protecting the health and safety of the public. I want to tell the gentleman from Massachusetts how much I have appreciated his assistance in trying to bring this bill back to a point where it is going to benefit small business and the public.

This amendment is also consistent with past action by the Congress on small business issues, issues such as SBREFA which the gentleman from California (Mr. WAXMAN) so ably spoke to a moment ago. This amendment would require, and I emphasize the word ''require,'' all agencies to establish specific policies and programs to allow them to eliminate, delay or reduce civil fines for first-time violators of paperwork requirements. In putting together those policies, agencies would be required to take into account a number of factors. Those factors would include, first of all, the seriousness of the violation and whether it involved willful or criminal conduct. Agency policies must include whether the small business is making a good faith effort to comply with applicable laws and correct the violation as quickly as possible. It would also mandate that the agency look at the previous compliance history of the business and whether the small business gained an economic advantage or competitive advantage by its action.

Furthermore, the amendment includes a strict time frame for agencies to take these actions. Within 6 months agencies would have to implement these policies and report back to the Committee on Government Reform and Oversight. This amendment would ensure that paperwork reduction efforts are truly relevant to the special circumstances of all industries. Agencies would be able to tailor their policies to the unique needs of the statutes that they are responsible to enforce and congressional review of these policies would become a matter of course.

Mr. Chairman, in passing this amendment, Congress would be responsive to the concerns raised by the Department of Justice and other Federal agencies. During committee consideration of this bill, we heard testimony from the U.S. Department of Justice, the Department of Transportation, the Securities and Exchange Commission and OSHA. All of these agencies raised serious questions about the impact of H.R. 3310 on drug enforcement, employee protections, drug testing statutes and our ability to ensure that investors have the information they need to make wise decisions. The Department of Justice said that the current language in H.R. 3310, and I quote, could interfere with the war on drugs, hinder efforts to control illegal immigration, undermine food safety protections, hamper programs to protect children and pregnant mothers from lead poisoning and undercut controls on fraud against consumers and the United States.

Some examples. Without this amendment, the bill would protect drug traffickers. Law enforcement agencies detect drug trafficking and money laundering using reports filed by businesses. H.R. 3310 would encourage financial institutions to not report cash transactions that are more than $10,000. Without this amendment, this bill would undermine our ability to uncover illegal activity. The Drug Enforcement Administration relies on written reports to ensure that controlled substances are not diverted illegally. H.R. 3310 would encourage pharmacies to not report their distribution of controlled substances.

Finally, without our amendment, it would undercut drug testing statutes and public safety. The Department of Transportation requires reports from employers showing that drivers and other safety sensitive employees have passed drug tests. The current language would give an incentive to businesses to avoid reporting. With this amendment, with the Kucinich-Tierney amendment law enforcement officials would continue to have the tools they need to combat illegal drugs, guard the environment and protect the health and safety of our citizens. We will then have legislation that I believe will attract additional bipartisan support and the support of the administration.

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

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

Mr. TIERNEY. Mr. Chairman, I again just reiterate the long road that this bill has taken and the fine work of the gentleman from Ohio in trying to make sure that it in fact does what everybody expresses is their intention, and that is aid small businesses.

Mr. MCINTOSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, a lot of debate is going on right here about whether or not this bill is in the interest of the Nation's small business. Let me quote for my colleagues from a letter from the NFIB, the voice of small business, the Nation's largest small business organization. In their letter they point out that

this bill will build on past efforts to reduce the flow of government red tape by taking steps to reduce the paperwork burden for small business. Importantly, the bill requires Federal agencies to waive civil fines for first-time paperwork violations so that small businesses can correct the violation. This provision provides small business owners with a one-time warning that they should comply with paperwork requirements, not a blank check to disregard government rules and endanger the welfare of their employees. Small businesses must still correct the violation under this legislation.

The text of the letter is as follows:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, DC, March 17, 1998.

Hon. DAVID MCINTOSH,
Chairman, Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the 600,000 members of the National Federation of Independent Business, I am writing to express our strong support for the ''Small Business Paperwork Reduction Act Amendments of 1998.'' We appreciate your leadership in moving forward with this legislation to address one of the perennial concerns of small business owners.

The burden of federal government paperwork continues to rank high among the top concerns of NFIB members. In our 1996 edition of Small Business Problems and Priorities, federal paperwork ranked as the seventh highest concern of our members. Because of their size, government paperwork hits small business particularly hard.

This bill will build on past efforts to reduce the flow of government red-tape by taking steps to reduce the paperwork burden for small business. Importantly, the bill requires federal agencies to waive civil fines for first time paperwork violations so that small businesses can correct the violation. This provision provides small business owners with a one-time warning that they should comply with paperwork requirements—not a blank check to disregard government rules and endanger the welfare of their employees. Small businesses must still correct the violation under this legislation.

We believe this legislation includes incentives for small business owners to comply with paperwork requirements by providing them with an agency point of contact, a one-time suspension of fines, and encourages further government action to streamline paperwork. We hope it receives the full support of your subcommittee and the full committee.

Sincerely,

DAN DANNER,
Vice President.

Mr. Chairman, this amendment, as well intended as it is, frankly would gut that provision in the bill, because it does nothing more than reenact the requirement in SBREFA that the agencies adopt a policy in appropriate circumstances, with discretion. What we have seen since SBREFA has been enacted is that the agencies have failed to meet the requirement on reducing paperwork and when they do have policies, continue to impose fines for innocent paperwork violations. I would like to point out the severity of the failure of the agencies to actually live up to SBREFA and submit for the RECORD a list of the performance standards as reported from OMB agency by agency. Several of them have actually increased their paperwork requirements since that law was passed. The Commerce Department went up by 8.8 percent last year, interior by 16.3 percent, Transportation by 32.7 percent, EPA by 6.9 percent, FEMA by 7.7 percent, NSF by 4.9 percent, and the Office of Personnel Management by 4.4 percent. That is in spite of the mandate from Congress to reduce their paperwork by 10 percent each year. So the agencies are not paying attention to SBREFA. To merely reenact the requirement there that they adopt the policy in this area will fail to protect our Nation's small businesses.

I am with NFIB, that we need to keep the bill as written and we need to actually do what is good for our Nation's small businesses and sadly reject the effort of our colleagues to try to bring back SBREFA. We need to move forward in this area and keep the bill as it is written.

The document referred to is as follows:

TABLE 3.—TOTAL INFORMATION COLLECTION BURDEN BY AGENCY

	Fiscal year 1995 total hour burden	Fiscal year 1996 total hour burden	Estimated fiscal year 1997 total hour burden	Percent change from fiscal year 1995 to fiscal year 1996	Est. percent change from fiscal year 1996 to fiscal year 1997
Government Totals	6,900,931,627	6,722,553,928	6,599,717,955	−2.6	−1.8
Totals, excluding Treasury	1,569,633,594	1,369,708,498	1,305,372,478	−12.7	−4.7
Departments:					
Agriculture	131,001,022	107,248,206	96,361,525	−18.1	−10.2
Commerce	8,239,828	7,960,779	8,663,555	−3.4	+8.8
Defense	205,847,538	152,490,315	127,479,302	−25.9	−16.4
Education	57,554,905	49,111,300	44,000,000	−14.7	−10.4
Energy	9,187,531	[1] 4,656,053	[1] 4,167,682	−49.3	−10.5
HHS	152,615,502	137,540,947	123,004,913	−9.9	−10.6
HUD	33,769,554	37,245,148	35,742,755	10.3	−4.0
Interior	4,165,429	4,357,370	5,069,683	4.6	+16.3
Justice	36,670,323	36,162,128	30,910,453	−1.4	−14.5
Labor	266,447,906	241,077,975	221,847,999	−9.5	−8.0
State	8,678,480	[2] 596,789	598,475	−93.1	+0.3
Transportation	91,022,665	66,167,487	87,832,271	−27.3	+32.7
Treasury	5,331,298,033	5,352,845,430	5,294,345,477	0.4	−1.1
Veterans Affairs	11,133,887	9,434,552	6,974,355	−15.3	−26.1
Subtotal	6,347,632,603	6,206,894,479	6,086,998,445	−2.2	−1.9
Agencies:					
EPA	103,066,374	107,655,255	115,056,000	4.5	+6.9
FAR	22,146,676	23,445,460	23,348,937	5.9	−4.1
FCC	22,644,046	23,879,914	22,002,682	5.5	−7.9
FDIC	8,502,121	8,633,570	7,974,929	1.5	−7.6
FEMA	5,175,501	4,802,083	5,172,159	−7.2	+7.7
FERC [1]	.....	5,157,268	5,157,268	.....	0
FTC	146,149,460	146,148,091	146,139,841	0.0	−0.0
NASA	9,561,494	9,228,714	8,813,813	−3.5	−4.5
NSF	5,691,560	5,760,203	6,043,963	1.2	+4.9
NRC	8,726,244	9,942,882	9,493,835	13.9	−4.5
OPM	1,038,719	933,086	974,490	−10.2	+4.4
SEC	191,527,284	142,105,083	135,774,892	−25.8	−4.5
SBA	2,355,150	2,288,365	2,160,000	−2.8	−5.6
SSA	25,307,594	25,679,475	24,606,701	1.5	−4.2
Subtotal	[3] 553,299,024	515,659,449	512,719,510	−6.8	−0.6

[1] The paperwork burden for the Federal Energy Regulatory Commission was contained in the DOE burden inventory in FY 95 but counted separately in later years.
[2] State's FY 96 reduction is attributable to the expiration of OMB number 1405–0018 (8 million hours).
[3] Subtotal includes a total of 1,406,801 hours of burden from AID, GSA, NARA, and USIA.

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

Mr. Chairman, let me begin my remarks by commending the bill's sponsor as well as the amendment's sponsor for the thoughtful discussions that has unfolded on the House floor. I think that the tone and the depth of the debate has been extremely interesting. I want to also commend the bill's sponsor and the amendment's sponsor for advancing a very important public purpose of providing meaningful paperwork reduction to the small employers across the country.

I have spent probably the last 2 or 3 years in this Chamber focusing on how we expand employer-based retirement savings opportunities for the Nation's workforce. I have concluded that providing paperwork reduction is an important part of expanding the opportunity for employers to offer work-based retirement savings. We have simply made it too complex, too confusing, too cumbersome and we have actually discouraged employers from doing just what we want to encourage them to do, provide a retirement benefit for their workers.

I have joined this effort at paperwork reduction. We have passed some on defined contribution plans, we have got some that is proposed and under consideration for defined benefit plans. One of the things that I have learned as we have worked in this area of paperwork reduction for retirement benefits is that it is vitally important to get it right. Therefore, the amendment before us deserves very careful consideration. I would urge its adoption. I think that the bill overreaches relative to retirement benefits. Let me give my colleagues a couple of examples of where it would.

One of the requirements, one of the regulatory requirements of an employer offering retirement benefits to their employees is that they provide a summary plan description to the employee alerting the employee as to the benefit they are receiving. This can be very important. In a defined contribution plan, for example, it is quite often structured so the employer will match the employee's contribution into the retirement savings account. The employee, for example, for every dollar up to 3 percent of salary for example, the employer will match dollar for dollar. Imagine the situation, if you will, where the employer forgets to notify the employee that that program is available, that that match is available into the retirement account. The employee does not know of this retirement benefit, the employee does not exercise their opportunity to gain retirement savings, and there is nothing, virtually nothing the Department of Labor can do under the bill to respond to that situation.

We need to have our workforce have retirement benefits at work and we need to have them alerted to what those benefits are. I think the amendment would be much more appropriate than the bill itself relative to that issue.

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

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

Mr. SHADEGG. Mr. Chairman, I appreciate the gentleman's comments but I want to ask the gentleman, is he aware that there is a specific exemption which covers all IRS regulations and all IRS paperwork requirements and that as a result of that exemption, ERISA, the act that he has just been discussing, is exempted; that is, the paperwork violation about which he is concerned which comes under ERISA is not covered; that is, is exempted from this provision?

Mr. POMEROY. I would be happy to respond. The regulatory requirement to which I was speaking is originally based in the ERISA legislation, but based in the Department of Labor. And so it is certainly my impression that the legislation before us does not waive that one, that it would be applicable as a Department of Labor requirement on small business.

Mr. SHADEGG. If the gentleman will yield further, it is my understanding and perhaps we can get a clarification from staff, that the exemption of ERISA from the provisions; that is, of all the IRS code and therefore of ERISA, takes care of the specific issue that he is raising.

Mr. POMEROY. I have another issue that I will raise in that respect, but I would love the clarification, that ERISA in total is not subject to the act. That is not my understanding.

Mr. SHADEGG. That is my understanding.

Mr. POMEROY. Can the gentleman clarify that?

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

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

Mr. TIERNEY. The fact of the matter is that ERISA only partially deals with the collection of money issues. There are many other provisions of ERISA that deal with the collection of information for other pertinent and very valuable reasons that would not be involved with this particular exclusion concerning the internal revenue law.

Mr. POMEROY. Reclaiming my time, that is precisely my point. This is not an IRS ''you owe the money'' deal. This is a requirement on the employer that they notify the employee of what their retirement benefits are. It is my belief that that would be dealt with under the act, that part of ERISA is not exempted.

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

Mr. Chairman, I rise in opposition to the Kucinich amendment and in support of the legislation as introduced. Let me make it clear why I feel that is appropriate. Under existing law, SBREFA as we have passed it, the Small Business Regulatory Enforcement Fairness Act, which was passed in 1996, the language in this proposed amendment, is already present law. That is to say, in the amendment now being offered, any agency which regulates small business would be required to establish a policy or program in appropriate circumstances for first-time violations of a paperwork requirement. The existing law, a copy of which I am holding here in section 223(a), already says that all agencies are required, and I quote, to establish a policy or program under appropriate circumstances for the waiver of civil penalties.

☐ 1230

The requirement that is embodied in this amendment is already in existing law.

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

Mr. SHADEGG. Certainly I yield to the gentleman from North Dakota.

Mr. POMEROY. Mr. Chairman, this is just for purposes of clarifying our earlier exchange.

I would point to page 4 of the bill, lines 22 through 25, as addressing the violation or violations of Internal Revenue law or laws asserting the assessment or collection of any tax debt, revenue or receipt, and the provision of ERISA to which I was referring was the requirement that an employer alert the employee of the retirement benefits in the plan. That is something that I believe we want to encourage, and I am afraid a blanket exemption as contained in the bill, unlike the proportional language dealt with in the amendment, would be an overreach, would be too much of a correction in that respect.

Mr. SHADEGG. Reclaiming my time, Mr. Chairman, it appears we have different interpretations, as occasionally happens. My understanding from the staff on our side is that because we get an IRS deduction for the establishment of a benefit plan which complies with ERISA, that everything that is required to comply with that and that is in order to get the benefit, one is required to do these certain things. That is, in fact, a provision of the IRS Code brought into this under ERISA and that it would apply.

Mr. POMEROY. Mr. Chairman, I thank the gentleman.

Mr. SHADEGG. Certainly.

To return to my point, Mr. Chairman, I think first of all, it is important for Members to understand that the language of the amendment is already the language of existing law. We have already told agencies to establish a policy or program under appropriate circumstances for the waiver of civil fines.

That language, I think if now reenacted, would make this bill almost meaningless, and I think it is important for Members to understand that this bill, as written and as introduced and brought here by the committee, covers first-time paperwork violations.

And it seems to me quite clear that when you understand that we are leaving in place the ability to punish the underlying substantive offense, the underlying violation of the law, and when we are only talking therefore about the paperwork violation, that is, the failure to file the paperwork from which one might discover the underlying violation, I have a difficult time seeing the problem and a difficult time accepting an amendment which would gut that.

But beyond that, it is very important to understand that what this legislation does is it applies to first-time violations only. When we think of the businesses across America, no business can start business and exist and be profitable with the heavy paperwork burdens they have, and have to file literally dozens, if not hundreds, if not thousands of these forms, and there was plenty of testimony before the committee about the paperwork burden.

But the point here is that for any kind of a violation that might reveal a pattern of conduct that might result in harm, a one-time violation is not going to cause a serious problem. The form is going to have to be filed over and over and over again. This simply says that for the first violation there should not be a penalty, and it only says that in certain circumstances. If health and safety is still implicated, then there can be a penalty.

I will remind the Members of the discussion earlier about the gentleman who was visited at his restaurant. He was missing one form. The form was a data sheet about the safety of something in his restaurant. It was a soap in his restaurant, not a harmful product. He was fined $1,000 by OSHA. During the OSHA visit, his store manager called the company and had the data sheet, material safety data sheet, faxed to the office. It was there within that period of time, there within a matter of minutes, and OSHA still imposed the $1,000 fine.

Mr. Chairman, I think that makes no sense, and I think this is a reasonable piece of legislation on which we have tried to work with the other side in a bipartisan fashion, and they have proffered language which has improved it. I urge the rejection.

The CHAIRMAN. The time of the gentleman from Arizona (Mr. SHADEGG) has expired.

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

Mr. SHADEGG. I urge the rejection of the amendment as being an amendment that would set this legislation so far back as to make it nearly meaningless, and I urge the adoption of the bill as proffered by the committee.

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

Mr. SHADEGG. I yield to the gentleman from Texas.

Mr. DELAY. I really appreciate the statement that the gentleman from Arizona makes, Mr. Chairman, and I too rise in support of this legislation and, frankly, in opposition to this gutting amendment. And I appreciate the gentleman standing against this amendment.

I am just amazed at the liberal opposition to this legislation.

It must represent a really a low point.

It must really represent a low point in their anti-small business efforts; now we understand the real motives of the far left. The liberals are in favor of more paperwork, they want more work for government.

Mr. Chairman, it seems to me that the liberals are in favor of more paperwork, they want more work for government bureaucrats, they want more profits to be wasted on redundant forms and silly Federal regulations and requirements. I got to tell my colleagues, Karl Marx must be turning over in his grave. Is this the once proud left wing, is this all they have to fight over?

I too oppose this gutting amendment, Mr. Chairman, and support this commonsense legislation. I just think we ought to give small businesses a break today.

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

Mr. Chairman, I want to thank the Members on the other side for the title of this bill, the Small Business Paperwork Reduction Act. That is a terrific title, and it is hard to imagine that any one of us could oppose a bill like that, except for the content of the bill. But that is a great title.

But the fact is that we have got two proposals in front of us. One is the Kucinich-Tierney amendment, and I believe that is the right sort of amendment because it gives our agencies the kind of flexibility that we need.

The other side has gone on about how the bill, as drafted and as reported out by the committee, only deals with paperwork violations. But there are paperwork violations and others. The fact is that for many of our agencies there has to be a regular period of reporting.

I want to mention a couple of things. The principal deputy, an associate general for the Department of Justice, has testified that automatic probation for first-time offenders would give bad actors little reason to comply until caught, and that would work to the economic detriment of those hard-working small business owners who work hard to comply with the law. And that is my fear about this particular legislation.

If we approve this legislation, we are creating a set of incentives, and among those incentives are an interest of some people in taking the reporting requirements less seriously; and, in my opinion, that hurts the legitimate small business owner who is out there trying to comply with the law, and helps those who are trying to get away with one thing or other.

As my colleagues know, the Department of Justice has also said that this bill could interfere with the war on drugs, hinder efforts to control illegal immigration, undermine food safety protections, hamper programs to protect children and pregnant mothers from lead poisoning, and undercut controls and fraud against consumers and the United States.

I am very concerned about this bill in a number of different respects, and I want to turn to one of them in particular. We have a set of protections that are designed to protect our safe drinking water, and self-monitoring and reporting are the foundations of the Clean Water Act and the Safe Drinking Water Act. These reporting requirements are designed to give State and Federal environmental protection officials knowledge of environmental compliance before any harm occurs.

Under H.R. 3310, the agency would have to prove the failure to report the pollutant, and not just the existence of the pollutant, posed a substantial and imminent threat before it could assess fines. And I do not think that relying on EPA inspections is a viable alternative. The EPA only has enough staff to inspect our 200,000 public water systems once every 40 years.

What we need is an effective system of reporting, and if my colleagues look at the Tierney-Kucinich amendment, what it is doing is saying that rather than a blanket exemption for all first time offenders, what they are doing is directing every agency to develop policies to deal with first time so-called paperwork violations.

That is a far more sensible approach. It is a kind of approach that I think makes sense. It is a kind of approach that will give our small businesses the relief they need, and yet not let people off the hook when they do not create any incentives for people not to keep the kinds of records that help keep our public safe in a wide variety of different areas.

As Franklin Raines has said, and I will yield in one second, the primary beneficiaries of section 2(B) would appear to be those who do not act in good faith and those who intentionally or willfully violate the applicable regulations.

That is what we are concerned about on this side of the aisle, and I urge my colleagues to support the Kucinich-Tierney amendment.

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

Mr. ALLEN. I yield to the gentleman from Indiana.

Mr. McINTOSH. First, Mr. Chairman, I want to make sure the gentleman is aware of section 2 that says in the case of imminent and substantial danger to public health or safety, the agency can continue to impose a civil fine.

Second, let me state for the record I do appreciate the work of the gentleman from Ohio (Mr. KUCINICH) and the gentleman from Massachusetts (Mr. TIERNEY) on this amendment. We disagree about it. I do believe that it would ultimately gut this key provision in our bill. But he has worked in

good faith in the committee in trying to develop this legislation, and I want to say in particular that many of the provisions in our bill that make sure that in cases of an imminent danger to public health and safety are there with the good work of the gentleman from Ohio (Mr. KUCINICH). We did not go as far as he wanted to in the language, and so we are debating his amendment, but I appreciate his good work on this.

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

Mr. Chairman, let us try to understand what is at issue. If small business did not do something that was technically required in terms of filing some paperwork, or if their failure to comply adequately was inadvertent, they acted in good faith, no one thinks that they ought to have a penalty imposed upon them.

But on the other hand, if a small businessman or woman willfully and recklessly were involved in criminal conduct and in pursuance of that criminal conduct did not file the reports that would disclose that conduct, that small business person should not be let off the hook.

And, no, I will not yield at this moment, but I hope the gentleman will listen to me because I think this bill is flawed, because the bill before us would allow such a small businessperson who willfully, recklessly and intentionally tried to take advantage of this law that said that they did not have to get penalized if they filed such a report.

I do want to yield to the gentleman from Indiana because I find that hard to justify.

Mr. SUNUNU. I am the gentleman from New Hampshire.

Mr. WAXMAN. The gentleman from Indiana is the author of this. I find it hard to justify.

Now, the exception that he wrote into his bill is if there is an imminent and substantial threat to harm or safety; but that does not answer the problem because the agency would have to prove this eminent and substantial threat.

It seems to me to make more sense, if we are trying to remove the threat on a small businessperson who acted in good faith and they are going to be fined, that we do not let the others off the hook who are acting recklessly and willfully.

Could the gentleman explain why he would allow that to happen?

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

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. MCINTOSH. Mr. Chairman, I will be happy to explain once again that our bill does exactly what the gentleman wants do, which is target the efforts on those who are willfully violating the law.

In addition, I would ask the gentleman, is it not true that the agencies still have civil prosecutions in court? Is it not true that the agencies still have criminal prosecution available to them? Is it not true that the agencies still have injunctive relief to make sure that where there are willful bad actors, they will be dealt with with the full force of the United States Government?

□ 1245

Mr. WAXMAN. That is a very good question. But the problem is that the agency might not know about someone's 401(k) fraud unless they see what disclosures were in the paperwork. They have to find out about something for which they are not being informed.

The reason that certain forms are required to be filed is to give the agency the information to know whether that small business is complying with the law. If they do not file the form, they may not know that a small pharmaceutical company found out that there was a side effect that could do harm, or that a seller of property knew about a lead threat or did not disclose it, or that the employer knew that their employees may be harmed by some hazardous substance and did not disclose it to them or to the agency involved. The agency just would not know. That is the first reason.

The second answer to your question is, not only would the agency not know, but let us say the agency did know. To require the agency to come in and then have to get injunctive relief and criminal actions and all of that just seems to me to put the agency in a position where they are going after the small business with a sledgehammer. The reason for these reports is not to just collect money. The reason is to know whether there is a problem.

The Kucinich-Tierney amendment spells out very clearly that if there is a technical or inadvertent reason why that report was not filed, if it was in good faith, there were efforts to comply or rectify the violations and there was no previous lack of compliance history, that they would not be fined.

But, on the other hand, if there was a willful or criminal involvement that in fact there was a threat to harm and safety to consumers, investors and others, and that there was not this good-faith effort on their behalf, and in fact they had a very murky record in terms of complying, in fact they had not complied in the past with other requirements or they got an economic benefit for the violation, those factors would be taken into consideration, and they ought to be taken into consideration.

Unless this amendment is adopted, it could not even be looked at.

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

Mr. Chairman, let me begin by repeating a point that was made here in response to the remarks that were made that did not receive any response, and that was simply that, under this underlying legislation, there is no restriction whatsoever on an agency's ability to pursue civil penalties. There is no restriction whatsoever on their ability to pursue criminal prosecution. There is no restriction whatsoever on an agency's ability to seek injunctive relief. The provisions are retained to pursue bad actors to the fullest extent of the law.

The only attempt to provide relief here is for those small businesses that are first-time paperwork violators. Even so, there are exemptions in the legislation that provide to make sure that if there is a threat to public safety, if we are dealing with fraudulent issues related to the IRS or tax matters, or if we are reducing an ability to pursue criminal activity, there is full exemption from those restrictions.

The goal here is to ensure that agencies can go after the bad actors, can go after those that are negligent, can go after those that pursue criminal activity. But for the small business that has a first-time paperwork violation, there is some relief.

Also, the legislation ensures that those small businesses are at least made aware of what the small business regulations are, the paperwork regulations are, through the Internet. I think that that is an important step in the right direction. I think it provides the kind of relief that small businesses certainly deserve.

A comment was made about the amendment, the Kucinich amendment, which I certainly oppose that somehow this amendment gives agencies the flexibility they need. The fact is this amendment gives agencies the flexibility they already have, because it essentially restates the Small Business Regulatory Enforcement Fairness Act that is already on the books.

The amendment, the Kucinich amendment, is nothing more than a status quo amendment. It reflects no change. SBREFA, Small Business Regulatory Enforcement Fairness Act, may be a good business regulation, but it does not bring us forward; it does not provide for additional relief.

The fact is, if you support the status quo, that may be fine, but there are small businesses out there in New Hampshire, all across the country that are concerned about the burden of paperwork, that are concerned about the cost of regulation; and this provides them with some relief for that small business that is a first-time paperwork violator.

Mr. Chairman, I yield to the gentleman from Indiana (Mr. MCINTOSH).

Mr. MCINTOSH. Mr. Chairman, first, let me express appreciation for the gentleman from New Hampshire, vice chairman of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs. He has done a wonderful job on our committee in helping to craft this legislation and also overseeing the functions of the subcommittee.

I am amazed by the complex argument of my colleague, the gentleman from California (Mr. WAXMAN). But it

seems to come down to, on the one hand, they are afraid that the agencies will not do enough because they do not have the civil fines. On the other hand, they are afraid they might do too much because they have civil penalties in the courts and criminal penalties and injunction.

I will, once again, share with my colleagues the analogy that I think fits the description here. The agencies are like traffic cops. They would rather give out tickets for speeding violations than apprehend who has broken into your house and is stealing your TV, because it is a lot easier to give out traffic tickets than to go after the real bad guys.

What this bill says is that we are going to give you a pass if you make an innocent mistake the first time; but if you are a bad actor, we are going to come after you with all the full force of the Federal Government.

In closing, I am sad to say, but a vote for the Kucinich-Tierney amendment is a vote against our Nation's small businesses because it would not move the dime forward on this key issue.

Mr. SUNUNU. Mr. Chairman, I thank the gentleman from Indiana very much for his remarks. In closing, I want to reemphasize the point that seems to have been missed by those who were opposed to this legislation and supportive of this gutting amendment; and that is that this legislation does nothing to limit the agency's ability to seek criminal penalties, to seek civil penalties and civil prosecution, to put an injunction in place and to pursue the bad actors or anyone that ought to be convicted of willful or negligent activity. We can prosecute them to the fullest extent of the law.

This is some relief for small businesses, relief only for first-time paperwork violations and provides full exemption when there is an imminent threat to public safety. The drinking water issues that were raised, lead poisoning, I think few would doubt that these are issues of public safety, a threat to public health; and that would certainly, in appropriate circumstances, be dealt with with the exemption of this legislation.

Mr. Chairman, I would urge my colleagues to oppose the Kucinich amendment and support paperwork relief for small businesses.

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

Mr. Chairman, let me just start by saying again most of the way along the path here, this has been an effort to cooperate with the gentleman from Indiana (Mr. MCINTOSH), chairman of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, with the gentleman from Ohio (Mr. KUCINICH), myself, and others on the committee to do something good for small businesses.

It was unfortunate to hear the gentleman from Indiana wrap up with some statement about this vote on the amendment being a vote against small business. That is clearly not so. I cannot believe that the gentleman from Indiana, after the long, cooperative effort that he has had with the gentleman from Ohio (Mr. KUCINICH), in particular, and myself and others on the committee really believes that is the case.

What we have is a vote about what each respective side believes is the appropriate way to both help small business and to also make sure that we put in place the requirements that would protect the public safety and the public health and the environment that we are all required to do. We can have an honest disagreement about how that might proceed, but we ought not to take this to the rhetorical level that somebody is for or against anything completely.

People on this side of the aisle, Mr. Chairman, are firmly for small business. We clearly understand that our amendment, the Tierney-Kucinich amendment, states that this will tighten up SBREFA, this will make small business violations, for the first-time instances, be addressed by an agency mandatorily with a waiver in those occasions where that is appropriate. That brings SBREFA further along with regard to that particular than it is today.

There is no place for bombasting in this debate, and there is no place for labels going on. This is simply, how do we best protect the public interest and protect small businesses as they go about their venture?

There are parts in this bill that are very good. Should we give notices to small businesses, provide a list so we know about the requirements that have to be met? Absolutely. We can all agree upon that. Might we have one point of contact so a small business goes to an agency to deal with one individual to get their issues resolved? Absolutely. Should we have a task force for streamlining the amount of paperwork that small business has done? That would really result in paperwork reduction. That is an excellent part of the bill that we support.

Mr. Chairman, I would yield for a couple of seconds to the gentleman from Indiana (Mr. MCINTOSH) to ask him to point out any part of H.R. 3310 that actually in itself reduces paperwork. There is nothing in that bill that does anything to reduce paperwork.

The closest thing that is arrived at is this provision to have a task force to streamline. We are firmly behind that. We would urge the committee to do just that, to get that report and then to take that stack that is on the table next to the gentleman from Indiana (Mr. MCINTOSH) and reduce it significantly.

All through my business career and the people that I represented, we complained about that amount of paperwork being there, thought that we might be able to reduce it, while at the same time, protecting the public interest. That is what the Kucinich-Tierney amendment portends to do. It portends to make sure that nobody is given an incentive not to comply.

Although we may disagree, Mr. Chairman, with the wording that is in that bill, I can tell you clearly that a practical reading of it would be an incentive to those businesses that are inclined to not comply to do just that.

For all the businesses that go out there day-to-day that are concerned about what they do and its effect on the environment, are concerned for the safety of their employees, are concerned for law enforcement, are concerned that everybody, including themselves, have their pensions protected. They simply want to be relieved from as much paperwork as they can be, and they want the ability for an agency to come in and apply a policy that would allow a waiver in a first-time violation where it is appropriate.

They are not looking for ways to have their competitors who might be unscrupulous avoid the obligation at a disadvantage to the law-abiding business person.

To say that the proper remedy here is injunctive relief, to say, well, you can still prosecute them criminally, to say that you can have more inspections, as a business person, let me tell the gentleman from Indiana, no, thank you. If it comes down to having an agency exercise its discretion and treat me fairly and, at most, give me a civil penalty. I am for that.

If you think the $750 fine that you keep repeatedly bringing up, and those on your side, is a big number, wait until you see what the cost for injunctive relief is when you have to go out and hire a lawyer to protect yourself against that. Wait until you see what the cost is for criminal prosecution. Wait until you see what those inspections, how onerous those can be when they are not there.

Let us do the appropriate thing and make sure that in a first-time violation, the agency has the discretion it should have.

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

Mr. TIERNEY. I yield just very briefly to the gentleman from Indiana.

Mr. MCINTOSH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, in that example, Mr. Gary ROBERTS is fined $750. He actually brought the hazardous communication program right to the work site.

Mr. TIERNEY. Reclaiming my time, I will address that.

Mr. MCINTOSH. There would be no need for an injunction, no need for a court case.

Mr. TIERNEY. Reclaiming my time, that example is a situation, and OSHA came in and testified before the committee and told you that has been addressed, that OSHA has a zero tolerance now for those situations. They do not fine people for failing to have something posted in a first-time violation and had put in fact a policy; we had agency after agency come in before

us and tell us that they are moving in that direction.

The fact of the matter is, we are waiting on the reports on the SBREFA to see what the policies are and what the effect is. The majority on the committee got anxious and went forward with this bill before they even found out what the information was. That is not appropriate here. Your own party has raised some very important issues here.

Mr. Chairman, I would ask my colleagues to support the amendment. It does, in fact, help small businesses. We can all be on the same page here, and we ought it be

The CHAIRMAN pro tempore (Mr. DICKEY). The question is on the amendment offered by the gentleman from Ohio (Mr. KUCINICH).

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

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

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, further proceedings on the amendment offered by the gentleman from Ohio will be postponed.

The point of no quorum is considered withdrawn.

□ 1300

AMENDMENT OFFERED BY MR. MCINTOSH.

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

The Clerk read as follows:

Amendment offered by Mr. MCINTOSH:

Page 6, strike line 25 and insert the following:

imposed by the agency.

''(4) Notwithstanding any other provision of law, no State may impose a civil penalty on a small-business concern, in the case of a first-time violation by the small-business concern of a requirement regarding collection of information under Federal law, in a manner inconsistent with the provisions of this subsection.''.

Mr. MCINTOSH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. DICKEY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MCINTOSH. Mr. Chairman, this amendment came out of testimony that we did hear from OSHA and many of the States; where they do have enforcement of their regulations, the States actually are the entities that enforce it, and they said even if our bill passed, they would not be able to control what those State enforcement agencies did in terms of civil penalties for first-time violations.

So what this amendment does, it is a very narrow amendment that says, where there is a Federal law that is being enforced by State agencies, those agencies also will have to comply with the sections of this bill that allow small businesses to have an exemption for a first-time violation that does not pose imminent threat to health and safety, does not impede criminal investigation, does not involve an Internal Revenue Code provision.

So it is an amendment we probably should have put into the full committee draft when we had a substitute. We did not. But in reflecting upon the testimony given to us by the agency on a problem where their hands are tied in certain cases, where they do not really get to control enforcement activities, this would mean that all of the enforcement, whether it is done at the State or the Federal level, are on an equal basis so that one does not have small businesses in some States being harassed and some small businesses in other States being protected by the statute.

Mr. TIERNEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just would note the irony in this particular amendment coming from my colleagues on the other side of the aisle. For a group that repeatedly talks about States' rights and the Federal Government telling States what they can and cannot do, this would seem to me to be the ultimate example of that.

For those States that like to have some ability to exempt themselves from Federal programs or Federal requirements and impose their own set of priorities, for instance, if a State chooses to focus on reporting requirements instead of on-site inspections, it may well want to assess civil fines when there are intentional violations of those requirements. This, of course, would prohibit the State from having that kind of flexibility; it is ironic, and just a bit amusing on this side of the aisle to see how everyone who supports States' rights or would want to support them and vote for this amendment.

We regularly hear about how flexible approaches make more sense and how States know what is best for their constituents. However, a vote for this particular amendment would appear to be a vote against that flexibility and a vote against States' rights; and I, for one, would be very curious to see what support it has and does not have from those who have always professed the opposite.

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

Mr. TIERNEY. I yield to the gentleman from Ohio.

Mr. KUCINICH. Mr. Chairman, I want to express my concern about this amendment. I have read the amendment and I understand the concern which is behind it, but I would offer this cautionary note, that States feel very strongly about their prerogatives with respect to oversight and enforcement. States' attorneys general, the attorneys at various district levels, county health officials, are all very much involved in enforcement processes, and as a matter of fact, I think one can argue that in some cases, they are the closest to it.

So to amend this law by taking the State out of it, by saying no State may impose a civil penalty on a small business concern, and then it goes on in a manner inconsistent with the provisions of this subsection, it takes the power away from the States. I think that we should be very cautious about doing that without having full hearings on this to hear testimony from State officials as to how this could impact their ability to enforce the law.

Mr. Chairman, I think there are instances where Congress needs to respect the rights of the States, and certainly this amendment calls into question whether we are really doing that; and for that reason, I have to reluctantly oppose the amendment by the gentleman from Indiana (Mr. MCINTOSH), my good friend.

The CHAIRMAN pro tempore. Does any Member seek recognition?

If not, the question is on the amendment offered by the gentleman from Indiana (Mr. MCINTOSH).

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

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

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, further proceedings on the amendment offered by the gentleman from Indiana (Mr. MCINTOSH) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 1 offered by the gentleman from Ohio (Mr. KUCINICH), and an amendment offered by the gentleman from Indiana (Mr. MCINTOSH).

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

AMENDMENT NO. 1 OFFERED BY MR. KUCINICH

The CHAIRMAN pro tempore. The pending business is the request for a recorded vote on the amendment offered by the gentleman from Ohio (Mr. KUCINICH) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the additional amendment on which the Chair has postponed further proceedings after this 15-minute vote.

The vote was taken by electronic device, and there were—ayes 183, noes 221, not voting 26, as follows:

[Roll No. 72]

AYES—183

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brown (CA)
Brown (OH)
Capps
Carson
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gordon
Green
Gutierrez
Hall (OH)
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
John
Johnson (WI)
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lazio
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pomeroy
Poshard
Price (NC)
Rahall
Redmond
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOES—221

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cooksey
Cox
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—26

Becerra
Brown (FL)
Cannon
Cardin
Conyers
Cook
Crapo
DeLay
Ford
Gillmor
Gonzalez
Harman
Houghton
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
McDermott
Millender-McDonald
Olver
Paxon
Payne
Rangel
Reyes
Riggs
Royce
Waters

□ 1325

Mr. KIM and Mr. HORN changed their vote from ''aye'' to ''no.''

Mr. LIPINSKI and Mr. DIAZ-BALART changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. COOK. Mr. Chairman, on rollcall No. 72, Kucinich amendment to H.R. 3310, had I been present, I would have voted "No."

I was giving a speech to the National Equipment Manufacturers at the Carleton Hotel at 16th & K; my beeper simply did not function, possibly because of being inside a center room on the ground floor. I am a bit miffed because it broke my 100% voting record!

AMENDMENT OFFERED BY MR. MCINTOSH

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. MCINTOSH) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This is a five-minute vote.

The vote was taken by electronic device, and there were—ayes 224, noes 179, not voting 27, as follows:

[Roll No. 73]

AYES—224

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehner
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Collins
Combest
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—179

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brown (CA)
Brown (OH)
Capps
Carson
Clay
Clayton
Clyburn
Condit
Costello
Coyne
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo

Etheridge
Evans
Farr
Fattah
Fazio
Filner
Forbes
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Johnson (CT)
Johnson (WI)
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Oberstar
Obey
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pomeroy
Poshard
Price (NC)
Rahall
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith (NJ)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Weldon (PA)
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—27

Becerra
Bonilla
Brown (FL)
Cannon
Cardin
Conyers
Cook
Crapo
Ford
Frelinghuysen
Gillmor
Gonzalez
Harman
Houghton
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
McDermott
Millender-McDonald
Olver
Paxon
Payne
Rangel
Riggs
Royce
Sanders
Waters

□ 1337

Mr. SHAYS changed his vote from ''aye'' to ''no.''

Mr. DIAZ-BALART changed his vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. COOK. Mr. Chairman, on rollcall No. 73, McIntosh Amendment to H.R. 3310, had I been present, I would have voted yes. I was giving a speech to National Equipment Manufacturers at the Carleton Hotel at 16th & K. My beeper simply did not function, possibly because of being inside a center room on the ground floor. I'm a bit miffed because it broke my 100% voting record!

The CHAIRMAN pro tempore (Mr. DICKEY). Are there any other amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. DICKEY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3310) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, pursuant to House Resolution 396, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 267, noes 140, not voting 23, as follows:

[Roll No. 74]

AYES—267

Aderholt
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehner
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Luther
Maloney (CT)
Manzullo
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Roukema
Ryun
Salmon
Sanchez
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—140

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bentsen
Berman
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (OH)
Carson
Clay
Clyburn
Costello
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Dixon
Doggett
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Furse
Gejdenson
Gephardt
Gutierrez
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Mink
Moakley
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Poshard
Rahall
Reyes
Rivers
Rodriguez
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith (NJ)
Snyder
Stark
Stokes
Strickland
Stupak
Thompson
Tierney
Torres

Towns	Watt (NC)	Woolsey
Velazquez	Waxman	Wynn
Vento	Wexler	Yates
Visclosky	Wise	

NOT VOTING—23

Archer	Gillmor	McDermott
Becerra	Gonzalez	Millender-McDonald
Bonilla	Harman	Payne
Brown (FL)	Houghton	Rangel
Cannon	Jackson-Lee (TX)	Royce
Cardin	Jefferson	Waters
Conyers	Johnson, E. B.	
Crapo	Kasich	
Ford		

□ 1359

The Clerk announced the following pairs:

On this vote:

Mr. Royce for, with Mr. McDermott against.

Mr. Bonilla for, with Mr. Rangel against.

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: ''A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, and for other purposes.''

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCINTOSH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3310, the bill just passed.

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

There was no objection.

CONFERENCE REPORT ON H.R. 1757, FOREIGN AFFAIRS REFORM AND RESTRUCTURING ACT OF 1998

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 385 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 385

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1757) to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, to preserve the prerogatives of the Congress with respect to certain arms control agreements, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from New York (Mr. SOLOMON) is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 385 waives all points of order against the conference report that accompanies this bill, the Foreign Affairs Reform and Restructuring Act of 1998, and against its consideration. The rule also provides that the conference report be considered as read. This of course is the traditional type of rule for considering conference reports and will allow expedited consideration of this legislation.

Mr. Speaker, on the conference report itself, I am pleased to say that I will be able to support a State Department authorization bill for the first time in many, many years. I am not in the habit of voting for foreign aid of any kind, and I am not in the habit of voting for the State Department authorization bill. But I think all Members ought to listen up, particularly those of conservative persuasion who may have some concern about this bill.

First of all, one reason I support it is because of the excellent work by the gentleman from New York (Mr. GILMAN), the gentleman from New Jersey (Mr. SMITH) and the rest of the conferees who have managed to retain some very excellent provisions relating to NATO expansion overseas, abortion issues and the United Nations. I am most pleased with the retention of the provision of the European Security Act, which supports something near and dear to my heart, and that is the expansion of NATO, which will guarantee peace in that part of the world for many years to come.

Twice in this century, American soldiers have gone to war on behalf of Europeans, and we fought a very, very costly financial war with the Cold War. The European Security Act designates Estonia, Latvia, Lithuania and Romania as eligible countries for transition assistance under the NATO Participation Act of 1994. It further expresses a sense of Congress that those four countries should be invited to become full NATO members at the earliest possible time.

Mr. Speaker, as we see democracy breaking out all over Eastern Europe, in countries that were enslaved by communism for decades, it is morally and strategically imperative that we do not shut these people out of the Western system, that we not draw a line in the sand as we did back in Yalta, which created this terrible situation of enslaving tens of millions of people behind this philosophy of deadly atheistic communism. Especially as they struggle valiantly to establish democracy and reform their economies, these great friends of America need security and stability.

That in itself is reason enough to come over here and vote yes on this bill. NATO of course is the key to security and stability in that part of the world. For 49 years, it has kept peace and helped nourish democracy and prosperity in Europe. Some say, let us shut it down, or let us keep the status quo. Mr. Speaker, some over in the other body wish to establish some sort of pause after Poland and the Czech Republic and Hungary get in. What an irresponsible and myopic policy that would be. We must not let that happen. That in itself is sending signals that we are willing to once again draw that line in the sand, and we cannot let that happen. In addition to betraying the people of that region, after decades of Communist slavery, leaving a gray area in Central Europe will only tempt demagogues and potential aggressors in that region and make it more, yes, more likely that United States soldiers will have to fight in Europe once again.

To those who say why should U.S. soldiers die for Danzig or Bucharest or Riga, I say they are right, they should not, and if they do not want it to happen, support NATO expansion that appears in this bill, because that is exactly what this bill does.

This conference report also retains the very strong restrictions supported by the gentleman from New Jersey (Mr. SMITH) on funding of overseas abortions and advocacy of abortions. There is not a more principled Member of this body than the gentleman from New Jersey. I commend him for standing up for what is right for the children of this Nation.

Finally, I am pleased that this conference report places strict conditions on the payment of our supposed arrears to the U.N. Members ought to listen up, because I am the author of the Kassebaum-Solomon amendment that has withheld dues from the United Nations until they cleaned up their house and they put their house in fiscal order. Yet I am the one standing up here today saying we ought to support this bill. It is because of what is written into this bill.

I have a great deal of trouble with paying these so-called arrears to the U.N., given its history of waste and abuse and, frankly, its lack of gratitude for all the expenses and danger on our troops that we incur in support of U.N. resolutions.

I also have trouble handing out any more money over to an organization whose Secretary General Kofi Annan has just cut an appeasement deal with Saddam Hussein, said that Saddam Hussein is a man he can work with and called U.S. weapons inspectors cowboys. That is what this head of the U.N. said? He ought to be horse whipped for saying it. I resent that, Mr. Speaker.

The gentleman from New York (Mr. GILMAN) and the conferees have done excellent work in placing strings on the money, strings that will help reduce bureaucracy, help reduce waste and abuse at that U.N. I am particularly pleased that they have retained

my legislation, which would prevent any arrearages from going to the U.N. if that body attempts to create taxes on American citizens, and they are talking about that, as my colleagues know. We know that U.N. bureaucrats would like to do exactly that. This legislation is a shot across the bow. Do not try it.

The conferees have also included, and this is very, very important, conditions requiring that the U.N. reduce the U.S. share of the peacekeeping budget down to 25 percent and that the regular budget be no more than 20 percent. All fiscal conservatives, if they are listening, that is the reason they ought to come over here and vote for this bill.

What is extremely important is that the conference report also requires the President to seek and obtain a commitment from the United Nations that it will provide reimbursement to the United States for the costs incurred by our military in support of U.N. missions. Right now we get no credit. We just pay all that extra money in and it is a terrible, terrible drain on our military budget to do so. This bill says that they will take into consideration all of the moneys that we pay in in that respect and reimburse us for it. These and other conditions which should lead us to spending less on the United Nations in the future, as well as the previously mentioned support for NATO expansion, and the excellent anti-abortion provisions are why I grudgingly support this measure.

Mr. Speaker, in sum, this is a good conference report. I urge adoption of the rule so that we can get on with the expedited consideration.

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

Mr. HALL of Ohio. Mr. Speaker, I thank the gentleman from New York (Mr. SOLOMON) for yielding me this time, and I yield myself such time as I may consume.

This resolution, H.Res. 385, is a rule that provides for consideration of the conference report on H.R. 1757, which authorizes appropriations, it makes policy changes for the State Department and related agencies. As the gentleman has described, this rule waives all points of order against the conference report. The bill, in my opinion, has some good sections and good ideas, especially humanitarian ideas and humanitarian concerns and human rights. I do have some concerns, though, about the bill and about the process. In his statement to the Committee on Rules, the gentleman from Indiana (Mr. HAMILTON), the ranking minority member of the Committee on International Relations, said that the conference report was rushed through a highly partisan process without any consultation with the minority. The gentleman from Indiana stated that Democrats had almost no opportunity to review the language in the report. I am also very concerned about the reduced funding levels that will cause cuts in American embassies. In this area of global uncertainty, our need for strong worldwide diplomatic presence has never been greater.

I want to take this opportunity to address a particularly difficult issue related to this bill. This is the stalemate between Congress and the administration over restrictions on international family planning and the payment of U.S. dues to the United Nations and funding for the International Monetary Fund. I am considering an alternative proposal that would allow some restrictions on family planning funds and that would require all future IMF financial packages to include microcredit programs to the poorest of the poor. Both sides could win something and the larger national and international interests would be advanced. I suggest microcredit programs because of their success, particularly with women. These small loans help women to invest in projects which can double or triple their family income. It helps pull families out of poverty. It reduces abortion and reduces the size of families.

Most individuals on both sides of this issue act out of deep convictions, and they should. Perhaps there is no middle ground on this fundamental issue. But as legislator, we are charged with finding a middle ground on legislation and there is a difference. We need to support the United Nations. Despite its problems, it is the best hope for peace in many of the troubled regions of the world. We need to support the International Monetary Fund. The IMF stands as a buffer between the financial shock in Asia and the world economy, including the United States. Lives are affected by the decisions on population planning funds. But the greater number of lives today and among future generations are threatened by our failure to deal with the bigger issues involved. Congress and the administration must be open to creative solutions to resolve this stalemate.

If my proposal is not satisfactory, then both sides need to work together to explore other options. I urge both sides to find common legislative ground so that we can pay our debts to the United Nations and fund the International Monetary Fund.

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

Mr. SOLOMON. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. SMITH), one of the most respected and distinguished Members of this body who has been here for about 16 years now. He has led the fight for the children of this country and for human rights for all American people.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman from New York (Mr. SOLOMON) for those kind remarks. My sentiments are the same for him. He has always been a champion for human rights in China and in other captive nations. I applaud and deeply respect him for that work. I also want to thank the gentleman from Ohio (Mr. HALL) for his support for the rule and the bill, H.R. 1757, and for pointing out that there are a large number of very important human rights provisions in this bill that Members should be aware of, that will advance the goals that we care about so deeply with regard to human rights around the globe.

□ 1415

First, let me just make this point to all of my colleagues that this is not, per se, a foreign aid bill. It is a State Department bill. It contains important restrictions on foreign aid but authorizes no appropriations for these purposes except for a $38 million package of humanitarian assistance for the anti-Saddam Hussein, pro-democracy movement in Iraq.

The bill contains a compromise version of the pro-life Mexico City, cutting off funds to foreign organizations that promote abortion—lobby for abortion or attempt to influence legislation or policy as it relates to abortion. The compromise would allow the President to waive the prohibition on assistance to abortion providers. This was very hard for our side to concede, but in the legislative tug of war this is half a loaf, and our hope is that the administration will take note of that. There needs to be some give and take.

This bill also conditions funding to the U.N. Population Fund on an end to the UNFPA activities in cooperation with the coercive population control program in China.

Wei Jing Sheng testified before our subcommittee a few weeks ago and was absolutely aghast and appalled and outraged that the UNFPA worked side by side with the oppressors of women in the People's Republic of China, and said so in very, very clear and unambiguous language at the subcommittee. Wei asked how the U.N. could join and support the oppressors of women, babies—the family.

H.R. 1757 also contains U.N. reform and arrearages packages which, unlike some proposals, is not a blank check to the U.N. The U.N. arrearage money is delivered, in 3 tranches. Each payment is contingent on U.N. implementation of specific reforms, including reduction of U.S. dues from its current 25 percent to ultimately 20 percent but 22 percent on the near term, and a reduction of U.S. peacekeeping assessments from 31 percent down to 25 percent.

The bill reduces the number of Federal agencies by two. It merges the Arms Control and Disarmament Agency and USIA, U.S. Information Agency, into the State Department to achieve savings through efficiency and resource sharing. But it structures this merger very carefully to preserve the integrity of arms control process and especially of the pro-freedom and pro-democracy functions of USIA's public diplomacy programs like the radios.

This legislation enhances Radio Free Asia to provide a 24-hour pro-freedom broadcasting to China.

It also contains provisions designed to force deadbeat diplomats at the U.N.

to pay child support judgments and to ensure that diplomats who commit crimes in the U.S. will be prosecuted for those crimes.

It reforms the State Department personnel law to restore the Secretary's power to fire convicted felons from the Foreign Service and to eliminate duplicative pension and salary provisions that allow double dipping at taxpayers' expense.

It contains provisions that will ensure vigorous enforcements of the Helms–Burton law which is designed to bring freedom and democracy to the Cuban people.

It sets aside $100 million of the State Department budget for implementation of the congressional directive that the U.S. Embassy in Israel be moved to Jerusalem, and it incorporates the McBride principles designed to end employment discrimination against Catholics in northern Ireland as a condition of U.S. foreign aid.

H.R. 1757 also includes a number of important provisions relating to human rights and refugees from Tibet, Burma, Vietnam, Cuba, Africa and elsewhere. These provisions have been endorsed by leading organizations, including the U.S. Catholic Conference, the Council of Jewish Federations, the Lutheran Immigration and Refugee Service, and the U.S. Committee for Refugees.

Mr. Chairman, I urge a yes on the rule, and I hope the Members will also vote yes on the conference report.

Mr. SOLOMON. Mr. Speaker, I yield another 2 minutes to the gentleman from New Jersey (Mr. SMITH) for the purpose of a colloquy with the chairman of the committee, the gentleman from New York (Mr. GILMAN).

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

Mr. SMITH of New Jersey. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise to join my friend and colleague on this measure, and I understand the gentleman from New Jersey wants to engage in a colloquy.

Mr. SMITH of New Jersey. Yes. First of all, I want to call attention to the language, Mr. Speaker, that deals with incorporation of the U.S. Information Agency into the State Department.

Mr. Speaker, the conference committee on H.R. 1757 carefully structured the merger of the U.S. Information Agency into the State Department so as to preserve the integrity of the pro-freedom, pro-democracy public diplomacy activities now carried out by USIA. This bill should not be interpreted as an authorization for the State Department to take the money and run by converting USIA resources into a massive domestic State Department public relations operation.

Accordingly, the programs to which the Smith-Mundt and Zorinsky amendments apply must be construed broadly in accordance with the purpose of the legislation to ensure that these important protections continue to apply to the activities now conducted by USIA once they have been incorporated into the State Department.

This is a matter on which a number of House conferees on both sides of the aisle felt very strongly. We should never have agreed to incorporate USIA into the State Department except on the understanding that the integrity of all USIA functions will be preserved. ''Programs'' means not just the materials that USA produces and disseminates, but also the resources, including personnel and support services, that are necessary to conduct our public diplomacy abroad. I would ask the gentleman from New York (Mr. GILMAN) to comment on this very important provision.

Mr. GILMAN. Mr. Speaker, the gentleman's understanding is correct. USIA is to be incorporated into the State Department for protection for the integrity of its activities. The managers in this legislation do not contemplate any diminution of our public diplomacy activities or an expansion of the State Department's public affairs activities as a result of this merger.

I understand we have a bipartisan consensus on the issue both in the House and in the other body, and will engage in vigorous oversight to make sure the purpose of this legislation is faithfully implemented.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the distinguished chairman.

Mr. Speaker, I urge a ''yes'' vote on H.R. 1757, the Foreign Relations Authorization Act (FY 1998–99).

I would like to call attention to several important features of the bill:

First, this legislation is not a foreign aid bill. It contains several important restrictions on foreign aid, but authorizes no appropriations for these purposes—except for a $38 million package of humanitarian assistance to the anti-Saddam Hussein pro-democracy movement in Iraq.

This bill contains a compromise version of the pro-life ''Mexico City Policy'', cutting off funds to foreign organizations that perform or promote abortion. It enacts this policy as permanent law—not just for this year but forever. The compromise would allow the President to waive the prohibition on assistance to abortion providers—but not promoters—in exchange for a reduction in total population assistance.

This bill also conditions funding to the United Nations Population Fund (UNFPA) on an end to UNFPA activities in co-operation with the coercive population control program of the government of China, or on an end to forced abortions in that program.

Mr. Speaker, H.R. 1757 contains a U.N. reform and arrearages package which, unlike some other proposals, is not a blank check to the U.N. The U.N. arrearage money is delivered in three ''tranches''; each payment is contingent on U.S. implementation of specific reforms, including reduction of U.S. dues from 25% to 22%, reduction of U.S. peacekeeping assessments from 31% to 25%, and an end to UN ''global conferences'' after 1999.

The bill reduces the number of federal agencies by two. It merges the Arms Control Agency and the US Information Agency into the State Department, to achieve savings through efficiency and resource-sharing. But its structures this merger carefully, to preserve the integrity of the arms control process and especially of the pro-freedom and pro-democracy functions of USIA's ''public diplomacy'' programs.

This legislation enhances Radio Free Asia to provide 24-hour pro-freedom broadcasting to China. It also contains provisions designed to force ''deadbeat diplomats'' at the U.N. to pay U.S. child support judgments, and to ensure that diplomats who commit crimes in the United States will be prosecuted for these crimes.

It reforms State Department personnel law to restore the Secretary's power to fire convicted felons from the Foreign Service, and to eliminate duplicative pension and salary provisions that allow ''double-dipping'' at taxpayer expense.

It contains provisions that will ensure vigorous enforcement of the Helms-Burton law, which is designed to bring freedom and democracy to the Cuban people.

It sets aside $100 million of the State Department's budget for implementation of the Congressional directive and that U.S. embassy in Israel be moved to Jerusalem.

It incorporates the ''McBride Principles'', designed to end employment discrimination against Catholics In Northern Ireland, as a condition of U.S. foreign aid.

H.R. 1757 also includes a number of important provisions relating to human rights and refugees from Tibet, Burma, Viet Nam, Cuba, Africa, and elsewhere. These provisions have been endorsed by organizations including the U.S. Catholic Conference, the Council of Jewish Federations, the Lutheran Immigration and Refugee Service, and the U.S. Committee for Refugees.

Mr. Speaker, I urge a ''yes'' vote on the rule and on the conference report.

Mr. SOLOMON. Mr. Speaker, if the chairman of the Committee on International Relations will stay on his feet, I yield 2 minutes to the very distinguished gentleman from New York (Mr. GILMAN). He is one of the few Members who has been a Member of this body longer than I have, and he has truly been a great, great leader in the field of foreign policy.

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

Mr. GILMAN. Mr. Speaker, I rise to urge my colleagues to support the rule on the conference report on the Foreign Relations Authorization Act. This measure reflects the serious efforts of Members of both sides of the aisle and the administration to try to craft a workable foreign affairs agency consolidation, to also provide reasonable funding levels to sustain our overseas operations and embassies, and to provide necessary forms linked to payment of our arrearages to the United Nations.

I think it is shortsighted of the administration to threaten a veto on this comprehensive measure because they are unwilling to work on a family planning compromise. This Congress needs to advance the authorities, to consolidate the foreign affairs agencies in

keeping with the President's decision to merge those agencies and to hold the United Nations accountable for reforms while committing to the payment of arrearages.

Accordingly, I urge our colleagues to vote yes on this important rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Ms. SLAUGHTER) a member of the Committee on Rules.

Ms. SLAUGHTER. Mr. Speaker, I rise in strong opposition to House consideration of H.R. 1757, the Foreign Affairs Reform and Restructuring Act. This bill seeks to send our Nation's foreign policy back to the dark ages of women's reproductive health. This act would reinstate the Reagan-era Mexico City policy which seeks to limit the reproductive freedom of women in other nations, but it goes even further than Mexico City in posing arbitrary and cruel restrictions on women's legal health choices.

Not only does H.R. 1757 ban U.S. foreign assistance to any organization that engages in any kind of lobbying on the issue of abortion, but it defines lobbying to cover attending conferences or workshops, drafting and distributing materials on abortion laws. It is not enough that the majority wants to deny women access to reproductive health services, now they want to restrict the freedom of assembly and speech for women's health organizations.

We have this same debate time and time again on the House floor, and yet still many cannot grasp the critical importance of providing full and balanced information on reproductive health to women in developing nations.

This is a matter of life and death for many women. Denying access to vital health information and services will lead to the cruelest birth control of all: death. If we do not fund family planning organizations, women in the developing world will and are suffering.

For my colleagues who profess to be proponents of children's health, I would note that the availability of contraception has important health benefits for both women and their families. By spacing births, infant survival improves dramatically and families can ensure that they have the resources to support their children.

Studies indicate that spacing births at least 2 years apart could prevent an average of 1 in 4 infant deaths. Studies have also proved time and again that access to family planning reduces abortion. In Russia, where for decades abortion was the primary form of birth control, contraception first became widely available in 1991. Between 1989 and 1995 abortions in Russia dropped from 4.43 million per year to 2.7 million per year, a decrease of 16 percent.

Someone must speak for the millions of women around the world who desperately want access to family planning. Pregnancy and childbirth are still a very risky proposition for women in many parts of the globe that often lack electricity, clean running water, medical equipment or trained medical personnel.

The statistics are grim. In Africa, women have a 1 in 16 chance of death from pregnancy in childbirth during their lifetime. Over 585,000 women die every year from complications of pregnancy and birth. For each woman who dies, 100 others suffer from associated illnesses and permanent disabilities, including sterility.

According to the United Nations Fund for Population Activities, family planning can prevent at least 25 percent of all maternal deaths, and many of these are women with families who then leave their children motherless.

How dare we in the United States, blessed as we are with information overload and the best health care system in the world, attempt to deny the only source of information and services to families in the developing world? Who are we to dictate the terms under which these groups provide essential services across the globe? We would be outraged, and rightly so, if the legislative body of any other nation had the audacity to impose its will over organizations operating legally in our country by dictating the terms under which those groups would continue to receive the financial support that they need to operate.

I urge my colleagues to vote no on the rule and send this proposal back to the committee for revision.

Other reasons that I have, Mr. Speaker, for not voting for this bill is that Democrat Members of this House were completely excluded from any participation in this conference report. Indeed, the Democrat Members were not even shown a copy of the conference report until after it was filed. All Democratic Members refused to sign the conference report, and the partisan procedure undermines the longstanding tradition of bipartisanship on foreign policy issues.

For these reasons and all others, Mr. Speaker, I urge a no vote on the rule.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. BARTLETT) a very distinguished Member from close by in Maryland and a member of the Committee on Armed Services.

Mr. BARTLETT of Maryland. Mr. Speaker, I want to rise in support of the rule but, reluctantly, in strong opposition to the bill itself. What this bill does is to unfence $100 million that was fenced in appropriations last year and sends it on its way to the United Nations. It also authorizes another roughly $900 million, and this was about a billion dollars total. All that stands between that and moving our taxpayers' money to the U.N. is the appropriation of that money. The GAO report indicated that from 1992 to 1995 we spent $6.6 billion on legitimate U.N. peacekeeping activities. We were credited with 1.8 billion of that against dues. That recognizes the legitimacy of these figures.

More recently, CRS, the Congressional Research Service, says that between 1992 and May of last year we spent $11.1 billion on legitimate U.N. peacekeeping activities.

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The Department of Defense, the Pentagon itself, says that, last year, where he spent $3 billion dollars on legitimate U.N. peacekeeping activities. We are shortly going to vote on an emergency appropriations bill to cover the expenditures that are at $1.3 billion. We have spent, since 1992, about $14 billion on legitimate U.N. peacekeeping activities. We have been credited with only $1.8 billion of that against our dues.

What we want is a recognition in this bill that we may owe them some back dues, but they owe us five or more times as much money in legitimate expenditures against U.N. peacekeeping activities. We want an accounting of that before any of our hard-earned taxpayers' money goes to support the U.N.

What we get in return for this, if we vote this bill, is, by the admission of my friend, the gentleman from New Jersey, a really watered-down Mexico City language.

The President is going to veto this bill. The Senate voted 90 to 10 yesterday on a Helms amendment that there was no dues until there was a tally. That is an accounting. The Senate has voted 90 to 10.

All we would do in this vote is to send the message that we owe a billion dollars dues to the U.N., and we are not going to require an accounting. That is the wrong message to send.

It is not the message that the American people want sent. I have been on dozens of talk shows across the country. I have not had one caller that called in to say cough up a billion dollars for U.N. dues.

I have had unanimous support for our position that we need an accounting, we need an accounting before this becomes law. Please vote no on this bill. Do what they should have done, take it back to conference, and bring out a bill that the American people can support.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. GEJDENSON).

Mr. GEJDENSON. Mr. Speaker, there is some distance between myself and the gentleman who just completed speaking on this subject. While our interests may have differences, I certainly agree that we ought to reject the rule, and we ought to reject the bill.

This is both bad policy and bad process. Bad process often is ignored, but it is usually a symptom of an inability to confront the real issues. It is wrong simply to take the Mexico City language and tie in knots our entire foreign policy apparatus.

Additionally, I would say that those who are in favor of the Mexico City language in this bill, as earnest as they

are, their logic is faulty. If their argument is that any dollars going to organizations that help with family planning are fungible, and thereby even 1 cent to tell people about birth control policies actually increase the availability of abortion, one, statistically that is wrong. If you look at countries where there is more information for alternatives, for education, for contraception, there is less abortion.

But if you carry their argument to its illogical conclusion, you have to come away believing that even food assistance to these countries would somehow leave more dollars for family planning and other areas where there is an objection.

I think the United States has a right to come to an agreement on a family planning policy that may not necessarily reflect my own views completely. But what is clear here is that the Congress and this country is being hammered on this issue and preventing us from moving forward on the fundamental foreign policy of the Nation.

There are serious issues at hand here. I have differences with the substance of the underlying legislation, but it seems to me that, as a Congress, the lesson we should have learned in the great government shutdown was that the losers are, one, the American people. And they get very annoyed at the political participants who will not compromise.

The right action to take is to reject this, to come forward with legislation the President will sign. After all, the constitutional responsibilities on us are such that we need to negotiate and come to a compromise and then, try as they might, force their particular family language on the rest of us.

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

Mr. GEJDENSON. I am happy to yield to the gentleman from New York, the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, for regular C-SPAN viewers they are going to think this Congress is topsy-turvy because, usually it is the gentleman in the well, the gentleman from Connecticut, that is standing up here arguing for this bill, and it is the JERRY SOLOMONs of this Congress that are standing up here arguing against it, and yet the tables are turned here.

Besides that issue, and the gentleman makes his point, and I do not question the gentleman's philosophy, but ordinarily he would be supporting this bill. What is the gentleman opposed to, other than that? The European Security Act is so terribly, terribly important. I know the gentleman shares my view on that and shares President Clinton's view as well.

The SPEAKER pro tempore (Mr. EWING). The time of the gentleman from Connecticut (Mr. GEJDENSON) has expired.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. Gejdenson).

Mr. GEJDENSON. Mr. Speaker, I think, first of all, for us to effectuate a policy, it is clear that we need to have a product that can either be signed by the President or have a congressional override. Since it is clear there will be no congressional override on this legislation, what we are essentially doing is playing chicken in the center of the road until there is some calamity.

I might tell the gentleman from New York one story. One of our officers at the State Department during the great government shutdown, I do not know if this really caused it, was on his way to meet with the Kurds to try to broker a deal where the Kurds would all come together.

Well, we had the government shutdown, and it turned out that his travel plans were deemed nonessential, and the meeting never happened, and that is where all the turmoil happened with some of the Kurds going over to the Iranians and others.

I would say that it is too important for the United States to continue to tie this up in a process that has excluded the minority party completely in this final presentation and that deals with an issue that we know will not become law.

Mr. SOLOMON. Mr. Speaker, if the gentleman would let me use up the balance of my time that I yielded him, I just think, in fairness to those Members that are watching the debate or those people back home, that the gentleman really ought to elaborate on the good points in the bill like the U.N. restrictions that we are making, things that I know you support. But all we talk is about the one issue.

Mr. GEJDENSON. I agree.

Mr. SOLOMON. I just wanted, sometime during debates, as TONY HALL did, perhaps the gentleman can say that we are not opposed to the main portion, of the bill, just that one portion. It would help, I think.

Mr. GEJDENSON. I think the honest answer is, however, that this activity we are involved in is not going to lead to a law. It is clear the President said he is going to veto it. It is clear that we do not have the votes to override it. So we are involved in an exercise, but it is not going to affect policy directly. We need to separate these two, both sides, the gentleman from New Jersey (Mr. Smith), who believes very strongly as he does, has shown his commitment; the President has shown his commitment. The only thing we are doing is avoiding the responsibility to deal with those other issues.

Mr. SOLOMON. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman is saying we should not pass the bill because the President is going to veto it. I could also say, if the bill comes back without the pro-life position in it, I am not going to vote to pay these U.N. arrearages; and, therefore, we are at a stalemate. We have to work to compromise.

Mr. GEJDENSON. If the gentleman would yield, we have been in that fight, and that is why we need to separate the issues.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes again to the very distinguished gentleman from New Jersey (Mr. SMITH), chairman of the Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, first of all, I want to make very clear, when we talk about legislative process, the Mexico City policy was offered on this floor, it mustered a clear majority vote when it was considered. The House even went on record and instructed conferees to retain the policy in conference. So it was a very real and legitimate part of the House/Senate conference that occurred.

The flip side of it is that, on the issue of arrearages, that measure did not pass here but passed on the Senate, but we acceded to the Senate to move that ball forward.

Let me also make a point, when Members suggest that my friends on the other side of the aisle were locked out of the price, let me just note that I chaired the subcommittee that wrote the major product that emerged as the State Department authorization bill. We had five hearings that preceded the markup of the bill that is now before us.

My good friend, the gentleman from California (Mr. LANTOS), and the Democrats were absolutely free to ask any question, to be part of that process, as they so engaged themselves. We had a markup in subcommittee. Twenty one amendments were offered. That markup went very well and the bill passed onto the full committee.

We went to the full committee. During several days of markup we considered 22 amendments to the State portion of the bill. The bill came over to the floor. We spent 4 days on the floor of the House of Representatives. Members who wanted to offer amendments on the other side of the aisle were free to do so provided they were germane. A total of 34 amendments were offered, fully debated, recorded votes occurred.

We then went to conference. On issue after issue, our staffs, as well as Members, met, talked about language and sections of the bill. There were some things that we came to an impasse on. The major issue upon which deadlocked the conference was the Mexico City policy.

This House instructed the conferees to stay with that the pro-life position. We did so on the State Department bill as well. So this is a clear manifestation of House sentiment. That is part of this bill.

I would argue that this has been a give-and-take. We have provided a compromise Mexico City policy. We also provide the arrearages, which is an anathema to many Members of this side of the aisle, and many on that side of the aisle as well, but there are some reform provisions that make it very meaningful.

So there is give-and-take in the legislative process. The President regrettably or some on the other side want it

to be all give from us and all take by them. That's unacceptable. Let me again say very clearly 77 amendments were offered to this legislation in subcommittee, full committee, and on the floor. The gentleman's side of the aisle had every effort to participate.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I rise in opposition to this rule. The bill cuts family planning funding and imposes the gag rule on family planning organizations. It eliminates funding for the Arms Control and Disarmament Agency. The President has said very clearly that he will veto this bill.

Let us put this vote in perspective. This vote is the 82nd vote against choice in this body since 1995. This bill with this language in it is yet another attempt by extremists on the other side of the aisle to roll back a woman's reproductive choices, program by program, procedure by procedure. Now anti-choice extremists are trying to intimidate reproductive health workers restriction by restriction.

This agreement is a clear attempt to restrict the delivery of family planning information. It is misguided and just plain wrong. In developing countries, death from pregnancy-related causes is the single largest cause of death among women in reproductive ages.

Simply providing unhindered family planning information to all who need it could reduce maternal mortality by one-fifth. The proponents say they want to prevent abortions, but we all know that international family planning actually reduces the number of abortions around the world.

Recently, Mr. Speaker, I had the opportunity to speak with former Ambassador Wisner who represented our country in India. I asked him what was the single most important thing that we could do as a country in our foreign policy to aid the world's largest democracy? Quite frankly, I was surprised by his response.

He said family planning money. He said that, in India, you could go out into various cities and see families that were lined up for miles just trying to get basic information on family planning.

This language has absolutely no business being on the State Department authorization bill. I urge my colleagues to vote against it. I urge them to join the President in voting against it.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, the misguided Mexico City policy is not the only reason to oppose this bill. This bill will have a profoundly important impact on our nation's foreign policy.

We have heard today that this bill streamlines our foreign policy agencies.

Mr. Speaker, this bill streamlines our foreign policy agencies in the same way that last year's tax bill simplified the tax code. It is riddled with inconsistencies. For example, it claims to pay back dues to the United Nations, but actually increases them. It claims to streamline the State Department, but it establishes a new regulatory system to micromanage embassy staff. Never before have we tried to micromanage what the State Department can do with its individual embassies and their staffing policies.

It claims to get tough on war criminals like Saddam Hussein, but, actually, it cuts U.S. involvement in the international criminal justice system.

Furthermore, the reorganization plan has simply not been well thought out in my estimation.

We need only look to the genocide that occurred in Bosnia and Rwanda because of the hatred that was fanned by an evil propaganda machine. How, then, can we abolish the United States Information Agency? In reality, that is what we do by incorporating it within the State Department. It needs its independence.

Misinformation is best attacked at the grassroots level in an objective, credible fashion, not as part of a tightly controlled foreign policy agenda.

□ 1445

Our U.S. Information Agency should be able to provide the kind of information that relies upon local opinion leaders, not merely heads of state with all of their political agendas. I have great respect for the State Department, but USIA is independent for a reason. It guarantees that the focus will be on the unfettered, objective truth.

This bill zeroes out the Arms Control and Disarmament Agency at a time when nonproliferation efforts have never been more critical.

Mr. Speaker, I also am especially disappointed that we have not been able to include an agreeable compromise on the Mexico City policy. The conference agreement still includes the inhumane Mexico City language that denies some of the most destitute people in the world the ability to choose healthy and safe family planning practices while also denying them their health practitioners the fundamental right of free speech.

This is another of those misguided attempts that some people in the majority have made to deny economically disadvantaged women, both here and abroad, access to quality, reproductive health care and the information they need to plan their families.

The leadership knows that the Hyde amendment already ensures that no U.S. funding is being spent on abortions, and yet they would jeopardize final passage of this important legislation by including this regressive language under the guise of reducing the number of abortions performed with U.S. tax dollars. Studies have shown that family planning funds actually decrease the number of abortions performed. Private, non-governmental organization funds save lives and empower people. This bill does not let them accomplish this most critical mission and should be defeated.

Mr. SOLOMON. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN), a very distinguished Member of this body, who is a member of the Committee on International Relations.

Ms. ROS-LEHTINEN. Mr. Speaker, I want to thank the gentleman from New York (Mr. SOLOMON), the very fair chairman of the Committee on Rules, for coming forth with a rule that all of us can adopt; and I would like to especially thank the Chairman of the Committee on International Relations, the gentleman from New York (Mr. GILMAN), who held a very long series of hearings on this bill where everyone had the opportunity to present amendments and discuss the controversial issues in this bill.

Mr. Speaker, there are some very good areas that we can all agree on, I think, in this conference report. I would like to especially thank our colleagues in the Committee on International Relations for allowing me to present and to have them approve, without problems, some amendments that I have dealing with the Castro dictatorship.

There are two provisions that I think are very important in establishing a firm position of U.S. policy toward that dictatorship. The first one stresses the concern of the United States Congress about Fidel Castro's completion of the very dangerous nuclear power plant in Juragua near Cienfuegos, Cuba.

Also, another amendment asked the Clinton administration to give us information about individuals and companies that are not complying with Helms–Burton, and this title IV gives us the opportunity to further protect U.S. property rights because these are people who are exploiting the Cuban worker and using illegally confiscated U.S. property that used to belong to U.S. citizens. We want to make sure that folks have the opportunity to take their cases to court, and that the U.S. Government will bar entry to anyone who is not complying with our laws.

So I would like to thank the chairs of both committees, the Committee on Rules and the Committee on International Relations, for their very fair process; and I urge my colleagues to adopt both the rule and the conference report.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Ohio (Mr. HALL), a distinguished member of the Committee on Rules, for yielding to me, and I rise in opposition to the rule.

Mr. Speaker, I rise in opposition to the rule because this bill was put together without any involvement of the Democratic conferees. The Democrats

did not see a copy of the 350-page conference report until after it was filed. Because all Democrats refused to sign the conference report, a member had to be replaced on the conference in order to obtain enough signatures to sign the report.

The process had started in a bipartisan manner. Unfortunately, it ended in a cynically political way. Sad to say that the Republican majority did not want to bring this bill to the floor in a bipartisan manner.

Mr. Speaker, there are many reasons to oppose this bill, and the many reasons why the Democrats refused to sign the bill will be spelled out by the distinguished ranking member, the gentleman from Indiana (Mr. HAMILTON) when we take up the bill. But while we are on the rule, I oppose the process under which it was brought to the Committee on Rules, and therefore, oppose it on the floor.

Mr. Speaker, one of the reasons to object to this bill is that giving our negotiators at the U.N. the tools they need to achieve reform, to reduce our financial obligations, and to achieve consensus on issues such as Iraq is what we should do in this bill. What it does instead is to denigrate the U.S. in the eyes of the world because Congress has insisted on micromanaging the U.N. once again.

Last fall, the Congress had the opportunity to get a good deal for the American taxpayer. With a reasonable amount of arrears in place and guaranteed by Congress, we had a good opportunity to achieve a lower assessment rate, concrete budget caps, and even negative growth in U.N. budgets. Congress made the mistake of not acting at that time, and now Congress is making another mistake with the provisions in this legislation.

The real impact of the inaction last fall was to raise the amounts owed by the United States by at least $100 million. The bill is increasing every day. Our responsibility now is to give our negotiators at the U.N. the funds and flexibility they need to get the best deal they can for the U.S. taxpayer. What this bill does, unfortunately, is guarantee that any reduction in U.S. assessment rates will not occur.

Mr. Speaker, this conference report also makes good on the Republican majority's threat to link two totally unrelated issues, the U.N. arrears and the funding for international family planning. This legislation includes an altered version of the Mexico City restrictions on international family planning. Supporters of this language offered today will call it a ''compromise.'' We who support family planning call it totally unacceptable.

What we compromise with this language are the lives of poor women and families throughout the world. The impact of this language will be equally devastating as previous restrictive amendments on international family planning. It will impose a global gag rule on family planning organizations, dictating what materials they may distribute and prohibiting them from participating in public debates; and this is important, Mr. Speaker, with their own private funds. We would certainly find a gag rule like this in violation of the First Amendment were it implemented in our own country.

The use of U.S. funds to perform abortion has been prohibited by law since 1993. No U.S. funds are used for the performance of abortion or abortion-related activities. No U.S. funds are used to promote abortion. That is the law. So there is no need to have this restrictive gag rule put in place under the guise of supporting the language that I just mentioned. It is already the law.

The cuts in funding set in motion by this language will limit the ability of family planning and reproductive health services to poor women and families. It will reduce access and quality of services. Programs will be terminated which will cause the number of abortions to rise and the number of deaths from unsafe abortions to increase, exactly the reverse effect it would have if we put out the funds, unrestricted, for international family planning, which would reduce abortion; and I think that is the goal that we all share.

We have debated this issue many, many times over, at least six times in the first session of the 105th Congress last year. Each time, we stand here and agree that we want to reduce the number of abortions. Voluntary family planning programs do just that. They prevent unintended pregnancies, unsafe abortion and infant deaths. For these reasons, Mr. Speaker, I urge my colleagues to vote against this conference report.

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

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

Mr. Speaker, I have been sitting here listening patiently to speakers who oppose this rule and this legislation. The previous speaker, for whom I have the greatest respect has fought many battles, along with me, on human rights issues, and stated very clearly that, yes, it is the law of the land that U.S. tax dollars shall not be spent on abortions in America. And she is right. There are those of us that do not believe that U.S. tax dollars should be spent on abortions anywhere in the world; those are U.S. tax dollars. And yet we are hard-pressed to prevent that, and therein lies the argument.

Ms. PELOSI. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Speaker, just to clarify the point, perhaps this is good news to the gentleman, there would be no Federal dollars spent internationally to perform abortions.

I thank the gentleman for yielding.

Mr. SOLOMON. Mr. Speaker, I know the gentlewoman believes that, but I have traveled throughout this world and what I have seen just does not concur with that.

Nevertheless, we had another previous speaker from New York who said that someone had told her that there were lines 4 miles long, I believe she said, with people waiting to get information on family planning. I will tell my colleagues, as a member of the Committee on International Relations for many, many years, and someone who has been active for more than 20 years all around this world on these issues, I have never seen lines like that waiting for family planning information.

I find them in refugee camps waiting for food, but never have I seen anybody waiting for anything other than food in lines 4 miles long.

Mr. Speaker, let me just talk to the conservatives in this body about why they should come over here and vote for this bill. First of all, it does have the pro-life issue, and that is a compromise, and whether one is President of the United States or whether one is just a rank-and-file Member of this Congress, one has to learn to compromise. Ronald Reagan taught me that. We cannot always have it our own way, we have to give a little bit; and that is the success of legislating.

Secondly, this does reorganize the State Department somewhat. It is another step in the right direction to shrinking the size of the Federal Government and making it lean and workable, and that is what we are doing here. JESSE HELMS and Madeleine Albright both agree with what we are doing. So that is another reason why conservatives should come over here.

But more than that, what this bill does, this is a 2-year authorization bill, so listen up, conservatives. What this bill says is that it must be certified to include that the United States has no plans to tax U.S. citizens. There are people all around this world that belong to the U.N. These leaders that want to have a worldwide tax, they want to tax my people up in the Adirondacks and Catskill Mountains; and in the Hudson Valley, they want to levy, have a tax. Some One World government wants to levy a tax. This bill says we cannot do that or else we do not give them any money; it is as simple as that. It says that nothing in the U.N. will assume sovereignty over U.S. parks and lands. That is very important to me and the people I represent. It says that if there is any violation of the U.S. Constitution, we will not pay any more dues. Now, conservatives ought to come over here and vote for that.

More importantly, in the 2-year authorization bill, in the first year, coming next year in 1999, this says there will be a reduction in the U.S. share of the peacekeeping budget, down to 25 percent. That means that we are going to get credit for all of this extra money that we are spending on U.S. troops in Bosnia and in all of these peacekeeping efforts.

□ 1500

In addition, this says we are going to reduce the United States' share of the regular U.N. budget down to 22 percent. That is in the first year of this 2-year authorization bill.

In the second year of this 2-year authorization bill, it says we are going to reduce that regular budget cost to the American taxpayer down another 2 percent, down to 20 percent. Conservatives, what more do we want? That is what we have been fighting for, to get a fair share of the burden shared by other countries throughout this world.

I can go on and on with the reasons that we ought to come over here and support the bill, but I think one of the best reasons of all is the fact that this bill caps U.S. contributions to all international organizations.

Let us face it, America pays most of the costs for all of these international organizations, whether it is the IMF, the World Bank, or any of the rest. This caps our total contributions to all of these cumulative organizations to no more than $900 million, and we are paying way over $1 billion now. We are reversing that sieve of U.S. tax dollars going out of this country. We are turning it around. That is the reason Members ought to come over here and vote for this bill.

I am going to talk to each of the conservative Members as they come through that door. I ask them to please come by and say hello to me, and I will further convince them.

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

The previous question was ordered.

The SPEAKER pro tempore (Mr. EWING). The question is on the resolution.

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

Mr. HALL of Ohio. 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 234, nays 172, not voting 24, as follows:

[Roll No. 75]

YEAS—234

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kildee
Kim
King (NY)
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—172

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Bishop
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (OH)
Capps
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Greenwood
Gutierrez
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Johnson (WI)
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Moran (VA)
Murtha
Nadler
Neal
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Pickett
Pomeroy
Price (NC)
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—24

Bonilla
Brown (FL)
Cannon
Cardin
Conyers
Crapo
Edwards
Ford
Gillmor
Gonzalez
Harman
Houghton
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
McDermott
McGovern
McNulty
Millender-McDonald
Moakley
Payne
Rangel
Royce
Waters

□ 1525

Messrs. RUSH, MILLER of California, HEFNER and VENTO changed their vote from ''yea'' to ''nay''.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. GILMAN. Mr. Speaker, pursuant to House Resolution 385, I call up the conference report on the bill (H.R. 1757) to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, to preserve the prerogatives of the Congress with respect to certain arms control agreements, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. EWING). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Tuesday, March 10, 1998, at page H956).

The SPEAKER pro tempore. The gentleman from New York (Mr. GILMAN) and the gentleman from Indiana (Mr. HAMILTON) each will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

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

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

□ 1530

Mr. GILMAN. Mr. Speaker, today our committee brings before the House a

conference report on the Foreign Affairs Reform and Restructuring Act of 1998. This measure has three major components. It provides for the consolidation of international affairs agencies. It provides funding in other authorities to support the State Department and related agencies, and it provides a U.N. reform and arrearage package.

Through this bill, support is provided for our government's activities abroad to include U.S. embassies, American citizens' services, passport and visa issuance, and international broadcasting programs, such as Radio Free Asia and broadcasting to Cuba.

In addition, it funds U.S.-Mexico and U.S.-Canada commissions that have been tasked with matters related to fisheries, sewage disposal, and other border issues. The bill authorizes $6.1 billion for fiscal year 1998 and $6.7 billion for fiscal year 1999. The authorized level for fiscal year 1999 is $125 million below the President's request.

Funding for a strong U.S. presence abroad is in our vital national interest and provides a platform for a myriad of U.S. overseas interests. Specifically, we need to have a healthy diplomatic presence abroad to develop markets to maintain stability, to protect our friends in this still dangerous world, and to meet humanitarian needs.

This bill incorporates the President's decision to consolidate the U.S. Information Agency and the Arms Control and Disarmament Agency into the State Department. The consolidation is the first step toward reforming the international affairs apparatus to meet the changed post-Cold War world.

The third major component of this conference report is the United Nations Reform Act of 1998, which includes payment of our U.N. arrears for reductions in our U.N. assessments, freezing of our overall payments to all international organizations, and the implementation of major reforms throughout the United Nations.

Mr. Speaker, according to a February GAO report on the U.N. financial status, our unpaid arrears have impeded progress in reducing our Nation's assessment rate and in encouraging other countries to pay their fair share of the costs of running this international organization. Many of our colleagues agree on the need for a plan to repay our debts to the U.N. which is linked to implementation of fundamental and thorough reform.

This conference report is a comprehensive multitrack approach that advances our Nation's interest while also overhauling the entire UN bureaucracy. It reduces our annual assessment to the U.N. down to 22 percent and ensures that our peacekeeping assessment rate would be capped at 25 percent. It also ensures that U.N. imposes no taxes or proposals for standing armies on member states. A further condition of the package is that the U.N. agrees that our arrears would be reduced to zero after implementation of the reform package.

In addition, this bill would cut through the underbrush of programs, commissions, and other committees that have grown up over the past 50 years, and it sunsets unneeded programs and strengthens the office of the U.N. Inspector General.

We can state that the American taxpayer comes out ahead with the full implementation of this U.N. reform package. The implementation of these reform proposals will save more money than the total of arrearages we are proposing to pay off over a 3-year period.

Accordingly, Mr. Speaker, I urge our Members to fully support this measure to ensure efficiencies in our foreign affairs agencies and to advance reforms with the United Nations.

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

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

I rise in opposition to the conference report. This conference report is presented to us through a highly partisan process. I oppose it and I urge other Members to do the same.

We began last summer with a bipartisan product on this conference report. The conference committee did its work in a bipartisan basis. We halted our work at the end of July, as we got hung up on the Mexico City provisions. Since that time, not a single meeting of the conference has taken place.

The gentleman from New York (Mr. GILMAN) met with Senate Republican conferees in recent weeks to craft a Republican conference report. They gave no notice to the minority that they were reconvening the conference. They did not consult us in any way. They simply were not interested in the minority view.

In order to get this report to the floor, the Speaker of the House removed a very distinguished and senior member on the majority side from the conference committee. He appointed another member, and they were able to vote out the conference report because of the change in membership in the conference committee. With this kind of a process, Mr. Speaker, we are not deliberating, we are politicking; we are not making law, we are making political speeches; we are not working together, we are working separately.

Let me call to my colleagues' attention some of the troublesome issues, first with respect to the United Nations. This conference report creates more U.S. arrears to the United Nations. We are not going forward, we are creating larger arrears. And it fails to provide sufficient funds even for our current dues. It does not pay what we acknowledge we owe to the United Nations. It ties the funds to conditions which are very desirable in this Chamber and all of us would agree with them. The only problem is, those conditions are not doable in the context of the United Nations. When we pay late and in part and with imposed conditions, it is not likely that the United Nations is going to cancel hundreds of millions of dollars in debt that we say we will not pay.

The United States is already being called into question in the United Nations. We have already lost our position on the Committee on the Budget, perhaps the key committee of the United Nations. The Secretary General was here a week or 2 weeks ago, and he told us that we could lose our vote in the General Assembly.

Secondly, this conference report micromanages the State Department. It requires a whole new bureaucracy to report every single time a U.S. government official from any agency travels to an international conference. It tells the State Department how to staff its embassies overseas. It even tells the State Department how to submit nominations to the Senate for confirmation. It imposes a whole slew of new report requirements on the executive branch on everything from a proposed alliance on drug trafficking to child abduction in Vietnam and Laos.

It limits our ability to participate in the international criminal court. It mandates $38 million in various types of assistance for Iraq, but 20 million of that is for humanitarian assistance which Saddam Hussein is supposed to be providing to his own people out of oil-for-food funds. So the effect of this bill is to relieve Saddam Hussein of some of his responsibilities.

Third, this conference report contains a number of provisions designed to undermine the President's authority and undermine his ability to conduct foreign policy. It cuts funding for voluntary contributions to international organizations, including such key ones as the IAEA, a key agency in the fight against proliferation. If threatens the leadership position of the United States in helping parties to negotiate peace agreements in the Middle East and in Ireland. It requires the President to jump through all sorts of written and legal hoops before providing any assistance to the United Nations, even in an emergency, resulting in a holdup of a large number of funds even for peacekeeping. It zeros out funding for the Arms Control and Disarmament Agency.

Mr. Speaker, this report is a political product. We must understand it is not going to become law; it is going to be vetoed. It is not designed to become public law. It is not a carefully crafted document that would assert the role of the Congress in determining foreign policy. I urge a no vote on the conference report.

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

Mr. GILMAN. Mr. Speaker, I yield 7 minutes to the gentleman from New Jersey (Mr. SMITH), distinguished chairman of our Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my friend for yielding, the distinguished chairman of the full committee, and for his work on

this very important legislation before us.

I just want to remind Members that during the course of the process of consideration of this bill we had 77 amendments that were offered in subcommittee, full committee, and on the floor from both sides of the aisle, 4 days on the floor for consideration and a number of very important and productive meetings of the conference committee. The issue that it all came down to, frankly and in all candor, was the Mexico City policy. It was the right-to-life issue.

Let me just say a couple of things on that this afternoon. I think it is important to clear up some of this information about the compromise language in the conference report that would impose some restrictions on U.S. assistance to foreign organizations that perform and promote abortions overseas.

During the last 3 years, the House has voted 10 separate times for the pro-life Mexico City policy, which prohibits U.S. population assistance to foreign organizations that perform abortions, violate the abortion laws of foreign countries, or engage in activities that change these laws. We have also voted to restrict aid to the United Nations Population Fund unless the UNPF ended its participation in the forced abortion program.

The People's Republic of China and the Mexico City policy was enforced throughout the Reagan and Bush administrations. It did not reduce family planning money by one dime. Rather, it protected genuine family planning programs by erecting a wall of separation between family planning and abortion. President Clinton repealed that policy. We in the House, thankfully, again and again have gone on record saying that wall of separation needs to be reerected.

Mr. Speaker, I and other pro-life Members were reluctant to agree to the compromise, and I want to say that very candidly and up front. We do give on this. Regrettably, we give but thus far there has been no give by the other side on this issue. We have done so because we believe this compromise is necessary to save some babies lives. We believe it will protect some unborn children by prohibiting a particularly ugly form of cultural imperialism in which U.S. taxpayers support entities that are actively engaged in bullying smaller nations into rejecting the traditions and moral values of their people.

Many of my colleagues have received some talking points sent out by population control organizations. These talking points are misleading and in many cases flatly untrue. First, the population control groups tell us over and over again that they are using what they call their own money to perform and promote abortions. This is a red herring. It is designed to divert attention from the undeniable fact that millions of our foreign aid dollars can and did finance some of the biggest abortion providers in the world.

Similarly, some of the biggest international population control grantees are actively engaged in efforts to overturn pro-life laws in countries around the world. This is because existing laws require only that the organization keep a set of books that shows that it did not use our money to pay for the actual abortions or for proabortion lobbying. This bookkeeping trick ignores the fact that money is fungible. When we subsidize an organization, we unavoidably enrich and empower all activities of that organization.

The Mexico City policy recognizes that money is fungible. Every million U.S. tax dollars that go to an abortion provider frees up another million dollars to pay for abortions and more proabortion lobbying.

□ 1545

The Mexico City policy also recognizes that our family planning grantees are seen as representatives in the countries within which we operate as extensions, as surrogates for U.S. foreign policies. When organizations prominently associated with the United States family planning programs perform and promote abortions, people in these countries logically associate these activities with the United States.

Opponents of the Mexico City policy also claim that if we require our family planning grantees to pledge not to perform or promote abortion, they will not participate in our programs. Yet when the Mexico City policy was in force, hundreds of population grantees agreed not to perform or promote abortions. Only two, let me repeat that, only two organizations decided not to agree to that and therefore were deprived of that money. More than 350 grantees took the money, and that wall of separation between destroying an unborn child and promoting violence against children and family planning was erected.

Some of the talking points that my colleagues have seen in their office claim that the compromise language would punish grantees for merely attending conferences at which somebody else discusses abortion. This too is demonstrably false. The Clinton administration knows it is false and the population control groups know it is false as well. The bill prohibits assistance of foreign organizations that, and I quote, engage in any activity or effort to change the laws of foreign countries with respect to abortion.

Every legislative provision has to be interpreted by the rule of reason. It is unreasonable to claim that activities that change laws includes merely attending a conference. As the conference report makes crystal clear, there is a world of difference between mere attendance and a situation in which an organization finances, sponsors and conducts a conference that is clearly designed to bring about the repeal of laws against abortion, as the International Planned Parenthood Federation recently did in the Francophone countries of West Africa and has done in other countries around the world.

Such sponsorship, financing and organizing should fairly be construed as an activity to change the abortion laws. But nobody on our side of this issue has suggested that such activities include mere attendance at a conference.

Finally, when pro-abortionists run out of arguments, they fall back on slogans that this is somehow a global gag rule because it says to organizations they have to choose, either be international abortion lobbyists or they can be representatives and surrogates of the United States in family planning programs.

The administration says that the purpose of our family planning program is to prevent abortions. If we want to prevent alcoholism, would we hire the liquor industry to do it for us? If we wanted to stop gambling, would we do it by giving grants to casino owners? If we wanted to spend hundreds of millions of dollars on an international anti-drug campaign, would we give the money to organizations that use their own money to lobby for the legalization of drugs? Of course not. If Congress stands behind the position that there must be a wall of separation between abortion lobbying and U.S. family planning programs, we can save innocent lives. That is what this is all about. Nothing could be more important. I urge a yes vote on the conference report.

Mr. HAMILTON. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Florida (Mr. Hastings).

Mr. HASTINGS of Florida. I thank the gentleman for yielding me this time.

Mr. Speaker, it is regrettable that this measure is before us as the President is in Africa with 17 of our colleagues, one of whom is the chairwoman of the Black Caucus that asked that we not proceed in this matter. The historic visit and the important foreign policy statements by the President and our colleagues are undermined by our taking action on this extremely untimely and partisan process. This report was never even shared with Democrats before it was filed and the final product was signed only by Republicans, but not even all the Republicans originally on the conference committee.

Not surprisingly, the report that came out of the process is loaded with bad policy. Let me give my colleagues an example. The President announced last April that he would consolidate two foreign policy agencies into the Department of State. Those agencies are the United States Information Agency and the Arms Control and Disarmament Agency.

The Republicans purport to have done that in this conference report. They claim that they have done in this conference report only what the President announced last April. This is just

not the case. The statement of managers for this flawed bill asserts that the State Department will be responsible for designing foreign assistance programs. This assertion is totally inconsistent with the language of the underlying bill. The bill consolidates USIA and ACDA into the State Department, but leaves to USAID the role of designing foreign assistance programs under the overall foreign policy guidance of the Secretary of State. Is this a mistake? Is this our Republican colleagues saying one thing but really meaning something completely different? We do not know, Mr. Speaker, because the regular process was short-circuited and upended.

I urge my colleagues to oppose H.R. 1757. This is a flawed conference report, the product of a flawed process, and it will result in flawed policy.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Speaker, I rise today to speak to my colleagues who are fighting to get U.N. reforms and those who are fighting to protect the rights of the unborn. I urge them to vote yes on H.R. 1757, the Foreign Relations Authorization Act.

This bill has a version of the pro-life Mexico City policy supported by pro-life organizations, by pro-life leaders like the gentleman from New Jersey (Mr. SMITH), which will end all U.S. subsidies to organizations that lobby for legalized abortion in developing countries. This bill denies funding for the United Nations Population Fund if they support China's forced abortion or population control programs.

Further, the bill scales back U.N. arrearages from the administration's request and conditions the funding upon U.N. reforms. The bill has a number of U.N. reforms which are very important. In year number one in order to receive the $100 million appropriated in fiscal year 1998, the U.N. must not require the United States to violate the U.S. Constitution or any U.S. law, it must not attempt to exercise sovereignty over the United States or require the U.S. to cede authority, it must not make available to the U.N. on its call the armed forces of any U.N. member nation, must not exercise authority or control over any United States national park, wildlife preserve, monument or private property of a U.S. citizen without that citizen's permission, must not amend its financial regulations to permit external borrowing.

In year two, in order to receive the second arrears payment, the U.N. must reduce the U.S. dues from 25 to 22 percent of the total budget, must reduce U.S. peacekeeping assessments from 31 to 25 percent.

In year three, they must agree to reduce their staff by 1,000 persons, agree to a no growth budget, must agree to hold no more global conferences, among other reforms.

Mr. Speaker, we have a number of reforms in addition. Let us not lose this opportunity to reduce taxpayer forced abortions. Let us not use the chance to save babies overseas. This is a vote that is going to be scored by the National Right to Life Committee. That is important for the pro-life vote. I urge all the Members to vote yes on H.R. 1757 and save the lives of children overseas.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. TORRES).

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

Mr. TORRES. I thank the gentleman for yielding me this time. Mr. Speaker, I rise in strong opposition to this conference report on the State Department authorization legislation. As we have already heard from the gentleman from Indiana, I object not only to its substance but to the process that was used here and how we came about it today. Democrats were not involved in the fashioning of this conference report and there were no Democratic signatures on this measure.

Mr. Speaker, I do not think this is the best way to conduct foreign policy decisions. There is much in this conference report which I find objectionable. First, once again it contains the Mexico City restrictions on international family planning programs that are clearly unacceptable to the administration as well as to many Members of this body.

Secondly, the conference report does not solve the arrearages problems of the United Nations. It makes it worse. Rather than providing the extra funds, the conference report actually cuts authorized funding for U.S. dues.

Thirdly, I would note that the conference report contains provisions on Cuba which go really the wrong way. Certainly the Pope's visit, the unprecedented worldwide publicity and exposure about life in Cuba, the increase in religious freedom and practices and the recent release of Cuban prisoners are clear signals that the Cuban government is seeking a change in relationship to the United States. The conference report makes it appear that our foreign policy turns a blind eye to the signals for a change in Cuba or that we do not want a change, and we want to continue to punish the Cuban people because we disagree with their government. I urge my colleagues today here to reject this conference report and to make a more responsible approach to dealing with the crucial foreign policy questions of our Nation.

Mr. Speaker, I rise in strong opposition to this conference report on the State Department Authorization legislation. I object not only to its substance but to the process by which it has come to us today. Democrats were not included in the fashioning of this conference report and there are no Democratic signatures on this measure. Mr. Speaker, this is not the way to make important foreign policy decisions.

There is much in this conference report which I find objectionable. First, once again, it contains the Mexico City restrictions on international family planning programs that are clearly unacceptable to the Administration as well as to many member of this body. The conference report prohibits U.S. funding from going to foreign NGO if the organization uses its own money to engage in advocacy. Ultimately, its impact limits the availability of family planning services to poor women and families around the world, and will, tragically, result in an increase in abortions.

Second, the conference report doesn't solve the arrears crisis of the United Nations. It makes it worse. Rather than providing the extra funds, the conference report actually cuts authorized funding for U.S. assessed dues to the U.N. and other international organizations by over $40 million from the President's request. In essence, it creates even more arrears.

Third, I would note that the conference report contains provisions on Cuba which go the wrong way. Certainly, the Pope's recent visit, the unprecedented worldwide media exposure about life in Cuba, the increase in religious freedoms and practices, and the recent release of Cuban prisoners are clear signals that the Cuban government is seeking a changed relationship with the U.S. This conference agreement makes it appear that our foreign policy turns a blind eye to the signals for change from Cuba, or that we do not want change, and want to continue to punish the Cuban people because we disagree with their government.

I urge my colleagues to reject this conference report and take a more responsible approach to dealing with crucial foreign policy questions.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. I thank the gentleman for yielding me this time. Mr. Speaker, we must reject this conference report and allow families in the developing world to plan their families just as we insist upon planning our own. How many times are we going to have to scrub this bill of abortion to allow impoverished women and families life-saving funds for family planning?

Do we care about life? We have taken care of the life of the fetus in this bill because there is not one dime for abortion. It is time to move on to care about millions of children in Africa and in South America and in Asia.

Do we care about life? Then care about family planning, the most important and effective tool against abortion.

Do we care about life? Then care about the 20 children and the one pregnant woman who lose their lives per day in the developing countries for lack of family planning.

Do we care about life? Then care about the 25 percent of women who lose their lives in childbirth because they have no family planning.

Do we care about life? Then care about sparing the lives of millions of children who are twice as likely to lose their lives before their first birthday because they are spaced less than 2 years apart because of lack of family planning.

First care about life, millions of these lives, and then care about the freedom to speak and to petition your government. We do nothing in this Chamber but talk and listen to our constituents talk. How can Americans, flag bearers of the First Amendment, condition funds on silencing people on any subject when we censor other nations for doing just that?

You might oppose abortion, my friends, you might oppose family planning, but not one of you would limit the right of any American to advocate abortion or family planning. Who are we to tell Africans and South Americans what they must say? We are Americans. We promote speech. We do not pay people to silence them.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BRADY), a member of the Committee on International Relations.

Mr. BRADY. Mr. Speaker, today I rise in support of the conference report and commend my colleagues on the Committee on International Relations, the gentleman from New York (Mr. GILMAN), and the Senate Foreign Affairs Committee, for their hard work on this bill and appreciate their perseverance in ensuring it is brought to the floor for a vote.

Historically, it seems appropriate we are discussing the world today because it was on this very day in 1979 that Egypt and Israel reached an agreement for peace at Camp David that many thought was impossible, was resisted by those on both sides within those countries, but everyone understood that while the accord was not perfect, it was a giant step in the right direction on a very significant issue. This bill is as well not perfect, but a very good step in the right direction on very important issues to this world. I believe the most important provisions of the conference report will curb finally United States support for overseas abortion programs.

Specifically, it contains compromise language on the Mexico City policy that will deny funding to foreign organizations that perform or promote abortions. In return, our leadership fulfills its promise to provide authorization for arrearage payments to the United Nations, provided long awaited and much needed reforms occur. Such reforms include lowering our share of the United Nations budget from 25 to 22 percent, decreasing our portion of peacekeeping dues from 31 to 25 percent, and other reforms to streamline that huge U.N. bureaucracy.

The final version also ensures that no U.S. funds will go to the United Nations Population Fund unless that agency ceases to assist the People's Republic of China in implementing China's strict birth quota plan. Mr. Speaker, as a pro-life Member of Congress, I am pleased to support these provisions which will genuinely move us forward toward the goal of protecting unborn children.

□ 1600

Mr. Speaker, these very important provisions authorize assistance to the democratic opposition in Iraq building toward the eventual end of the Saddam Hussein regime.

I am also pleased that the bill reaffirms the position taken by Congress in 1995 when it overwhelmingly passed the Jerusalem Embassy Act which requires that official government documents list Jerusalem as the capital of Israel and that the U.S. move its embassy from Tel Aviv to Jerusalem by May 31 of next year.

Finally, this bill also accomplishes our long term objectives of consolidating international affairs agencies within the State Department.

Mr. Speaker, I strongly urge the President to sign this bill into law.

Mr. HAMILTON. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, as my colleagues have noted, there is little to like in this conference report, but the worst of it is the restrictions on international family planning.

Let us be clear. We are not talking here about eliminating funding for abortions overseas. We have already done that. What we are talking about is eliminating U.S. funding for international family planning. Well, if my colleagues want to increase abortions and jeopardize the health of millions of women and children around the world, they should vote for this conference report to limit international family planning.

If my colleagues promised their constituents they would work to deny women across the globe desperately needed reproductive health services and vital pre- and postnatal care, they should vote for this conference report. If my colleagues want to drive women and families in developing countries further into poverty and despair, then they should vote for this conference report. And if my colleagues want to put a global gag on people around the world talking about these issues, then they should vote for this legislation. But if my colleagues care about saving lives and improving the quality of lives, then they should vote no on this conference committee report.

If enacted, this legislation will gut one of the jewels of the U.S. foreign policy. Voluntary family planning services work. They work in this country, they work around the world, and they work to reduce unwanted pregnancies and improve the quality of life for millions of families around the world.

I urge a no vote on this conference committee report.

Mr. HAMILTON. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend his remarks.)

Ms. WOOLSEY. Mr. Speaker, each year in the developing world, 600,000 women die from pregnancy-related complications. Maternal mortality is the largest single cause of death among women in their reproductive years. That is why, Mr. Speaker, support for reproductive health services becomes more important every day. Voluntary family planning services give mothers and their families new choices and new hope. These services increase child survival, they promote safe motherhood. Without support for international family planning, women in developing nations face more unwanted pregnancies, more poverty and more despair.

Mr. Speaker, it is ironic that the same people who would deny women in the developing world the choice of an abortion would also seek to eliminate support for family planning programs, programs that reduce the need for abortion. Without access to safe and affordable family planning services, there will be more abortions, not fewer. The abortions will be less safe and put more women's lives in danger.

Mr. Speaker, I wish that we were here today to support legislation that would pay for a full range of reproductive health services. But at the very, very least, we should keep the doors open for more family planning clinics. And we must do this so that we can provide these individuals and these families with the information and the services they need.

I urge my colleagues to vote against this conference report.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, there is no question that family planning has promoted the health and survival of women and children in undeveloped nations. For over 30 years, the United States has been a leader and a healer with family planning aid throughout the world. We have led an international crusade to promote child survival in the world, decrease maternal and infant deaths, and end the spread of disease. We have saved the lives of young girls by encouraging them to postpone childbearing. Because of our aid, our help, the size of the average family in poor countries has dropped from six to three. This reduction in family size has helped millions escape poverty. It has increased the prospects of an education and a richer, healthier life for women and children. It has given thousands of families a way up and a way out and helped them survive and thrive.

Despite all of our success, despite the distance we have traveled, there are some who do not understand the importance of our work. This legislation effectively cuts funding for family planning. It has a chilling effect on our family planning efforts abroad. This legislation is a step backward, it is a step in the wrong direction.

Let me be clear. Not one penny of U.S. family planning aid has ever been

used to fund an abortion abroad. Our laws prevent it. We are not trying to change that. We are simply trying to continue a successful program that saves human lives. It is cruel and barbaric to stand in the way of poor families getting basic information about their health in this country or some distant land.

I urge my colleagues to support healthy families worldwide and vote down this destructive and mean legislation.

Mr. Speaker, I think it is unfortunate this legislation is coming to us today when 16 Members of our body, black Members, are in African countries, and I wish it could have been postponed and come up some time later.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Connecticut (Ms. DELAURO).

Ms. DeLAURO. Mr. Speaker, I rise in strong opposition to this conference report. At this critical time, we should not hold U.N. and IMF funding hostage to the hardliners who oppose family planning funding. Business' economic and financial experts have told us that this IMF funding is needed to contain the Asian financial crisis and to protect American jobs. Our economy is too important to play Russian roulette with. But that is what this conference report does when it adds Mexico City language.

I remind my colleagues, under current law not one dollar of U.S. family planning funds can be used to perform or even counsel women to obtain abortions anywhere in the world. Women and children around the world depend on U.S. family planning funds to improve their health and to give them a real chance at a healthy life. If my colleagues vote for the Mexico City policy, they are voting to abandon these women and children. The President has said he will veto this legislation if this language is included.

Do not waste any more time. Vote against this bill. Remove this language from the conference report. Let us protect American jobs and let us get on with the people's business.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York (Mrs. Lowey).

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this conference report. Once again the lives and well-being of women around the world are being held hostage. We are faced with a bill that forces the Mexico City global gag rule upon us. This bill, like so many defeated before it, prohibits organizations from receiving any U.S. funding if they use their own funds to provide abortion services or advocate on the abortion issue. The need for family planning services to prevent unintended pregnancies in developing countries is urgent, and the aid we provide is critical. When women are unable to control the number and timing of births, they have more dangerous and complicated pregnancies, and too many will turn to abortion, often illegal, unsafe and life threatening.

Passage of this conference report will mean more abortions, not fewer. It will mean women dying and children dying. It will mean an increase in unintended pregnancies, and it will mean women taking desperate, dangerous measures to end those pregnancies. And that is the fact, that is the reality.

Mr. Speaker, I am also opposed to the provisions in this bill regarding the United Nations. The funding level provided is too low, and the requirements attached to that funding micromanage the President as he attempts to push the U.N. to reform itself further. Our debt to the U.N. leaves the United States with no leverage to reduce our annual assessments and weakens our leadership in the organizations. This bill will not solve the critical problem.

Mr. Speaker, unfortunately this bill was pushed through to the floor with no bipartisan support and with a veto promise from the White House. I urge my colleagues to defeat H.R. 1757.

Mr. GILMAN. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. SMITH), the distinguished subcommittee chairman of our committee.

Mr. SMITH of New Jersey. Mr. Speaker, I just want to advise Members that one provision in this legislation deals with the United Nations Population Fund, and it says very clearly and unambiguously that unless the UNFPA gets out of China, they lose the $25 million that they are slated to get.

I want to remind colleagues that in China, it is illegal to have more than one child. Brothers and sisters are illegal. The Government is aggressively antibaby. Wei Jing Sheng, the great human rights activist who appeared before my subcommittee just a few weeks ago, said he could not believe, he said he was outraged that the U.N. Population Fund and U.N. personnel were working side by side with those family planning cadres, those oppressors of women, who enforce the one-child-per-couple policy in China with forced abortion.

Forced abortion was construed to be a crime against humanity at the Nuremberg War Crimes Tribunal. It is no less a crime against humanity today. Our conference report says that we are serious in dealing with those crimes against humanity and any organization like the U.N. Population Fund will lose its funding unless they get out of China.

Earlier the gentleman from Georgia (Mr. LEWIS) said that for 30 years we have been the leaders in family planning. That was no less true during the Reagan and Bush years when the Mexico City policy was in effect. We provided 40 percent—40 percent of all the population control aid during the Reagan and Bush years. That is a fact, that is not an opinion, with the Mexico City policy in full effect.

It is a red herring when Members on the other side stand up and say that we are holding hostage family planning. Monies flowed; people were given the opportunity to take that money and give out condoms and do all kinds of family planning, but a wall was erected between performing child abuse, killing unborn children, the promotion of violence against children and preventive means.

One hundred countries around the world protect their unborn children from the violence of abortion on demand. The main engine trying to topple those laws are these so-called family planning organizations. Some see it as their mission to nullify pro-life laws in other lands. Planned Parenthood, in their ''Vision 2000'' statement adopted in 1992, lays out an action plan to vanquish legal protection for unborn children in other nations.

□ 1615

Here is what it says in part. It declares that family planning organizations around the world, and I quote this, must bring ''pressure on governments and campaign for policy and legislative change to remove restrictions against abortion.''

We provide the money to these organizations that ''campaign'' and ''pressure'' governments to topple their pro-life laws. That is what this is all about. That is why my good friends and colleagues on the other side of the aisle would not sign the conference report. The pro-life safeguards in a compromise version were in there.

I think we have a moral obligation to say, if we are going to pour hundreds of millions into groups that advertise as family planners, let us have a truth in advertising. Let us separate abortion out of it, because abortion takes a life, a life of a child—it is not family planning.

Finally, just let me say, Mr. Speaker, this conference report and the work that went into it was a bipartisan process, 77 amendments in subcommittee, full committee, and on the floor of the House, and many, many conference meetings

We went through a give and take. We had Democratic staff and Republican staff studying and working on the provisions of this conference report.

It is another red herring to say that they were not part of it. Yes, maybe in the end, when it came to signing it, but that is because the pro-life Mexico City policy was in there.

Again I say, if we are going to send out roughly $400 million to abortion providers or family planning providers, and they wear the same hat as abortion providers, those of us who do not want to see any more babies die or any more women exploited or any more forced abortion in China must stand up and say, well, on this bill or any other bill that comes down the pike, we will be offering this language. It is absolutely not going to go away. We have compromised as far as we can go. We have half of Mexico City in here. It is a significant half, but it is only half.

It is about time the President and those on the abortion rights side met us halfway, and then those other issues could go forward unencumbered. Fail to meet us halfway—and we will fight and unceasingly raise this issue on every vehicle imaginable.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Connecticut (Mrs. KENNELLY).

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise to oppose this conference report, and I do it with some pain, because I have always supported fully the men and women who work for the State Department and who represent us so well around the world.

But no matter how emotionally one speaks or how strongly one feels about both sides of this question, the fact of the matter remains that we do not have to codify the Mexico City language. It is unnecessary, because we know for a fact and we know from statute that U.S. funds cannot be used for abortion.

Second, if the President waives the Mexico City restrictions, there is the effect also that the bill would reduce the amount of money available for family planning. This is unacceptable because we all understand that family planning, and we agree, that family planning saves the lives of both mothers and children in developing countries. We do not think this should be the vehicle for reducing those funds.

But I think the thing that bothers me most, and I think worst, about this conference report is it is such a sharp limit on debate and discussion of the issue before us that is in contention: Choice.

Here we are today on the floor of this House, saying exactly how we feel, saying it as strongly as we might want to. Some of us are feeling very, really emotional about this issue, but understanding that we all can have those strong feelings and express them on this floor and then walk out and everything will be fine because we are in the United States of America. But the limits we put in this conference report would be unconstitutional in this country; and, yet, we ask other countries to abide what we are saying in this conference report.

Mr. Speaker, as the United States seeks to lead the world into a new century of democracy, I find it deeply disappointing that some seek to deny people in other nations the opportunity that we are carrying out and exercising at this very moment on this floor.

So as I say, with pain, I oppose this report. I do wish, as the gentleman before me said, that we could get together and face it and in the correct way.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland (Mr. BARTLETT).

(Mr. BARTLETT of Maryland asked and was given permission to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, my friend from New Jersey says that the antiabortion compromise with this bill leaves us with half a loaf. In reality, it leaves us with a thin slice.

The President can waive the antiabortion provision and use hundreds of millions of dollars to promote and perform abortions. And even the thin slice we are left with will be vetoed by the President.

The fact that this report is scored both ways by family values groups indicates how weak this language is. But let me tell you what this report will do. It will send $100 million on its way that was appropriated last year. It is unfenced by this authorization. It goes to supposed U.N. dues. It also authorizes the rest of nearly a billion dollars and starts it on its way.

But in this report, there is no recognition of a GAO report that says from 1992 to 1995, we spent $6.6 billion on legitimate U.N. peacekeeping activities, $1.8 billion that was credited to us for dues that recognizes the legitimacy of these expenditures.

CRS, more recently, reported that between 1992 and May of last year, we spent $11.1 billion. The Pentagon said that last year alone, we spent $3 billion. Shortly, we are going to vote $1.3 billion, a supplemental emergency supplemental for Iraq.

We spent, since 1992, about $14 billion. We have been credited with $1.8 only. This is a fatal flaw in this bill. We need to send the message that we cannot pass this bill until there is a recognition of all the money that we have spent.

The Senate voted 90 to 10 yesterday, no dues without a tally of the peacekeeping. Please vote no on this, send it back to the conference so they can bring a bill to us that we can pass, recognizing the legitimacy of our U.N. peacekeeping activities, and trade those off against any dues we might owe them.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman from Indiana (Mr. HAMILTON) for yielding, and would ask this question: Why would we want poor children growing up in nations that are getting only poorer? Why would we oppose family planning money which prevents pregnancies and, in some cases, abortions?

It just does not seem logical to me that many on my side of the aisle would oppose family planning money which actually prevents abortions. Family planning money is not used for abortions or even to promote abortions. It is used to help women have the number of children they want and can afford.

When my colleague, the gentleman from New Jersey, talks about a compromise, I think the compromise was struck a long time ago. That compromise was the pro-life movement won. Federal dollars could not be spent worldwide for abortions. But under this compromise, it seems logical to me that family planning funds can be used to prevent abortions.

I think in the pro-choice movement, there is an extreme group that opposes the ban on partial birth abortions. The pro-choice movement opposes the ban on partial birth abortions and uses it as a litmus test. If you vote for the ban, you are not pro-choice. But I think there is also an extreme in the pro-life movement that opposes family planning. I just hope that this Congress can get to the point where we can have the extremes fall by the wayside and we can have a sensible policy.

I strongly support family planning money being used for family planning, and I believe that nations throughout the world need the help that we can provide them. As a country like Egypt sees its economy grow, it sees its population outpacing this economic growth, and it becomes a poorer and poorer nation. Why would we want children to continue to grow up in such a poor environment? They are basically the seed for the terrorists that ultimately may destroy this world.

Mr. Speaker, I strongly oppose the conference report, I think it is a mistake, and I am sad that my party has moved forward on this issue.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Indiana (Mr. HAMILTON) has 5½ minutes remaining, and the gentleman from New York (Mr. GILMAN) has 8½ minutes remaining.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I thank my friend from Indiana, the ranking member of the committee, for yielding to me.

Mr. Speaker, I rise to oppose the bill. Undoubtedly, there are some good things in the bill, and I really wish that I could vote for the bill. But this bill is mixing apples with oranges. The Mexico City language, the whole controversy over abortion, does not belong in this bill. It sullies the bill and takes away from the bill. As far as I am concerned, it is really improperly in the bill.

It is an embarrassment that our country is the biggest deadbeat in the world of the United Nations. For the United Nations to function, we say that we are the leaders of the world, and we are the leaders of the world. We want to have influence on the world. We want to have influence.

We encourage countries to turn to free market economies. We encourage countries to turn to democracy. Then what do we do? We do not pay our U.N. dues. So we owe a billion dollars. Then when we want to try to attempt to pay our dues, we attach it to abortion language and Mexico City language and other language to placate the lobby, the pro-life lobby. But, in reality, it does not make any sense to put it in this bill.

If we want to build an international coalition against Saddam Hussein, if

we want to build a coalition to march forward into democracy, then we really should not act irresponsibly. I believe this bill is acting irresponsibly by mixing apples with oranges and putting this abortion language in the bill.

We all know the President is going to veto this bill in its present form. So we know, in essence, this is a game and a charade. I do not know why we have to play again. We played this game last year, it was an embarrassment to the world, and we are playing it again this year.

I think the language pertaining to abortion ought to be struck out, and we ought to pass a bill that can go, pass a bill that will make us proud, pass a bill and act like the leaders of the world which we are. I cannot for the life of me understand why we continue to play these games. I do not doubt the sincerity of anybody on the other side, or of anybody else, but I think we ought not mix apples with oranges. This bill should be defeated.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume, and I do so for the purpose of reading a letter from the White House, addressed:

Dear Representative Hamilton, I am writing to advise you that if H.R. 1757, the Conference Report on State Department Authorization, were presented to the President, he would veto the bill.

Sincerely, Larry Stein, Assistant to the President and Director of Legislative Affairs.

Mr. Speaker, I include the following letter for the RECORD.

THE WHITE HOUSE,
Washington, March 26, 1998.

Hon. LEE H. HAMILTON,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE HAMILTON: I am writing to advise you that if HR 1757, the Conference Report on State Department Authorization, were presented to the President, he would veto the bill.

Sincerely,

LARRY STEIN,
Assistant to the President and Director for Legislative Affairs.

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

Mr. GILMAN. Mr. Speaker, I am pleased to yield the balance of our time to the distinguished gentleman from Illinois (Mr. HYDE), senior member of our Committee on International Relations.

The SPEAKER pro tempore. The gentleman from Illinois is recognized for 8½ minutes.

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

Mr. HYDE. Mr. Speaker, I thank the gentleman from Indiana, ranking member of our Committee on International Relations.

This has been an interesting debate, and not too complicated, because there are a couple of ideas that are pretty crystal-clear that separate us. First of all, we have a lot of conservatives who do not like foreign aid. And anything that reeks of the U.N. is tainted and that involves us overseas, and we ought not to get into those sort of entanglements.

So we have a mountain to climb on our side to get enough people to support this. After all, this pays our U.N. arrearages, not perhaps in the manner in which the Democrats would like it paid, but it is $819 million plus $107 million in debt forgiveness over 3 years. That certainly beats where we are now, with zero. So if you think our membership in the U.N. is useful, I would think this is the best opportunity to get caught up on the arrearages.

I have always had a couple of fantasies about the U.N. One is I would like to move it from New York to Beijing. I think that would be a wonderful headquarters. We have had the glory of the U.N. being in New York and avoiding and evading our parking tickets. Let us give the rest of the world a chance at it. But I do not decry the U.N. I think it is useful. I think we should belong to it. I think we are a world leader, and we should lead in the U.N.

□ 1630

And so if we belong to it, we should pay our dues, and this is a medium by which we pay our dues. So I think we should do this.

Now, a couple of other things about the U.N. that bother me. We pay too much in peacekeeping cost, 31 percent. I would like to get that down to 25 percent. And our dues, it seems to me, ought to be reduced from 25 to 20 percent. We can do that with this bill. So that gives me an added incentive for voting for it.

The gentleman from New Jersey (Mr. SMITH), who has been heroic in defending the defenseless unborn, talks about Mexico City, and I was trying to communicate with him that he should explain Mexico City. People think that is a page out of National Geographic.

What it is is a policy that we followed under Presidents Reagan and Bush that said we will give you millions of dollars for family planning, but not to organizations that advocate or perform abortions. In other words, American money should not go to pay for killing unborn children, even if they are Third World unborn children, especially if they are Third World unborn children.

So that is the Mexico City policy, and that sticks in the craw of the left. That is the one thing, that common theme, why, my God, we are going to stop the torrent of abortions with this bill, and therefore, this is a bad bill. Why American taxpayers' money should be used to subsidize abortions overseas I cannot figure out.

Well, we hear that the money of the organizations spent for abortions is their own money. They are not mixing our money in with theirs. I wish my colleagues would stop insulting our intelligence. My colleagues know and I know that if we give them a few million dollars, we free up their own money for their own purposes. It is a bookkeeping transaction. We are subsidizing, effectively, abortions.

Some of us think there is a moral issue here, that this cultural imperialism of ours, telling a country, you have too many people, is across the line. It goes too far.

Now, this bill has so many good things in it that may not come this way again. One of them is the moving of our embassy to Jerusalem and another is requiring the McBride fair employment practices in Northern Ireland; there is full funding for Radio Marti to Cuba, Radio Free Iran, Radio Free Asia to Communist China. This bill authorizes a new assistance package to assist the democratic opponents of Saddam Hussein and Iraq. This bill begins that process of rolling back Saddam Hussein's tyranny in Iraq.

So there are so many reasons why this is a good idea, but most of all, I would like to please make clear family planning is distinct from abortion. Family planning is either getting one pregnant or keeping one from getting pregnant, it is not killing an unborn child once one is pregnant. Family planning, properly understood, does not include abortion, so why should we subsidize organizations that lobby countries to repeal their pro-life laws and that perform abortions?

The gentleman from New Jersey (Mr. SMITH), compromised as far as he could. Go ahead and perform abortions with a presidential waiver, but do not advocate, lobby countries to repeal their pro-life laws. That little speck of respectability you are unwilling to give us. You are not compromising; there is no compromise here, and that is tragic.

There is much that is good in this bill; there is much that strengthens our position in the international forum. It helps us get back in good graces with the U.N., it starts to roll back the arrogance of Saddam Hussein. There are so many good things.

It consolidates agencies that ought to be consolidated like the Arms Control and Disarmament Agency, the United States Information Agency, by putting them in the State Department. And so I just hope that my friends, the conservatives who cannot move their hand to vote for something that has foreign aid in it, would understand that this is important. There are many things in this bill that we ought to take advantage of, and most importantly, that little part of the Mexico City policy that is salvaged in this bill.

My friends over here, I know the President is the premier pro-abortion rights human being in the galaxy, but we have our own independent responsibilities, and we should make a statement that child survival, as I heard the gentleman from Georgia say, is important. One cannot have child survival when one aborts that child. Please support this legislation.

Mr. BARR of Georgia. Mr. Speaker, today the House considered H.R. 1757, the Foreign Affairs Reform and Restructuring Act conference report and passed it by a stealth vote; with no warning, while most of us were working in committees. This bill may contain some

good provisions, such as those that deny funding to foreign organizations that perform or promote abortions, but Mr. Speaker, this bill contains far more provisions that are harmful. Most notably, this bill contains language that authorizes $100 million in FY 1998, $475 million in FY 1999, and $244 million in FY 2000 for payments to the United Nations. This is a grand total of $819 million that is to be paid to the United Nations for so-called ''arrearages.'' It was the U.N., I remind you, that went to Iraq and let Saddam Hussein off the hook.

Mr. Speaker, I'm not sure what I object to more, the U.N. funding or the way this bill was passed. For you see Mr. Speaker, although the voters of the 7th District sent me here to represent their views, on this and other important legislation, I wasn't allowed to vote on this important bill. I don't mind losing a vote; I understand the process. But I do mind being denied the opportunity to do what my constituents sent me here to do. It is a shame that this important bill was steathily passed by an unannounced voice vote when it certainly should have come up for an up-front, honest, recorded vote. This is not way to run a railroad, Mr. Speaker, It may be good for the U.N. but it's not good for America.

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to voice my strong support for Title XVI of H.R. 1757, ''The European Security Act,'' particularly those sections relating to NATO enlargement. The language contained in this section is designed first and foremost to preserve the effectiveness and flexibility of NATO as a defensive alliance. For nearly five decades, the North Atlantic Alliance has served and advanced the interests of the United States in Europe by preserving peace, promoting economic prosperity, and advancing our shared principles of democracy, individual liberty, and the rule of law. As a long-standing advocate of NATO enlargement, and Co-Chairman of the Helsinki Commission, I have consistently emphasized the importance of Helsinki principles, including human rights, in the expansion process.

Today's consideration of the European Security Act language comes at a critical time, Mr. Speaker, as the United States Senate will soon vote on ratification of the necessary instruments for the admission of Poland, Hungary, and the Czech Republic as full members of NATO. Despite the fact that the NATO leaders committed themselves to a robust 'open door' policy concerning further accession, some seem determined to slam the door shut to other candidates. Instead of spurning those countries aspiring to future NATO membership, we should embrace those states that have demonstrated—in word and in deed—their commitment to the shared values enshrined in the North Atlantic Treaty.

The language designates Romania, Estonia, Latvia, Lithuania, and Bulgaria as eligible to receive assistance under the NATO Participation Act of 1994. Each of these countries has made important strides in political and economic reforms. With respect to the Baltic States, it is worth noting the Charter of Partnership, signed in Washington on January 16, 1998, acknowledges the fact that the United States has a ''real, profound and enduring interest in the independence, sovereignty, and territorial integrity, and security of Estonia, Latvia, and Lithuania.'' In this historic document, the U.S. welcomes the aspirations and supports efforts of the Baltic States to join NATO, reiterating that enlargement of NATO is an ongoing process. Mr. Speaker, European Security Act provisions will advance U.S. interests by supporting the efforts of Estonia, Latvia, and Lithuania to provide for their legitimate defense needs, including the development of appropriate and interoperable military forces.

It would be an injustice of historic proportions, Mr. Speaker, if we did not take advantage of the unique opportunity we have today to embrace those countries of Central and Eastern Europe demonstrably committed to democracy, human rights and the rule of law. Having persevered for 50 years and overcome the odds by regaining their independence, the Baltic countries deserve to be fully integrated into the West, including NATO, without further delay.

Mr. Speaker, I appreciate Chairman GILMAN's willingness to incorporate several of my suggestions into the text of Title XVI. The first concern stems from the fact that Russia has not agreed to the demarcation of its international borders with several neighboring countries, including Estonia and Latvia. In addition, while a Framework Treaty has been concluded between Russia and Ukraine and signed by Presidents Kuchma and Yeltsin, the Russia's State Duma has yet to ratify this key accord which would among other things demarcate the Ukrainian-Russian border, including in the Sea of Azov. Moscow has purposefully dragged its feet on this important issue with the aim of intimidating a number of the countries concerned and erecting a potential obstacle to those aspiring to NATO membership.

The second issue concerns the deployment of Russian forces on the territory of other states. The language I introduced calls for the immediate and complete withdrawal of any armed forces and military equipment under the control of Russia that are deployed on the territories of the independent states of the former Soviet Union without the full and complete agreement of those states.

Today, there are thousands of Russian troops deployed in and around the Ukrainian port of Sevastopol. Meanwhile, an estimated 3,010 Russian troops continue to be stationed in Moldova along with a considerable supply of military equipment and munitions which could prove particularly destabilizing in the Trans-Dniester region.

Finally, the Title XVI calls for a commitment by the Russians to take steps to reduce nuclear and conventional forces in Kaliningrad, where Moscow has amassed a considerable arsenal that poses a potential threat to the Baltic States and Poland.

Mr. Speaker, progress in resolving these outstanding security concerns would go a long way to advance peace and stability throughout Europe, a region of critical importance to the security, economic, and political interests of the United States. I am pleased that the language of the European Security Act is included in the bill. We have an obligation to maintain the effectiveness and flexibility of NATO as a defensive alliance open to the inclusion of new members committed to the shared principles of democracy, individual liberty, and the rule of law, and able and willing to assume the responsibilities and obligations of membership.

Mr. CONYERS. Mr. Speaker, I want to register my strong opposition to the conference report for the Foreign Affairs Reform and Restructuring Act.

I urge my colleagues not be fooled by some of the bill's features such as payments to the United Nations because it also contains some incorrigible features. For example, it eliminates the Arms Control and Disarmament Agency, thereby denying our foreign policy makers the benefit of an independent voice on arms control matters. H.R. 1757 also resurrects the so-called ''Mexico City'' language that restricts funding for abortions overseas—even if they are paid for with private funds. But the offensive provisions in particular that I want to bring to your attention today deal with Haiti.

On September 25, 1997, Congresswoman WATERS and I wrote a letter to the chairman and the ranking member of the International Relations Committee, expressing our concern with provisions reflected in this bill in Section 1228. We were joined by CHARLIE RANGEL, ED TOWNS, JIM CLYBURN, RONALD DELLUMS, BILL JEFFERSON, EARL HILLIARD, JOHN LEWIS, BOBBY RUSH, and JULIAN DIXON. I am enclosing this information for the RECORD. Despite our efforts and those of the gentleman from Indiana, the ranking member, this problematic language stands.

Section 1228 creates vague new authority by which the Secretary of State can prevent certain Haitians from entering the Untied States. The fact of the matter is that the Secretary of State already has the authority to deny entry to persons who are suspected of human rights violations or terrorism under Title 8 USC Section 1182(a)(3). This bill has a new, ambiguous standard under which the Secretary of State can deny entry to someone who has been ''credibly alleged to have ordered, carried out, or materially assisted'' in specific killings listed in the conference report.

This new language in H.R. 1757 will be inconsistent with the existing law and create a new untested standard that will be open to manipulation by anyone who simply makes an allegation. Rather than promoting justice for all victims of violence, this will be used to politicize the murders of some Haitians, rather than serving as a tool to advance justice for all Haitians.

Furthermore, by singling out specific violators the bill fails to send a broad message about human rights violators in general. Perhaps worst of all is that the most egregious enemies of human rights, such as Toto Constant, the head of the paramilitary group FRAPH, are already in the United States. Constant slipped into the U.S. (and is comfortably living in New York) not because the Attorney General or the Secretary of State lacks the power to keep him out, but because like other opponents of democracy from Haiti, he is an old CIA asset. We've got to start dealing with these facts if we really want justice for Haiti.

I oppose H.R. 1757 for all these reasons and I thank the gentleman.

CONGRESS OF THE UNITED STATES,
Washington, DC, September 25, 1997.

Hon. BEN GILMAN,
Chairman, House International Relations Committee, Rayburn 2170, Washington, DC.

We are writing in reference to amendment 383 of S. 903, the Senate Foreign Affairs Reform Act, offered by Senator DeWine. This provision would seek to deny entry into the United States to those whom the Secretary of State ''has reason to believe is a person who has been credibly alleged to have ordered, carried out, or materially assisted in extrajudicial and political murders'' in Haiti.

We strongly support the bill's basic premise that persons involved in political murders be denied entry to the United States. But, we believe this language raises a number of problematic legal issues, may weaken the ability of the U.S. to deal with extrajudicial killers, and may even make it easier to evade prosecution. We also wish to note that the substance of these provisions appear to be covered by existing law. As a result, we urge you to strike this contentious language and avoid the confusion and litigation guaranteed to result if it becomes law.

U.S. Code currently grants the Secretary of State the legal authority to deny a visa from individuals that the Secretary believes have engaged in extrajudicial killings. The Secretary of State can deny a visa application based either on anti-terrorist or foreign policy grounds.[1] A decision to deny a visa based on these grounds is not reviewable by any court.

In fact, the Secretary of State in the consular offices in the field already maintains a list of people who fall into one of these two exclusionary categories. This list, commonly known as the ''lookout book'' is kept by every American consulate. If your name is in the lookout book, the consular officer will deny your visa application.

The DeWine Amendment lists specific individuals, specific dates, and specific factual allegations. Although this may seem to focus the legislation and get tough on the alleged killers, in fact this language limits the ability of a prosecutor to bring these killers to justice. Any skilled attorney would recognize how any one of these named individuals could escape justice if the fact or dates cited turned out to be incorrect. By writing the legislation so narrowly Mr. DeWine and his cosponsors risk giving human rights abusers a legal escape hatch.

Beyond the legal problems with this proposed legislation, we also believe the DeWine amendment fails on moral grounds. In limiting the focus to Haiti this legislation fails to convey a universal condemnation against extrajudicial and political murders. We believe it is imperative to communicate our country's worldwide aversion to political assassinations. It is a matter of principled policy making to deny entry to all persons involved in political assassinations, whether they be from Bosnia, Russia, Guatemala, Haiti or anywhere else in the world.

We hope you agree with our analysis of this bill. We urge you to strike this amendment from the proposed legislation. We look forward to working with you on this important issue.

Sincerely,

John Conyers; C.B. Rangel; James E. Clyburn; William J. Jefferson; Julian C. Dixon; Bobby Rush; Maxine Waters; Edolphus Towns; Ronald V. Dellums; Earl F. Hilliard; John Lewis.

CONGRESS OF THE UNITED STATES,
Washington, DC, September 25, 1997.

Hon. LEE HAMILTON,
Ranking Member, House International Relations Committee, Washington, DC

We are writing in reference to amendment 383 of S. 903, the Senate Foreign Affairs Reform Act, offered by Senator DeWine. This provision would seek to deny entry into the United States to those whom the Secretary of the State ''has reason to believe is a person who has been credibly alleged to have ordered, carried out, or materially assisted in extra judicial and political murders'' in Haiti.

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We hope you agree with our analysis of this bill. We urge you to strike this amendment by the proposed legislation. We look forward to working with you on this important issue.

John Conyers; C.B. Rangel; James E. Clyburn; William J. Jefferson; Julian C. Dixon; Bobby Rush; Maxine Waters; Edolphus Towns; Ronald V. Dellums; Earl F. Hilliard; John Lewis.

Mr. PAUL. Mr. Speaker, last year's attempts by some in Congress to tie the Mexico City Policy to the issues of funding for the United Nations (UN) and the International Monetary Fund (IMF) this week come back to haunt those of us who believe in the sanctity of human life, the inviolability of US Sovereignty, and the rights of the U.S. taxpayers to keep the fruits of their own labor. This week, we see, the ''grand deal'' struck which will see liberals back down from their opposition to Mexico City Language in exchange for conservative members voting to support funding of the United Nations, affirmative action, peacekeeping activities, and the National Endowment for Democracy.

MEXICO CITY POLICY DETAILED

The Mexico City Policy was drafted in the Reagan years as an attempt to put some limitations on US foreign aide being used for certain abortions overseas. While I believe that those who put this policy forward were well-motivated, I believe that time has shown this policy to have little real effect. I have continued to vote for this policy when it came up as a stand alone issue in this Congress because, by itself, its effect tends to be positive rather than negative, as I say, I consider it largely ineffective.

I believe that the only real answer to the concerns of sovereignty, property rights, constitutionality and pro-life philosophy is for the United States to totally de-fund any foreign aid for international ''family planning'' purposes. I introduced a resolution to that effect in 1997 and we received 154 votes in support of cutting off this unconstitutional funding program.

In fact, the deficiencies of the Mexico City Policy are such that the pro-family conservative group Concerned Women for America has withdrawn its support for the Mexico City Policy all together. This, in part, due to the fact that while the policy requires more creative accounting, it does not, by any stretch of the imagination, prohibit funding of many abortions.

UNITED NATIONS

The United Nations is an organization which frequently acts in a manner contrary to the sovereign interests of the United States. As such, I have sponsored legislation to get the United States out of this organization.

Currently, the most pressing battle is to stop the US from paying phony ''back dues'' which we supposedly ''owe'' this organization. Congressman ROSCOE BARTLETT put forward a bill to stop any payment of this phony UN debt and I proudly cosponsored Mr. BARTLETT's legislation.

LINKING THESE TWO ISSUES

We were able to put the breaks to the funding of the false UN debt and the IMF at the end of the last session of Congress by linking these items with the Mexico City Policy language. For political reasons President Clinton has steadfastly refused to sign any legislation which contains any anti-abortion language at all.

This linkage presented us with a short term tactical victory but its long term costs are now becoming quite apparent. In linking these two issues together an opportunity for a ''deal'' has become apparent, a deal which will compromise principles on several fronts.

THE SO-CALLED ''BARGAIN''

The so-called bargain here is maintaining the flawed Mexico City language in exchange for paying the alleged back-dues to the United Nations. But this, from a true conservative standpoint, is a double negative. In a world of so-called give-and-take, this is a double-take. This is no bargain at all. Obviously, the Mexico City policy is riddled with fungibility holes in the first place. Moreover, it is morally repugnant to undermine our nation's integrity by trading votes in this fashion. Worse still, it is now apparent how willing ''some'' members have become to water the Mexico City Policy down still further in order to get President Clinton to sign legislation which shouldn't exist in the first place. Even the abortion restrictive language has been diluted to state that ''the President could waive the restriction on funding groups that perform or promote abortion, but such a waiver would automatically reduce total U.S. funding for family planning activities

[1] Sec. 212(a)(3) [8 U.S.C. Sect. 1182(a)(3)] re: terrorism and Sec. 212(a)(3)(C) re: foreign policy.

[1] Sec. 212(a)(3) [8 U.S.C. Sect. 1182(a)(3)] re: terrorism and Sec. 212(a)(3)(C) re: foreign policy.

to $356 million, 11% less then current appropriations. In other words, Abortion is A-O-K if done with 11% fewer taxpayer dollars. Now that's not worth compromising principle.

''PEACEKEEPING''

This compromise authorizes $430 million for U.S. contributions to our ''police the world'' program carried out through various arms of the United Nations. International peacekeeping operations are currently ongoing in the Middle East, Angola, Cambodia, Western Sahara, and the former Yugoslavia. Additionally, the measure authorizes $146 million to international operation in the Sinai and Cypress.

ADDTIONALLY

This ''agreement'' authorizes $1.8 Billion for multilateral assistance in excess of the previously mentioned contribution to the United Nations; $60 million dollars for the National Endowment for Democracy; $20 million for the Asia Foundation; $22 million for the East-West Center for the study of Asian and Pacific Affairs; $1.3 billion for international migration and refugee assistance and an additional $160 million to transport refugees from the republics of the former Soviet Union to Israel. Also, $100 million is authorized to fund radio broadcasts to Cuba, Asia and a study on the feasibility of doing so in Iran.

Lastly, foreign policy provisions in this report suggest an ever-increasing role for the United States in our current police-the-world mentality. Strong language to encourage all emerging democracies in Central and Eastern Europe to join NATO area amongst these provisions in the conference report. It also authorizes $20 million for the International Fund for Ireland to support reconciliation, job creation, investment therein. For Iraq, the bill authorizes $10 million to train political opposition forces and $20 million for relief efforts in areas of Iraq not under the control of Hussein.

Apparently contrary to the first amendment, the conference report contains language that the U.S. should recognize the Ecumenical Patriarchate in Istanbul, Turkey, as the spiritual center of the world's 300 million Orthodox Christians and calls upon the Turkish government to reopen the Halki Patriarchal School of Theology formerly closed in 1971. ''Congress shall make no law respecting an establishment of religion * * * (Except abroad?)

CONCLUSION

Fortunately, many genuinely conservative pro-life and pro-sovereignty groups are making it known that they do not support this so-called ''compromise.'' I, for one, refuse to participate in any such illusion and oppose any effort to pay even one penny of U.S. taxpayer dollars to the United Nations, subsidize family planning around the world, and intervene at U.S. taxpayer expense in every corner of the globe.

Ms. DANNER. Mr. Speaker, I regret the fact that H.R. 1757, The State Department Authorization Conference Report, was passed today on the floor of the House of Representatives by a voice vote, thereby authorizing payments to the United Nations by the United States of $819 million over fiscal years 1998 through 2000.

This legislation also includes language that would forgive up to $107 million in U.N. payments to the United States for U.S. military contributions in peacekeeping efforts. I do not believe that this widely-disputed amount takes into account all of the costs and expense incurred by the taxpayers of the United States in various peacekeeping missions.

I am very disappointed that I did not have an opportunity to cast a recorded vote on this measure. Had I been given the opportunity to cast a vote on this legislation in a rollcall vote, I would have voted against H.R. 1757.

Mr. BUNNING. Mr. Speaker, like many of my colleagues I am not completely happy with the final version of this bill. However, I have been around here long enough to know that some times you have to take what you can get.

While I am no fan of the United Nations, and I have serious reservations about paying any of the so-called debt to the U.N., we have an opportunity to make some very substantive changes to our nation's foreign policy regarding abortions. We need to seize this opportunity.

By ensuring that the Mexico City Policy is written into law we will send an important message of how much we cared and understood the needs of the unborn. For far too long, we have allowed the President to provide foreign aid to organizations that promote the use of abortion, even in countries that have laws on the books prohibiting the procedure. This is wrong, and by passing H.R. 1757, we can hopefully put a stop to it.

I understand that voting ''Yes'' on this bill is a tough pill to swallow. But, if we don't take action today, millions of abortions will occur around the world with the assistance of U.S. taxpayer dollars. This is unconscionable and it is time Congress stopped it. Vote ''yes'' on H.R. 1757.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in strong opposition to the Conference Report on H.R. 1757, the Foreign Affairs Reform and Restructuring Act. All I can think of as I stand before you this afternoon is ''here we go again.'' It is disheartening to see certain Members of this body once again hold funding to meet our nation's commitment and investment in foreign affairs hostage to provisions placing stringent and unacceptable restrictions on funding for international family planning. And once again, those Members are inaccurately attempting to characterize this as a vote about abortion.

Proponents of the Conference Report on H.R. 1757, the Foreign Affairs Reform and Restructuring Act wrongly claim that release of family planning funds without restrictions will allow U.S. aid to support abortion services abroad. These funds, however, can not by law be used to provide or promote abortions. Proponents of this legislation argue that funding is fungible, but the Agency for International Development has a rigorous process to ensure that the current ban on the use of U.S. funds for abortions is adhered to and that no U.S. funds are spent on abortion services.

Funds to support family planning are not funds for abortions. Family planning funds are used to provide contraceptives to persons who would otherwise not have access to them. Family planning funds support education and outreach on family planning options, family counseling, health care, and technical training for personnel. These funds help to improve the health and increase the survival rate of women and children during pregnancy, in childbirth, and in the years after. Family planning allows parents to control the number of children that they have and the timing of those births. And in so doing it allows women the opportunity to reach beyond the walls of their homes, to get an education and to work outside of the family.

A recent report of the Rockefeller Foundation argued that devoting less time to bearing children, reducing family size, and improving the health and survival of women and children results in better economic prospects in developing countries. Withholding these funds will reduce access to contraception and in so doing increase unintended and unwanted pregnancies. Experience demonstrates that as unintended pregnancies increase, so does the abortion rate.

In fact, U.S. funding to Hungary has coincided with a 60% reduction in abortions in that country. In Russia, increased use of contraceptives has led to a 30% reduction in abortions.

My colleagues, this is not a vote on abortion. A vote against this Conference Report is a vote to provide more options and opportunities for the people of developing nations around the world. Once again we are here debating language that will codify a global gag rule—language that is clearly unacceptable to pro-family planning Members of this Congress and to the Administration and that the Administration has indicated that it will veto. For these reasons, I call upon each Member to signal their support for the health and welfare of women, children and families and vote against the Conference Report on H.R. 1757, the Foreign Affairs Reform and Restructuring Act.

Mr. DAVIS of Illinois, Mr. Speaker, I rise today to oppose the Foreign Affairs Reform Act. In this time of competitive interests and thoughts, the United States presence is more important to world peace and progress then ever before. As our world becomes more interdependent than ever before the United States must improve its relations. Most Americans know this. We must not ignore the benefits of cooperation nor must we ignore our own interdependence and responsibility as a leading nation to share the blessings of the entire world.

Mr. Speaker, I wholeheartedly reject the dangerous Mexico City Policy. It is my determination that any delay will cause serious, irreversible and avoidable harm. We must remember that in the balance are the lives and well-being of many thousands of women and children and American credibility as the leader in family planning programs around the world.

For half a decade anti-family planning lawmakers have attempted relentlessly to impose the Mexico City Policy on organizations that receive U.S. international family planning money, and make this debate a referendum on abortion. International family planning is not about abortion. No U.S. dollars are used to provide abortion services and in fact, access to international family planning services is one of the most effective means of reducing abortion.

I oppose the provision which allows the U.S. to renounce its full debt to the United Nations. The United States is $321 million behind in its payment. There is a great international game is being played out here today. Why must we continue to barter for the health and well being of millions of people around the world? I think it is the wrong time to do this and we will reap disastrous results.

We must remember and act as though this is an interdependent world. It cannot be overstated that building the Global Village and a better world for the 21st century requires a United Nations that is supported, fully funded,

and respected. Achieving this momentous task must begin in the country where the U.N. was born.

Lastly, I have grave concerns with the Haitian language of the bill. I believe this is a step to decrease U.S. presence in a country which so desperately needs intervention. The secretary of state already has the authority to deny entry to persons who are suspected of human rights violations. This language is inconsistent with the existing law, which is working well, and I am worried this new untested standard will be open to manipulation by anyone who makes an allegation.

I urge members to vote against this bill and vote for preserving world peace, better conditions for the worlds families, caring for refugees and sharing the blessings of progress around the world.

Mr. POSHARD. Mr. Speaker, I rise today to register my strong opposition to H.R. 3246, the misnamed ''Fairness for Small Business and Employees Act.'' This legislation is an outright attack on the rights of working men and women in this country and would erode many of the fundamental freedoms guaranteed by the National Labor Relations Act. I certainly hope that my colleagues will recognize this mean-spirited attempt to discriminate against organized labor and vote against the bill.

The right of workers to organized is a precious freedom, which I have fought for many years to strengthen and protect. Employers currently have at their disposal an arsenal of weapons with which to fight unionization, and tens of thousands of American workers lose their jobs illegally each year simply as a result of their support for union organizing campaigns. I fail to understand how my colleagues on the other side of the aisle can, with a straight face, claim that this bill is a necessary tool for employers. This bill is anything but necessary. Rather, it adds more injustice to an already uneven balance of power between workers and employers and effectively allows working men and women to be denied employment for exercising their federally-protected rights to organize to protect their interests.

Mr. Speaker, I serve as a member of the Small Business Committee, and I am proud of my strong efforts on behalf of the small business owners of this country. I recognize their contributions and am committed to working on behalf of their interests. But H.R. 3246 is not about fairness for small businesses, and it most certainly is not about fairness for their employees. Instead, it is nothing more than another attack on the hard-fought and fundamental rights of America's working men and women and a vicious attempt to further erode the already precarious ability of workers to organize. I will oppose this bill, and I urge my colleagues to do the same.

Mr. PORTER. Mr. Speaker, I am a strong supporter of our foreign policy initiatives, including payment of our arrears to the United Nations but I cannot support passage of this bill. I have actively supported the creation of Radio Broadcasting for Iran and Iraq and strongly approve of the new money for Radio Free Asia. My concerns lie with the reforms proposed in this bill for the UN and the restrictions placed on the funds of international organizations that provide family planning assistance.

The creation of the UN was prompted by United States leadership after World War II. The UN provides a multilateral forum for peace to be negotiated so that international tensions will never again escalate to another world war. H.R. 1757 does help to pay off the arrears that we have accumulated so that we can hopefully regain our leadership position in this organization. However, this bill also conditions this money on unilateral reforms that run in direct opposition to the spirit under which the UN was created. This lack of U.S. support for and leadership in the UN is an embarrassment which has also greatly encumbered the performance of our foreign policy.

In addition to the conditions on funding for the UN, this legislation also attaches extremely controversial and damaging restrictions on private organizations that provide family planning assistance. There has always been a prohibition on these organizations using U.S. funds to perform abortions, However, many feel that this is not a great enough safeguard and have chosen to also place an effective gag rule on what these organizations can do with their own funds. This restriction is in violation of our own Constitution yet many approve of requiring it abroad. To me, this is the greatest form of hypocrisy to which I am strongly opposed.

While I believe that nothing is more important to our foreign policy at this moment than paying our UN dues and regaining our credibility and leadership abroad, I cannot support this legislation because I believe it may do more harm than good for the long term. Placing unilateral conditions on UN funding and enacting unconstitutional requirements for family planning organizations into permanent law will only prolong the problems that have impeded our foreign policy. As we continue to experience international crises, whether they are military, economic or social, the UN and our foreign policy only become more important. We need to fully support the UN now and free our foreign assistance programs from restrictions that do nothing more than waste money and damage the effectiveness of our international development assistance programs.

Mr. CALVERT. Mr. Speaker, I rise today in support of the conference report to H.R. 1757, the Foreign Affairs Reform and Restructuring Act. This conference report accomplishes three important international goals by authorizing assistance to the democratic opposition in Iraq; reforming and consolidating the State Department; and most importantly, denying funding to foreign organizations that perform or promote abortions.

There is no justification for using our federal money to perform or promote abortions overseas, or here at home for that matter. This bill also takes an important step in consolidating two out of three international affairs agencies back into the State Department. And, it is important for the U.S. to support the democratic opposition in Iraq. The problems in the Middle East have continued for too long. It is time to put an end to Saddam Hussein's reign of terror.

I do not like the provision authorizing U.S. arrearages to the United Nations. I am no fan of the United Nations, and do not trust that institution to respect American sovereignty. It is our job as constitutionally elected representatives of the American people to protect our sovereignty. I am disappointed that this provision was included in such important legislation.

Again, I strongly support three out of the four key provisions of this bill, particularly regarding no U.S. funds being used to perform or promote foreign abortions. American foreign policy should not include promoting abortions, and no federal funding should be authorized abroad or domestically to pay for abortions. I urge President Clinton to do the right thing and sign this important legislation.

Mr. SKAGGS. Mr. Speaker, the conference report before us today is badly needed, but it is seriously flawed in its present form, and so, I'm sad to say, it should be defeated. The bill authorizes funds for the State Department and related agencies, and for money this country owes the United Nations. But the addition of the international gag rule on foreign nongovernmental organizations (NGOs) relating to international family planning funds is unacceptable. It attempts to do overseas something that would be unconstitutional if done here at home.

The ''lobby'' ban means that the United States would be using the threat of withholding U.S. money to blackmail foreign NGOs to promise not to use their own money not to lobby their own governments. The definition of ''lobbying'' is so broad that it includes making public statements that may call attention to ''alleged defects'' in abortion laws.

One of this country's most cherished foreign policy goals is to bring democracy and the values of civil society to other countries. This provision would stifle the kind of debate on a critical issue that we are free to conduct in this country.

As Secretary of State Madeleine Albright said: ''This is basically a gag rule that would punish organizations for engaging in the democratic process in foreign countries and for engaging in legal activities that would be protected by the First Amendment if carried out in the United States.''

The practical effects of the lobby ban would be ridiculous. For example, the ''lobby'' ban would mean that a foreign NGO could lose its U.S. family planning support if, with non-U.S. funds it writes a paper or makes a public statement that cites the incidence of maternal death due to illegal abortion, thus showing a ''defect'' in abortion laws. Or, in a country where abortion is legal, an NGO could lose U.S. support if it offered its own government advice on how to make abortion safer.

The gag rule approach contradicts deeply-held American values of free speech and participation in the political process. In the 104th Congress, we rejected a similar attempt to use the leverage of federal funds to prevent domestic NGOs from engaging in advocacy with their own money. We should not impose on foreign NGOs an anti-democratic gag rule that would be unconstitutional to impose on domestic organizations.

It is most unfortunate that this issue has delayed payment of U.S. arrearages to the United Nations. This country uses the United Nations to seek international support for many important foreign policy goals, most recently to enforce compliance by Iraq with its commitment to destroy its weapons of mass destruction. We risk influence in the international community on critical foreign policy goals by being seen as international deadbeats when it comes to paying our bills.

The same controversy over family planning funds last fall kept us from paying our arrearages to the UN. As a result, we lost negotiating leverage at the United Nations to lower the

percentage assessment that determines our annual UN dues. That mistake is likely to cost us hundreds of millions of dollars in lower dues payments. Assessments were renegotiated last fall, and we have had to ask to reopen those negotiations. And now it is very unlikely that we can succeed in lowering our assessment from 25 to 20 percent, as called for in this conference report.

By the year 2000, Japan's assessment will be 20 percent. Surely the United States, which has a larger economy than Japan's will be expected to pay more than Japan. Other Asian countries, which had expected to take on larger assessments, are no longer able to because of the Asian financial crisis. At best, we're likely to get our assessment lowered to 22 percent, still saving taxpayers millions of dollars every year, but only if we pay our arrearages.

The simply truth is that we will continue to suffer a loss of influence and credibility in the United Nations if we continue to fail to pay these arrearages. I see no reason why this critical international responsibility should be held hostage to an extension of our domestic abortion debate. I urge my colleagues to defeat the conference report.

Mr. NADLER. Mr. Speaker, the State Department Authorization bill would place an international gag rule on organizations that use their own non-U.S. funds to provide abortion services. It also threatens to cut off $29 million from our international family planning efforts if the President attempts to defer the ban on funding to organizations that use their own private funds for abortion services. This policy is clearly unacceptable, and is not supported by the President or by the American people.

Why? Because the American people understand that family planning is necessary, successful, and addresses a critical need. According to the World Health Organization, nearly 600,000 women die each year of causes related to pregnancy and childbirth. International family planning efforts have been remarkably successful and have saved women's lives. I am shocked that proponents of these so-called ''Mexico City'' restrictions claim that our family planning programs actually increase the number of abortions, when, in fact, the exact opposite is true. Studies show that our efforts, as part of an international strategy, have prevented more than 500 million unintended pregnancies.

International family planning improves women's health, helps reduce poverty, and protects our global environment. Our family planning programs save lives, and they should be continued without unnecessary restrictions.

There is no need to impose this type of gag rule on organizations that use their own money to further their objectives and to make women's lives safer. The ''Mexico City'' restrictions are pernicious, unnecessary, and harmful. If this bill were to be enacted, it would severely limit family planning efforts and simply result in more unwanted pregnancies, more fatalities among women, and more abortions. I strongly oppose these provisions of the State Department Authorization bill.

Mr. CALLAHAN. Mr. Speaker, I rise to address several aspects of this legislation which authorize appropriations for activities under the jurisdiction of the Subcommittee on Foreign Operations, which I chair.

First, I would like to congratulate the gentleman from New York for his hard work on this conference report. He has produced a product that deserves our full support.

Sections 1104 and 1231 of the conference report authorize funds for International Organizations and Programs and for Migration and Refugee Affairs. There are several subauthorizations within these sections. However, the level appropriated for the accounts in 1989 is such that these subauthorizations will not result in the earmarking of funds for the purposes specified. For fiscal year 1999, I do not feel bound by the limitations imposed by the authorizations for specific activities within these accounts. The programs mentioned may all be meritorious, but they must receive funding on the basis of a balance among all the programs within the appropriations accounts.

Section 1815 of the conference report would earmark not less than $2,000,000 in fiscal years 1998 and 1999 for activities in Cuba. Despite the fact that the State Department has indicated that it will be obligating at least this level of funds in fiscal year 1998, this earmark does not conform with the proper roles of each committee in the allocation of appropriated funds. It is the role of the International Relations Committee to establish policy and to place a ceiling on the amount of funds that should be made available for appropriations accounts and activities. However, the allocation of funds within those authorization levels is reserved for the Appropriations Committee.

I must respectfully inform the House, and the authorization committee, that I will not be bound by such earmarks or limitations when I make my recommendations for fiscal year 1999 for the Foreign Operations appropriations act.

Once again, I congratulate the gentleman from New York for his work on this legislation. Aside from these minor matters, it is a conference report that deserves our full support.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Illinois (Mr. HYDE) for his remarks, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). All time has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report just adopted.

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

There was no objection.

EXPRESSION FOR APPRECIATION FOR HARD WORK OF MEMBERS ON CONFERENCE REPORT

Mr. DELAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. DELAY. Mr. Speaker, I appreciate this vote, and I appreciate the work of the chairman of the Committee on International Relations, and I appreciate all the hard work that has been put into this bill. Our Members are very appreciative of all of the cooperation of all of the Members on the floor.

We think this is an excellent bill, and we want to give credit where credit is due to the Members of the House, and particularly the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. HYDE), the chairman of the Committee on the Judiciary. The chairman of the Committee on International Relations has done a great service for this House, and the gentleman is to be commended for a bill that is consolidating the State Department and bringing some very needed reforms.

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

Mr. DELAY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank our distinguished whip for his kind remarks, and I just want to remind our Members that there are a number, as the gentleman from Illinois (Mr. HYDE) indicated, of significant provisions in the measure we have just adopted.

We consolidated foreign affairs agencies into the State Department, something that we have been advocating for a number of years, something the Senate has been advocating. We provided $38 million in assistance to the democratic opposition in Iraq, in attempting to move Iraq away from the violations that have occurred with regard to the biological and chemical weapons. We strictly conditioned U.N. arrearage payments on a number of internal reforms that we are seeking. We initiated long-term reforms of the United Nations; that is the Helms-Burton package. We are saving taxpayers money by reducing the United States assessment at the United Nations. And most importantly, we initiated the McBride fair employment principles for the troubles in Northern Ireland.

Mr. Speaker, we have accomplished a great deal by this measure.

Mr. DELAY. Mr. Speaker, reclaiming my time, I thank the gentleman for his remarks, and I think this is a wonderful day for the House of Representatives in reflecting this vote.

PROVIDING FOR CONSIDERATION OF H.R. 3246, FAIRNESS FOR SMALL BUSINESS AND EMPLOYEES ACT OF 1998

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 393 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the

House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3246) to assist small businesses and labor organizations in defending themselves against government bureaucracy; to ensure that employees entitled to reinstatement get their jobs back quickly; to protect the right of employers to have a hearing to present their case in certain representation cases; and to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. No amendment shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from California (Mr. DREIER) is recognized for 1 hour.

(Mr. DREIER asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. DREIER. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from south Boston (Mr. MOAKLEY), my very good friend, who I am happy to say has just arrived in the Chamber, and pending that, I yield myself such time as I may consume. Mr. Speaker, all time yielded will be for debate purposes only.

□ 1645

Mr. Speaker, this rule makes in order H.R. 3246, the Fairness for Small Business and Employees Act of 1998, under a structured rule providing for an hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce.

The rule makes in order one amendment by the chairman of the Committee on Education and the Workforce, offered by the gentleman from Pennsylvania (Mr. GOODLING). The rule provides that the amendment shall be considered as read and debatable for 20 minutes, equally divided and controlled by the gentleman from Pennsylvania (Mr. GOODLING) and an opponent.

The amendment shall not be subject to amendment, and shall not be subject to a demand for a division of the question. Further, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, although this is a structured rule, it would also be correct to characterize it as a very fair rule. As Members know, H.R. 3246 amends a broad cross-section of the National Labor Relations Act. The Committee on Rules required Members to prefile their amendments in advance, in an effort to ensure that the House would have a focused debate on the issues specific to this legislation.

Four amendments were filed with the Committee on Rules, and of those, three were actually withdrawn. In fact, two amendments filed by the ranking minority member of the Committee on Education and the Workforce, the gentleman from Missouri (Mr. CLAY), were withdrawn as a result of a motion offered by the gentleman from Massachusetts (Mr. MOAKLEY), which the Committee on Rules adopted by a voice vote. Those two amendments would have added 20 minutes and 60 minutes, respectively, to the debate.

Mr. Speaker, I want to applaud the gentleman from Pennsylvania (Chairman GOODLING) and the gentleman from Illinois (Mr. FAWELL), the chairman of the Subcommittee on Employer-Employee Relations, for their very thoughtful work on this bill in moving it forward.

If enacted, the bill will end abusive practices against workers by organized labor and the Federal bureaucracy. It will level the playing field for small businesses, small unions, and employees by creating an impartial National Labor Relations Board.

It will also end the practice of what is known as salting, whereby professional agents and union employees are sent in to nonunion workplaces under the guise of seeking employment, only to inflict harm on those employers.

So, Mr. Speaker, let me say, this is, I believe, a very fair and balanced structured rule. I urge my colleagues to support this measure, which makes in order this fair and commonsense bill which will provide relief for small businesses, for labor organizations, and employees.

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

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

Mr. Speaker, my Republican colleagues have not named this bill very well. They call it the Fairness for Small Business and Employees Act, but it is neither fair, nor is it for small businesses.

Mr. Speaker, I urge my colleagues to oppose this rule and oppose the bill. This is bad news for American workers, particularly construction workers, and it seriously undercuts the National Labor Relations Board. This bill hurts workers' rights to bargain collectively by allowing businesses to refuse to hire or even fire people who have been members of unions or who have worked in union shops.

Let me repeat this, Mr. Speaker. This bill allows employers to refuse to hire people they suspect might be affiliated with a union. In other words, Mr. Speaker, it allows businesses to fire workers who might report unlawful conduct, but it allows businesses to keep hiring outside union busting consultants. That is all right.

Keep in mind, Mr. Speaker, that these so-called union organizers do a good day's work. They show up on time. They work hard. They follow the rules. They are not standing around the water coolers passing out leaflets all day. They do their jobs satisfactorily. If they do their job satisfactorily, Mr. Speaker, they should not be fired for union activities or affiliations. After all, Mr. Speaker, these people come to organize employees, not to eliminate their jobs, as my Republican colleagues will imply.

But, because some employers fear the power of collective bargaining, they want to be able to refuse to hire someone or even fire someone for suspicious siding with the unions. This bill allows them to do that, Mr. Speaker, and that is patently wrong.

It also gives employers a powerful tool to slow down workers' choice of unions. This bill makes taxpayers pay the legal fees under the National Labor Relations Act whenever the business wins. Mr. Speaker, making taxpayers pay, even in cases where the National Labor Relations Board's position was substantially justified, is in violation of the ''American rule'' under which each party to a suit pays their own costs.

There is no reason to think that the NLRB is bringing up frivolous cases. In fact, Mr. Speaker, last year the NLRB won 83.7 percent of the cases which went to the courts on appeals, so they are not just taking any old case lying around. When they do take a case, they prosecute it very well.

Perhaps, Mr. Speaker, that is the problem. Back in 1935, the National Labor Relations Act was enacted to encourage the practice and procedure of collective bargaining. But because ''unions are essential to give laborers opportunity to deal on an equality with their employer,'' in other words, collective representation, it promotes American economic and social good.

Mr. Speaker, some of my colleagues talk about unions as if they were a dirty word. They imply that union organizers are only out to destroy businesses, and, Mr. Speaker, that absolutely is not true. Organized labor has just as much of an interest in keeping

people's jobs as employees who have an interest in keeping businesses running.

Collective bargaining is not a tool to destroy companies, and neither are unions. Unions give workers a voice at a time when the gap between rich and poor is ever widening, so we need all the unionizing we can get.

Unions raise living standards, they help close the wage gaps between women and people of color, they fight discrimination, and promote civil and human rights. But as it stands today, Mr. Speaker, about 10,000 working Americans get fired every year just because they support unions. This bill is just one more attack on the working people's rights.

Mr. Speaker, this bill is a giant step backwards in worker-employer relations. It gives employers even more ways to trample the rights of workers to organize and bargain collectively, and, along with this rule, should be defeated.

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

Mr. Speaker, all we are trying to do is make sure that small businesses have the exact same rights that the gentleman and I do in hiring practices in our offices.

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

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

Mr. MOAKLEY. I concur, Mr. Speaker. That is all I am here for, is to make sure that unions and collective bargaining agents and employers have all the same rights.

Mr. DREIER. Mr. Speaker, we are trying to protect the rights of employees, the small labor groups, organizations, and, of course, the backbone, the backbone of the United States of America, the small businessman and woman.

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

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. ENGEL).

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

Mr. Speaker, let us call this bill for what it is. It is shameful union-bashing. That is what it is. At least our Republican colleagues are consistent about being anti-worker, anti-union, anti-middle class persons. This amends the National Labor Relations Act to permit employers to refuse to hire a person who seeks employment in a nonunion firm to organize the workers into a union.

This is an anti-union bill. It is a bill to restrict workers from organizing, make no mistake about it. It makes it much more difficult to organize workers for better pay benefits, punishes workers for their affiliations with organizations outside of the workplace, and infringes on their right to free speech.

The President is going to veto this bill in its present form. The bill absolutely should be defeated. It is an absolute disgrace. It overturns the unanimous 1995 Supreme Court decision that said ''Employees or job applicants attempting to organize a workplace have the same employment protections as any other employee or applicant.''

This, again, is shameful union bashing. This body should reject it, and I urge its defeat.

Mr. MOAKLEY. Mr. Speaker, I yield 2–3/4 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Mr. Speaker, the American tradition has been to organize all kinds of groups everywhere in this country. The National Labor Relations Act was intended to encourage people to organize on the job. This is a bill to discourage people from organizing.

What it says is that an employer can discriminate if the primary purpose of a person was furthering other employment or agency status. 50 percent of their intent is not to work for the employer. In that case, there is no protection.

Who is going to interpret this, and under what circumstances? If someone is fired, it is up to the NLRB to present a prima facie case showing that the employee applicant on whose behalf the charge of discrimination has been filed is not a person who has sought employment with such a primary purpose.

This is going to discourage organization. That is its purpose. There is reference in the report of the majority to paid union organizers. This applies to anybody, anybody at all, anybody who is seeking employment.

It also refers in the majority report to the fact that in some cases an employee may disrupt projects or disrupt the workplace. Look, in those cases the employer has the absolute right to discharge somebody if they disrupt a project or if they disrupt the workplace.

The real tip-off is right here on page 6. It says ''These agents,'' and it does not have to be an agent, it says here that they often attempt to persuade bona fide employees to sign cards supporting the union. The purpose here is to try to discourage people from signing union cards.

Look, this is a deep disappointment to anybody who believes in the right of people to organize. This is class warfare. I have heard a lot of the Members of the majority talk on the floor about class warfare. That is what they are engaging in here, class warfare against working families, blue collar families, and increasingly, white collar families.

They should never have brought this to the floor. It will never pass, if it does the House, the Senate and be signed by the President. I do not know whose interest Members are trying to serve. It is not the interests of typical American working families.

Mr. DREIER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Naperville, Illinois (Mr. FAWELL), chairman of the subcommittee.

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

Mr. Speaker, I will not take a great deal of time. I think that some kind of reply to these rather exaggerated statements that have already been made by the Members of the other side of the aisle is in order.

Mr. Speaker, we have four bills here that are included in one termed the Fairness for Small Business Act. From my viewpoint, and I think when we have the debate here we will find that we have relatively benign and very reasonable suggestions for improvement that will be good for employers, be good for employees, be good for labor organizations also. Truth in employment is not something that is bad, and in this bill it deals with salters, and we do have a problem.

Not all unions are involved in salting tactics, but what we simply say, and we do not repeal the Supreme Court decision in Town and Country whatsoever. We simply say that if there is a bona fide applicant that is applying, then the full accord of the Town and Country Supreme Court decision takes effect. That applicant is deemed to be an employee.

□ 1700

In no way can the nonunion shop discriminate in any way against that applicant because the applicant may be a member of a union or even a paid employee of the union.

What we do say is that if that applicant is not a bona fide applicant, if the person is seeking employment with the employer and the primary purpose of seeking employment is furthering another employment, for instance if one is full-time employed by the union, as is oftentimes the case with the salters, then we will say that if the facts show that the primary reason, that is, more than 50 percent of the reason for one applying is because they want to further some other employment, then we are suggesting that is it not common sense that under those circumstances the NLRA would not cover that kind of a situation, and only in that kind of a situation.

Then we also suggest for the small businesspeople of America, and for the small labor organizations, too, that if when there is a charge brought to the National Labor Relations Board and the general counsel decides that there is going to be a complaint that is issued, whether it is an unfair labor practice against a labor organization or unfair labor practice against an employer, and we are talking about small employers and small labor organizations that have less than 100 employees and net worth of less than $1.4 million, under those circumstances, if the small business or the labor organization actually wins the case, then the loser is the National Labor Relations Board which is financed by the taxpayers

against these small businesses and against these small unions, then under those circumstances we are suggesting that the small business should be reimbursed for the legal fees because they cannot afford to continually try to defend themselves and oftentimes as many as 40 or 50 unfair labor practice charges.

Then we have several other bills, too, that I am not going to go into at this time. But suffice it to say that if Members will look carefully at this, it does not do any credit to call this union bashing. These are bills that we have worked on for quite some time. There is some bipartisanship to it. There is some opposition, obviously, but it is not union bashing. And hopefully we can have a debate that can be heightened over that kind of rhetoric.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MILLER).

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

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this bill is the latest in a series of efforts by the Republican majority to undermine working men and women in this country. First the Republican Majority tries to silence the voices of rank-and-file Americans under their phony campaign finance reform bill. Now they want to give employers the power to hire and fire workers based solely on their support for union representation.

Again, we have very damaging legislation clothed in an innocuous title. This bill is called the Fairness for Small Business and Employees Act of 1998, but it is not fair, it is not limited to small businesses, and it certainly does nothing for employees.

Mr. Speaker, make no mistake about it, this bill permits employers to discriminate against workers on the basis of the worker's union support. It would permit and even encourage employers to interrogate applicants on their preferences for union representation and refuse to hire the applicants on that basis.

This bill overturns the unanimous 1995 Supreme Court decision. The Court said that a worker can be a company's employee and simultaneously work in support of union representation. But the Republican majority does not like the Supreme Court decision and they do not like labor unions so they plan to overturn the Court's decision with the passage of this bill.

The Republican majority says that this bill is necessary to prevent abuses by employers. This is nonsense. Employers already have more than enough power to control what goes on in the workplaces. Current law already provides that employers may prohibit union solicitation during working hours. Current law allows employers to prohibit their employees from even discussing the union during work time. Current law allows companies to require employees to attend meetings, listen to campaign speeches and watch campaign videos. Current law allows employers to fire employees who refuse to listen or dare to ask questions in such captive-audience meetings.

Mr. Speaker, the message of this bill is that employers can never have enough power over their workers. The message of this bill is that employers' decisions to hire or fire employees can be based solely on that employee's beliefs and their desire to have a unionized workplace and their activities outside of nonworking hours. The message of this bill is regardless of how hard one works, how much they produce, how impeccable their record of service, they can be fired for wanting and seeking a better representation for themselves and their co-workers by having a union in the workplace.

Mr. Speaker, this bill is antidemocratic, it is antiworker, it is antiunion, and my colleagues ought to vote against it.

Mr. MOAKLEY. Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, today I rise in strong opposition to this bill. If there were ever a bill written to bust the unions, this is it.

Working families organized unions to give themselves a voice and to protect their safety. Unions provide workers with peace of mind because they know their leadership at the negotiating table with management is necessary to get the highest possible wages, the best possible health care and pension benefits. Without these collective bargaining guarantees, working men and women will not be afforded a place at the bargaining table to ensure the highest possible living standard for themselves and their families.

Mr. Speaker, this bill takes three steps backwards. It reverses a key provision of the National Labor Relations Act which prohibits employers from discriminating against who they hire. What this bill says is that if an employer suspects a person is applying for a job to organize a union, then the applicant is out the door. Imagine the leeway an employer would have to turn away job applicants. An employer's convenient excuse not to hire a person of color, for example, is because that person might be a union representative. This bill would gut the National Labor Relations Act to the point of ineffectiveness.

Mr. Speaker, I understand the gentleman from Pennsylvania will offer an amendment to attempt to eliminate the ambiguity. The amendment states that any ''bona fide'' applicant will be protected under the NLRA. What subjective criteria would an employer use to determine who is a ''bona fide'' employee? This is ludicrous.

Mr. Speaker, this bill should not be on the floor. Job applicants should never be discriminated against if they belong to a union, if they support a union, or if they want to participate in union organizing activities. This bill is a clear, shameless attempt to ban organized unions at nonunion workplaces. It is an attempt to deny collective bargaining rights to workers who want the right to organize.

Finally, this bill is an attempt to tear down the unanimous 1995 Supreme Court ruling that says that it is illegal to deny employment to a paid union organizer, or to fire that person, if the person applies for a job for the purposes of organizing a union in a nonunion workplace.

Mr. Speaker, in closing I ask my colleagues to vote against this bill. Its purpose is to bust unions, to bust the people that are in them, and to weaken the labor laws which were written to improve the lives of America's working families. We should not allow it. Let us fight with all we have got.

Mr. MOAKLEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Missouri (Mr. CLAY) the ranking member on the Committee on Economic and Educational Opportunities.

Mr. CLAY. Mr. Speaker, I rise in opposition to this rule. It is appalling that we would limit amendments on a bill that tramples the rights of millions of workers and their families. It is no exaggeration that this bill rips the heart out of the National Labor Relations Act and says a good deal about the priorities of the majority.

Rather than working on measures that will improve the lives of working families, this legislation would jeopardize the great progress the NLRA has made in providing workers with better wages, benefits, and working conditions.

The enactment of the historic National Labor Relations Act was prompted by a severe and violent labor unrest. Back then, labor laws were stacked against workers. Management had the law on its side. The courts readily gave them injunctive relief, and the police also used excessive force to break strikes.

The NLRA created a careful balance of rights for employees and employers. This bill guts that law which has brought so much opportunity and stability for working families and, incidentally, for employers.

Mr. Speaker, we should emphatically reject this rule and I urge its defeat.

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

Mr. Speaker, let me just respond briefly to the gentleman from Missouri (Mr. CLAY), my good friend from St. Louis, and say that we in the Committee on Rules planned to make every amendment that was submitted in order. And while I found the gentleman's remarks very interesting, the one little caveat, the gentleman did say that he did not want to offer amendments and that he just did not like the bill and did not want to do that when we were holding the hearing up in the Committee on Rules. I think

it is important for the RECORD to show that.

Mr. Speaker, we were prepared to make the gentleman's amendments in order and, in fact, we did make them in order, and the gentleman from Massachusetts (Mr. MOAKLEY) offered the motion that unanimously passed in the Committee on Rules that, in fact, allowed for the withdrawal of those two amendments which had been submitted by the gentleman from Missouri.

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

Mr. DREIER. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, if the gentleman is going to quote me, I wish he would quote me accurately.

Mr. DREIER. Mr. Speaker, I am happy to yield to the gentleman to clarify that.

Mr. CLAY. Mr. Speaker, what I said to the gentleman was, first of all, it is not an open rule because the committee required preprinting in the RECORD.

Mr. DREIER. Mr. Speaker, that is correct.

Mr. CLAY. Mr. Speaker, the second thing I said before the Committee on Rules is that no amendments whatsoever could make this bill worth passing by this body, and that is how I wanted to be quoted. We cannot fix this piece of trash that we are now deliberating.

Mr. DREIER. Mr. Speaker, reclaiming my time, if we had an open rule, the gentleman would not offer any amendments. And we have now a very well-structured rule that would have made the amendments that the gentleman talks about offering and did initially submit in the Committee on Rules in order, and he has chosen not to do that.

Mr. CLAY. Mr. Speaker, if the gentleman would continue to yield, it would have permitted other Members who might have wanted to offer amendments to offer them. I said in my opening statement before the Committee on Rules that this should not even be considered by this body.

Mr. DREIER. Mr. Speaker, we certainly welcome the opportunity for all of our colleagues to submit amendments to us, as we had announced earlier on the House floor. And so I think that we have pretty well clarified the issue.

Mr. CLAY. Mr. Speaker, we are going through an exercise in futility. We do not know whether the Senate will take it up or not, but we know that the President has declared that he will veto this piece of legislation, and my colleagues on the other side of the aisle do not have enough votes to override a veto.

Mr. DREIER. Mr. Speaker, again reclaiming my time, I think the very hard work of the gentleman from Illinois (Mr. FAWELL) and the gentleman from Pennsylvania (Mr. GOODLING) has brought forth thoughtful legislation, and we are going to work our will here in the House.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. LEWIS), the minority whip.

Mr. LEWIS of Georgia. Mr. Speaker, this bill is a thinly veiled attack on America's organized workers. It is a Republican retribution bill. If one disagrees with the Republican majority, it will not be long before they are under investigation or under attack right here on the floor of the House of Representatives.

Mr. Speaker, this bill is not just an antiunion bill, it is un-American. This bill will allow employers to discriminate against and deny employment to workers based solely on their connection with a union.

What happened to freedom of speech? What happened to freedom of assembly? What happened to freedom of association? This bill is a naked attempt to intimidate American working families. It is a shame, it is a disgrace, and it has no place on this House floor.

I urge my colleagues to kill this bad un-American bill. Get it off of the floor, and send it to the trash heap dump right now.

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Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, any list of all-American, to-die-for rights will find the right to organize there at the top of the list. This bill tears up the right to organize, throws it in the dumpster.

How many violations of basic rights can the majority cram into one bill? The answer is, as many as it will take: freedom of speech, freedom of association, the right to organize, due process. How many ways are there to break unions? We will find a litany of them in this bill, including a brazen new employer right to discriminate against a worker who wants to organize a union in their company.

We want to start a union today? We already take our job in our hands. Ask the 10,000 who are unlawfully fired every year for union activity. We have blocked labor law reform to balance and bring fairness to labor law in this Chamber for 20 years. Now we are trying to kill what is left of the right to organize.

What do they want? We are already down to only 14 percent of workers organized in unions in this country. Have we forgotten that collective bargaining is a legitimate and time-honored part of the market system? In America, trying to organize a union should not make one a second-class citizen. Defeat this rule.

Mr. DREIER. Mr. Speaker, as we continue to pursue clarification on this issue, I yield 4 minutes, once again, to my friend, the gentleman from Illinois (Mr. FAWELL), chairman of the subcommittee.

Mr. FAWELL. Mr. Speaker, I hope we can clarify what the issues are.

I think I showed up in the wrong room. We are arguing about things that have nothing to do with the legislation that we have before us, and we are being accused of union bashing and all that; and I hear my colleagues say that a union member can no longer be engaged in organizing, that there is no ability to be involved in collective bargaining and things of this sort.

All that we are trying to clarify here, while keeping in complete accord with the Supreme Court decision in Town and Country where it was made very clear that an employer cannot discriminate against any applicant on the basis of the fact that he may be affiliated with a union or that he may even be a paid employee of a union.

The Supreme Court said there is not inherently a conflict. Now, there could be a conflict, but not inherently a conflict. So all we are trying to do, and I think almost every reasonable person would say that, however, where we have an applicant where it can be said that the primary reason that he is there is not because he wants to really go to work for that employer; the primary reason he is there is because he wants to further the interests of another employer.

Now, that is all we are trying to say. And I think inherently an American concept that would, any one of us, as a Member of Congress, think is right that we should hire someone who wants to work for us, and the primary reason they want to work for us is because they want to further the interests of another employer. That is all that we are asking, and that is a factual question.

Bear in mind that when a complaint is lodged of an unfair labor practice and the issue is whether or not the applicant was bona fide or not, guess who will make the initial decision in that regard? It will be the National Labor Relations Board, the general counsel, that will determine whether there is even a cause of action or a complaint that should be issued. Now that is what we are talking about here.

There is an old saying, ''If the facts are with you, pound the facts; if the law is with you, pound the law; but if you do not have either, pound the table.'' And I am hearing a lot of pounding of the table here, but I hope we can get back on something that is relevant.

Every once in a while, as an attorney, I would like to think that we are talking about the issue that happens to be before us. And we are straying way out. And my colleagues make good points with labor organizations I think but not much, I think, as far as common-sense debate.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, my friends on the other side of the aisle are trying to put a smiling face on this effort to hurt the American worker and talk about it in some kind of legalese because they are a bunch of lawyers. But nobody is going to be fooled around here. There are a lot of lawyers

over the years that tried to hurt the unions, and nobody is going to be fooled by what they are saying on the other side of the aisle here.

I remember a time when there were Republicans, particularly in the Northeast, who supported the average worker. But this Republican leadership is at war with America's workers. And since I consider workers the backbone of America, I think it is fair to say that the Republican leadership is at war with America and what it represents.

The Republican bill will allow employers to discriminate against people they suspect of trying to organize their workplace, and the employer can refuse to hire them, or fire them if they have already been employed, because of their union ties. If this country adopts the principle that union organizing is somehow against the public interest, then we are in serious trouble. America's strength is its middle class, and that middle class will dry up without organized labor. We will start to see lower wages, fewer pensions, and less health care benefits for workers.

Mr. Speaker, let us stop the union busting. If we do not provide the ability of workers to organize, we will be in serious trouble as a nation.

Mr. MOAKLEY. Mr. Speaker, may I inquire how much time remaining I have and the gentleman from California (Mr. DREIER) has?

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Massachusetts (Mr. MOAKLEY) has 11 minutes remaining, and the gentleman from California (Mr. DREIER) has 18 minutes remaining.

Mr. MOAKLEY. Is the gentleman from California interested in yielding me any time, Mr. Speaker?

Mr. DREIER. Mr. Speaker, I do not think so.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. ROTHMAN).

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

Mr. ROTHMAN. Mr. Speaker, I rise in opposition to the closed rule and the underlying antiworker bill. This debate is about fairness and the basic rights of hard-working Americans. If this bill passes, a worker could be fired just for trying to improve working conditions by organizing his or her fellow workers; or a worker may not even be hired in the first place, even though he or she is the most qualified applicant, just because the company executive thinks that that person might organize workers in the future.

In 1995, the U.S. Supreme Court said that it is unconstitutional for American executives to fire or discriminate against those who they want to silence. But these corporate executives refuse to take no for an answer, so they are trying to bring this bill to the floor.

H.R. 3246 defies what we fundamentally believe as Americans. It gives companies a license to discriminate against hard-working Americans who only want to be able to speak out and stand up for their rights, who want a safe work environment and who want to express their desire for reasonable health care for themselves and their family, and a livable wage.

I strongly urge that my colleagues vote against this rule and the bill.

Mr. DREIER. Mr. Speaker, I yield 2½ minutes to my good friend, the gentleman from Dallas, Texas (Mr. SAM JOHNSON).

(Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, 22 million small businesses thrive in America, thanks to the free enterprise system. Today, the bill before us, the Fairness for Small Business and Employees Act, will further guarantee a fair and level playing field for all employees.

Many of America's small businesses are crippled by a tactic known as ''salting.'' Salting has nothing to do with how our food tastes, believe me. But it will raise their blood pressure if they are a small business owner. Salting occurs when a union agent, which is known as a ''salt,'' applies for a job in a nonunion workplace. The agent intentionally conceals his true objective, which is to sabotage the company and drive them out of business because it is nonunion.

Now, that is not American. I think my colleagues would agree. But some salts are straightforward and just come right out during the hiring process and interview and they identify themselves as union agents and they demand, if they are not fired, they will then file a grievance against the company. Either way, Mr. Speaker, this is criminal. It is not the American way.

Let me give an example of how salting destroyed a company in my home State of Texas. A nonunion electrical company in Dallas, about 30 employees, was hired to work on a school construction project. They advertised the jobs in the newspaper. The local electricians union saw the ad and paid union agents to go and apply for a job. The electrical contractor hired these agents, unaware that they had an ulterior motive. The agents then proceeded to destroy the company.

They staged small strikes by leaving the job for 3 or 4 hours, but returning just before they could be replaced. They also sabotaged the electrical work and went on to file close to 50 grievances against the company, eventually driving it out of business.

This bill will put a stop to malicious activity like this and protect small businesses in their efforts to hire loyal, hard-working employees. The small businesses will no longer fear the threat of destructive lawsuits filed by union agents.

This protection is long, long overdue. We are just asking, please, unions, obey the law, stop terrorizing working men and women. Small businesses are the backbone of this Nation and they deserve honest, hard-working, and dedicated employees. They deserve protection against unscrupulous union practices.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I rise in strong opposition to the rule on this legislation. The rule blocks any amendment that might solve the problems created by the bill. The fact is that current law provides that employers may dismiss any worker, including an organizer, if that worker does not work.

The Fawell bill specifically permits employers to refuse to hire workers who seek to organize the workplace. This legislation does not bring fairness to the workplace. It reverses the unanimous Supreme Court decision that stopped companies from firing or refusing to hire employees simply because they are union organizers.

By reversing their decision, this bill undoes 100 years of progress. It returns the United States to a time when the government had not learned the meaning of basic employee rights and helped unscrupulous robber barons trample workers' rights. It returns the United States to a no-balance existence between employees and their employers.

I have experienced what happens when this balance is not protected. My mother worked in a sweatshop in New Haven, Connecticut, during the early part of this century, slaving over a sewing machine for next to nothing. America must not return to this low point in our history. This bill will allow our firms to discriminate against hard-working men and women who are exercising their basic right to organize.

American families are struggling. They scramble to make ends meet. This bill gives workers an untenable choice: Lose job opportunity or give up your basic right to organize for decent pay, safer workplaces and a secure retirement. Either way, it is American families who lose.

Our Nation is stronger when everyone who wants to work is able to work. I urge my colleagues to reward work and vote against this rule.

Mr. MOAKLEY. Mr. Speaker, once again, may I inquire as to the remaining time?

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) has 8 minutes remaining, and the gentleman from California (Mr. DREIER) has 15½ minutes remaining.

Mr. DREIER. Mr. Speaker, I would be happy to yield time to my friend if he were to have maybe one more speaker and I would yield him one minute if that would be an arrangement.

Mr. MOAKLEY. The generosity of my colleague is just overwhelming.

Mr. DREIER. Do not say I did not offer.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. GREEN).

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

Mr. GREEN. Mr. Speaker, I am glad to follow my colleague from north Texas. Although I have to admit the free enterprise system is great, what concerns me about this bill is, it removes the free enterprise system from the employees. The Fairness for Small Business Employees Act of 1998 more appropriately should be called the antiworker freedom bill of 1998.

This Republican bill allows businesses to fire or refuse to hire employees based on their union affiliation. What concerns me is that this will now be used, if I went and applied right now for a job in a printing company because maybe I had at one time been a union member and maybe still am, I could not be hired based on that purpose, Mr. Speaker. And that is what this bill is allowing us to do.

I call the sponsors' attention to page 4 of the bill, where it says ''a bona fide employee applicant.'' That language in there will allow that person making that hiring to say, you are not a bona fide employee just because you happen to maybe have been a union member or maybe a current union member, even if you are not an organizer.

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Furthermore, it would allow employers to discriminate against people who might try to organize in the workplace by simply refusing to hire them. How can you discriminate or even determine someone who might be a union member or former union member? These type of characteristics are not determined by physical characteristics, such as eye color or hair color. What is next? Maybe we are going to discriminate against individuals because maybe their religious beliefs maybe have more propensity to be a union member. Maybe Christian employees should not apply for businesses that maybe have a different religion. Is that what we are getting to in our country?

I think we are taking away the freedom of employees, in some cases the freedom of businesses to be able to say, ''We're not going to hire you based on you may be a union organizer.'' I think that would leave such a gaping hole in our law. This rule does not allow us to amend that, Mr. Speaker. That is what is wrong with this rule.

This bill would overturn a unanimous 1995 Supreme Court decision which held that a union organizer employed by a company was entitled to the same protections as any other employee. My concern is that just because I am a union member and I may vote for a union if I worked at a nonunion company, this bill would allow me to be called a union organizer just as a union member. That is what this bill would allow us to do, Mr. Speaker.

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

Mr. GREEN. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Speaker, I simply want to make it very, very, very clear that we do not in this legislation say that the employer has any right to discriminate against an applicant because the applicant is a member of a union. We make it clear that the Supreme Court decision is not in any way affected. One can also even be a paid member of a union. There can be no discrimination.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from Naperville, IL (Mr. FAWELL).

Mr. FAWELL. Mr. Speaker, the point I want to make is that you can have all the union organizing you want. There can be no discrimination against you because you are a member of a union or were a member of a union. Nothing like that is touched.

Mr. GREEN. If the gentleman will let me respond, I will be glad to read him the section of the law that I have the concern about.

Mr. FAWELL. Let me just conclude by saying, the only person that we are concerned about is the person who is applying for a job primarily, ''primarily,'' so that is more than half of his basic reason for applying is because he wants to further some other business. It does not even have to be a union necessarily. Then he is not a bona fide applicant. That is all we are saying here. I hope the rhetoric can be turned in that direction.

Mr. GREEN. If the gentleman will yield, I will be glad to read the section, because I may have done my apprenticeship as a printer but I also went to law school and learned how to read the law. ''Nothing in this subsection shall be construed as requiring an employer to employ any person who is not a bona fide applicant.'' My concern is the definition of bona fide is going to be made by that person making that decision to hire that person. That is my concern.

Mr. FAWELL. The gentleman did not read the definition of a bona fide applicant. The definition of a bona fide applicant, we tried to bend over backwards by saying it is somebody who basically is there who really does not want to work there, he is primarily there in furtherance, primarily, the motivation is in furtherance of another agency or another employment. Bear in mind that it is the general counsel of the NLRB that has to make the initial decision as to whether that is true.

Mr. GREEN. Again I am concerned about how it works in the real marketplace.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Pleasantville, PA (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise to support the rule. It is interesting as a former employer for 26 years and a small businessman myself, I guess I feel like I am suddenly the bad guy, that America's small businesses are some evil force that wants to hurt workers. If we are going to grow in this country and prosper, small business and workers and unions need to work together.

This bill addresses a practice of professional agents or union employees or other people, a competitor's employees coming into a workplace under the guise of wanting employment when they are really there to cause problems. If you had invested everything you have into a business, you would be much more willing to discuss this issue fairly. If you had everything you owned on the line in a business and somebody was coming to work for you who was there for subversive reasons, whether it is organizing or it is your competitor to cause problems with your workers, and it happens both ways, you would be very much against that. That is not fair.

In chapter 2, we talk about the NLRB to conduct hearings to determine when it is appropriate to certify a single location or multiple locations. What is wrong with business having a hearing? What is wrong with public process? Letting both sides be heard to make a decision?

Chapter 3 deals about a time limit of when the rules need to come out, the rulings. What is wrong with the 1-year time limit? That just makes sense. That is what is usually done. When it is not done, it is usually done to hurt somebody.

The final provision in chapter 4 is legal cost. If you are a small business and a bigger entity is after you and has unlimited legal ability, they can break you. If it is found that you have been fair, they should pay your legal fees. If we do not give small business a decent break in America, we are not going to grow, the poorest of America will not get jobs, because that is where they start, in small businesses who are growing and prospering. That is the future of America.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from New York (Mr. OWENS).

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

Mr. OWENS. Mr. Speaker, what we are saying is that we want working families to live by a different set of rules. We want two Americas. Working families and the people who represent working families have to live by a different set of rules.

We want a loyalty oath for a worker going into a business; they must take a loyalty oath. We do not ask people going into management to take loyalty oaths. We do not ask consultants who come to work for a company to take loyalty oaths. They might be spying on you, industrial spying might take place by an outside company. Nobody asks them to take some kind of loyalty oath and prove their intent.

What would happen if Bill Gates was to say to all the young people who are information technology workers that if you want to come in, that you have got to take a loyalty oath that you are not going to use your experience here to develop some business later? Half of them who go in go into the larger enterprises for the purpose of learning the ropes, then they go out and they

develop their own entrepreneurial activity. That is the American way. It is that way for businesspeople. Why should it not be that way for people who represent working people or working people?

You want a different set of rules. This is part of the Republican assault on working families. We had it in 1994. There was a Contract With America. In the Contract With America, they said nothing about attacking working families. But suddenly when they arrived, we found that they had a covert plan to attack unions and working families. They launched it. It was like Pearl Harbor. They launched a massive attack against unions and working families. The unions were not docile. They did not sit still and remain silent. They refused to take it. They fought back.

Now we have a regrouping. Speaker GINGRICH uses the metaphor often that politics is war without blood. Now you have the regrouping of all the forces. This Congress, they are now launching a new assault on working families. This is the first salvo of a new assault. There is coming later the Paycheck Fairness Act; they have got a whole line of things in respect to OSHA. Working families are still the target. This time it is going to be the Battle of the Bulge. They are going to go all out. The Paycheck Protection Act seeks to strangle, smother or stab unions in a way that they never would be able to recover. This is the opening salvo.

We have got a whole series of bills like this designed to create an America for working families and their representatives which has nothing to do with the America the rest of us live in. I appeal to the Republicans to call off their war against working families. Let us not go through it all over again. We went through it in 1994. All the salvos against OSHA, we beat them back. NLRB, you wanted to kill before by going through the appropriations process and lopping off half the budget. You had one attack after another that failed in the last Congress. Now you are launching a desperation attempt because unions would not take it, they fought back, and they are vocal, they are defending the interests of working people.

Now we have unheard of restrictions on activities that are designed to balance off the interests of the business class. Right wing, extreme business folks are demanding that you go through with this attack, you continue this attack, and we have a series of bills that now are clearly out to destroy the rights that everybody enjoys in the name of trying to protect us from unions that are extreme and subversive. Why should organizing a union be subversive? Why should a person who goes to work for a business be automatically suspect because they are a worker? Why should the NLRB now be reformed when it existed under the Bush and Reagan administration for many years and it took them forever to come out with decisions. The NLRB, OSHA, anything that relates to working people is under attack. This is the first salvo. I think we should understand it and get ready for it.

Davis-Bacon, all of the kinds of things that have been set up over the years, sometimes by Republicans. Davis and Bacon were Republicans. But Davis-Bacon is under attack, too, the prevailing wage law. There is nothing that benefits working families in America that will not be attacked in the next few months as the new Battle of the Bulge is launched to try to get even with the unions for defending their own interests.

You had Pearl Harbor. We suffered a terrible attack at Pearl Harbor. But remember who won the war. The unions in fighting back have only done what they are supposed to do in terms of representing the interests of workers. For representing the interests of workers now, they are told you are going to have to give reports; you are going to have to let every member vote and decide on any position you take. Corporations spend billions of dollars of shareholders money, but they never have to make reports. Corporations spend large amounts of political money, millions in soft money; they outspent the unions by more than 20 to 1 in soft money in the last election, but corporations will not have to make the same kinds of reports to their members. They will not have to have their members vote on every decision they make. This is clearly an attempt to create two societies in America, one for working families and one for everybody else. I think that we should understand this assault and stop it right now.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my friend and fellow Californian, the gentleman from Del Mar (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, this is laughable. Now the unions have won World War II. This is the same group that said that sharks still follow the ships because of the number of slaves that fell over. The gentleman is factually challenged. He talks about American families, American working families. Over 90 percent of the jobs in this country are small business and business, nonunion. Over 90 percent are nonunion. But yet the people that support this do everything they can to kill small business.

The issue, salting, you go into a small business and you try and destroy it. How many of them have ever been organized? Zero. Yet you go in and tie them up before the board and actually force them out of business. When you talk about the working family, talk about the 90 percent that are nonunion. You talk about Davis-Bacon, you say, ''Well, I'm for the children.'' In Washington, D.C., schools, the buildings are over 60 years old. We could have gone in and waived Davis-Bacon to build schools and saved 35 percent. But are you for children or union bosses? No, the union bosses. Why? Look at the paper. The AFL–CIO, the Teamsters, hundreds of millions of dollars that go to the DNC tied to organized crime, but yet they support their campaigns. Less than 10 percent. They know that small business cannot organize. Then 30 percent of those less than 10 percent are Republicans, 10 percent are third party, and they charge that 40 percent union dues to be used against candidates that they do not support.

The gentleman talks about working families. Why does the gentleman not support the 90 percent of working families that are out there that the unions try and persecute? No, because they fund the gentleman's campaigns.

□ 1745

Mr. DREIER. Mr. Speaker, to close debate, I yield such time as he may consume to the gentleman from Jacobus, Pennsylvania (Mr. GOODLING) the chairman of the Committee on Education and the Workforce.

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

Mr. Speaker, I have often heard it said that if one really wants to be passionate, they should not read what it is that is going to be discussed and debated, and then they can get up and wax eloquently. And I think I may have heard some of that this afternoon. I cannot believe that some of the people who were waxing eloquently have read anything about what it is that is in the legislation. It was amazing, all the things that I heard.

One of them that really concerned me is someone was talking about sweatshops, and then somebody else was talking about the workingmen and women, and I visited an area that somebody in this House represents, and I could not believe that it could happen in the United States. And guess what? Most of them were represented by organized labor. We will hear a lot more about that when we get to that point next week.

Well, let us make it very clear that all we try to do is bring labor and management into the 21st century. If we cannot bring labor and management into the 21st century, I will guarantee there will be no jobs out there for anybody. We will not be able to compete.

Keep in mind that all or most all the labor laws were written in the 1930s when it was men only in the work force, and when it was manufacturing predominantly. That is not the 21st century, my colleagues, and we have a worldwide competitive effort if we are going to succeed and provide jobs.

Well, someone said, ''How are you going to determine whether somebody is a bona fide employee or not?'' All we say is that one's motivation when they seek a job is 50 percent. The motivation is that, as a matter of fact, they want to help the company succeed so that they have a job, so that they can get better wages, so that they can get better fringe benefits. The motivation has to be 50 percent.

And, of course, the gentleman from Illinois said, ''Who makes that determination?'' The council at the NLRB, the council at the NLRB. Can we get any more protection than that in this day and age?

Well, let me refer to two editorials. I think they are kind of interesting. I think they also point out what it is we are trying do. One of them is entitled ''When You Can't Afford To Win.'' ''When You Can't Afford To Win.'' It happened to be a contractor in Little Rock, Arkansas. Two men appeared there, wanted a job.

He said, ''I'm sorry, we don't have any openings. We don't need any employees.''

Well, he thought, that was the end of it. A couple months later he is notified by the National Labor Relations Board that charges have been filed against him.

So he gets a good labor lawyer, and the labor lawyer said, ''Well, there's no doubt about it, you win, but it will cost you.''

Now how did the labor lawyer know that? Because most of those suits are thrown out. Most of the time they are strictly frivolous.

And so he started doing a little arithmetic, and he found out that it will cost him $23,000 to win.

Now it is a small business, he does not have $23,000. So he says, ''What does it cost me to lose?''

And the lawyer said, ''Well, that will only cost you 6,000. It will be 3,000 for each of the two that came looking for a job that you didn't have.''

Well, he looked at his arithmetic and he said, ''23,000 to win, 6,000 to lose; I'll take the $6,000.'' Obviously most small businesses are going to take the $6,000.

And so all we are trying to say is, well, it seems to me that one's motivation should be at least 50 percent that actually go there and work, actually try to make the business improved so they can get more money and so that they go get better benefits. It does not sound like that is some mean-spirited kind of nasty people over here on this side of the aisle that want to take advantage of the working Americans.

Well, we had one person testify who said that he was an organizer. That was his job. And he said to some of those who were involved, ''Well, why don't we try to do a little more actually organizing and working to see whether we can bring about an organization of this company, because I know a couple members who are willing, who are employees who are willing to move ahead and help us.''

And he was told by the higher-ups, ''That isn't what we're in the business of doing. We're in the business of saying we're going to squeeze you and squeeze you and squeeze you. We want your money, we want to put you out of business. We're not necessarily interested in organizing a lot of these little businesses.''

I think the closing paragraph of another editorial I saw is exactly what this is all about, exactly what we are trying to do. And the closing paragraph says, it is reassuring to know that some relief is being considered for the real victims of the status quo, workers, I repeat workers, small businesses and small unions. I repeat that also, and small unions.

That is what the legislation is all about. The legislation is to try to make things better for workers, small businesses, and small unions.

So I hope all will read the legislation and then be a little more passionate about the facts rather than fiction.

Mr. DREIER. Mr. Speaker, I urge support of this very fair and balanced rule, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 220, nays 185, not voting 25, as follows:

[Roll No. 76]

YEAS—220

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—185

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (OH)
Capps
Carson
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
John
Johnson (WI)
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—25

Bonilla
Brown (FL)
Cannon
Cardin
Conyers
Cooksey
Crapo
Diaz-Balart
Engel
Ford
Gillmor
Gonzalez
Harman
Houghton
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
McDermott
McNulty
Millender-McDonald
Payne
Rangel
Royce
Waters
Yates

□ 1812

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, FRIDAY, MARCH 27, 1998, TO FILE 2 PRIVILEGED REPORTS ON BILLS MAKING SUPPLEMENTAL APPROPRIATIONS AND EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1998

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Friday, March 27, 1998 to file two privileged reports on bills, one making emergency supplemental appropriations for fiscal year 1998 and the other making supplemental appropriations for fiscal year 1998.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XXI, all points of order are reserved on the bills.

FAIRNESS FOR SMALL BUSINESS AND EMPLOYEES ACT OF 1998

The SPEAKER pro tempore (Mr. KINGSTON). Pursuant to House Resolution 393 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3246.

□ 1817

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3246) to assist small businesses and labor organizations in defending themselves against government bureaucracy; to ensure that employees entitled to reinstatement get their jobs back quickly; to protect the right of employers to have a hearing to present their case in certain representation cases; and to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers, with Mr. MCCOLLUM in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania (Mr. GOODLING) and the gentleman from Missouri (Mr. CLAY) each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. FAWELL), the subcommittee chairman who studies carefully and knows what it is he says.

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

Mr. FAWELL. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, H.R. 3246, the Fairness for Small Business and Employees Act is a pro-employee, pro-employer, pro-labor organization bill that is also good for the economy and good for the American taxpayers.

Having introduced last session three of the four bills which comprise the four titles of this legislation, I would like to focus my time on two titles. Title I is a targeted provision intended to help employers who are being damaged and even run out of business due to abusive union ''salting'' tactics. Title IV is a provision allowing small employers and small labor organizations who prevail against the NLRB unfair labor practice complaint to recover their attorney fees and costs.

Title I says simply that someone must be a ''bona fide'' employee applicant before the employer has an obligation to hire them under the National Labor Relations Act. Mr. Chairman, a ''bona fide'' applicant is defined as someone who is not primarily motivated to seek employment to further other employment or other agency status. What this means in layman's terms is that someone who is at least half-motivated to work for the employer is not impacted by this legislation at all.

Now, significantly, and I want to make this clear, the test of whether a job applicant is a ''bona fide applicant'' under Title I is a decision that will, in the first instance, be made by the general counsel of the NLRB. This legislation seeks only to prevent the clear-cut abusive situations in which union agents or employees openly seek a job as a ''salter'' with nonunion businesses.

Mr. Chairman, if people will listen to this one point: A ''salter'' is described in the Organizing Manual of the International Brotherhood of Electrical Workers as an employee who is expected, now get this, and I quote,

> To threaten or actually apply economic pressure necessary to cause the employer to raise his prices to recoup additional costs, scale back his business activities, leave the union's jurisdiction, go out of business.

Now, that is an exact quote in the manual of the International Brotherhood of Electrical Worker's definition of what a salter can be. How is that for a bona fide applicant?

A final point on Title I. This legislation does not overturn, does not overturn the Supreme Court's decision in 1995 in Town & Country. That decision held very narrowly that the definition of an employee under the NLRA can include paid union agents. Title I does not change this, nor the definition of an employee, nor the definition of an employee applicant under the NLRA. They obviously can still be involved in customary efforts to organize a nonunion shop. It simply would make clear that someone must be at least 50 percent motivated to work for the employer to be taken seriously as a job applicant.

Title IV of the Fairness for Small Business and Employees Act is what we call a ''loser pays'' concept, applied against the NLRB when it loses complaints it brings against the very small companies or small labor organizations, those who have no more than 100 employees and a net worth of no more than $1.4 million.

Title IV is a reasonable provision which ensures that taxpayer dollars are spent wisely and effectively. It tells the Board that after it reviews the facts of a case, that before it issues a complaint and starts the serious machinery against the ''little guy,'' whether union or business, that it should be very careful to make sure it has a reasonable case. If the NLRB does move forward against these small entities of modest means and loses the case, then it simply must reimburse the small business or labor organization, the winner's legal expenses.

Title IV is a winner for the small company and the small union who do not have the resources to mount an adequate defense against a well-funded, well-armed National Labor Relations Board who pays, by the way, from the taxes all of the expenses of the complainant, whether it is the union or an employer.

This bill ensures that the little guy has some sort of an incentive to fight a case and ensures that they will not be forced into bankruptcy to defend themselves, as countless employers have been. H.R. 3246 is a narrowly crafted, targeted bill attempting to correct four specific problems at the NLRB. It is benign, and it is fair, and I urge my colleagues to be serious and look at the real facts of this issue.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. SAWYER).

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

Mr. SAWYER. Mr. Chairman, I rise in opposition to the bill.

This country was founded on democratic principles; on majority rule that protects the rights of the minority. Yet for 150 years, we failed to have democracy in the workplace.

In 1935, the passage of the National Labor Relations Act for the first time ensured that workers, unions, and employers were given a forum for resolving labor practice disputes.

Not every worker will join a union, or even has the desire to do so, but democracy in the workplace means that workers can make that choice. The bill before us today would take away that basic worker right to choose whether to join a union.

This legislation is being portrayed as necessary to modernize this law. I agree that given the fundamental changes in the labor market since the 1930's this law may be ripe for reform. But we must not undermine the principles of democracy that it took so long for workers to get.

In its 1994 report, the Dunlop Commission recommended a number of changes that

would help clarify and update federal labor law. Unfortunately, the cosponsors of this bill did not attempt to integrate those changes into law. Instead, this bill would make it more difficult for those who want to exercise long-established and fundamental rights and responsibilities in their workplace, and make it more difficult for the Board to be an even handed arbiter of honest disagreements that arise from time to time.

Despite the nation's current economic strength, there is still a contingent of workers who have failed to benefit from this prosperity. The collective bargaining process provides a forum for workers and employers to discuss workplace conditions in an equitable way. This is especially important as companies wrestle with investment decisions in a changing technological environment and as workers struggle to adapt to that change.

Mr. Chairman, this bill would undermine democracy in the workplace. I urge my colleagues to reject this bill and to begin the serious work of ensuring that our nation's labor laws reflect the labor market of today.

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

From the start of the 104th Congress, the Republican leadership has tried to undermine workers' rights, tried to stop the minimum wage increases, trying to take away overtime pay, trying to gut workplace and environmental safety laws. Now, these same forces are trying to deny workers the right to join unions.

This bill is an assault on the National Labor Relations Act, which protects the right of workers to engage in collective bargaining. There are valid reasons why we should all support this right. Workers with union representation earn higher wages than their nonunion counterparts, have better benefits, have greater job security, and are much more productive. This bill destroys the rights of workers to organize. Title I directly overturns the unanimous decision of the United States Supreme Court that upheld the right of workers to engage in lawful organizing activities.

Title I allows employer interrogation of workers regarding their desire to be represented by a union. In effect, Mr. Chairman, this provision resurrects employer black lists and sanctions the no-union, yellow dog contracts that labor law was specifically designed to prohibit.

Supporters contend that H.R. 3246 is necessary because employers are forced to hire uncooperative and unproductive workers. Mr. Chairman, do not be misled. The law does not require any employer to hire anyone; it only prohibits discrimination on the basis of union support. Union organizers may be fired on the same basis as any other worker.

While this bill effectively denies employment to those who wish to form a union, it does nothing to prohibit employers from hiring outside, expensive, union-busting consultants. Other parts of the bill demonstrate an equal disregard for the rights of workers. Title IV effectively denies a whole class of workers any protection under the National Labor Relations Act.

My Republican colleague referred to title IV as the loser pays provision. The term is false. Nothing in this bill requires employers to reimburse taxpayers when the Labor Board prevails in a case, but taxpayers are required to pay if the board does not win. In other words, only one loser pays, and that loser is the taxpayer.

Mr. Chairman, under the Equal Access to Justice Act, the Board is already required to pay lawyer costs for frivolous actions. In fact, the Board must pay any time it takes a position that is not substantially justified in law.

Title IV is especially unfair to workers. Workers have no private right of action under the labor law, and are wholly dependent upon the Board to enforce their rights. However, under title IV, the Board is effectively precluded from acting unless it is guaranteed a win. Such a standard clearly and obviously chills reasonable and legitimate law enforcement efforts.

Finally, Mr. Chairman, this bill upsets a 40-year-old presumption in favor of single-site bargaining units. Under title II, workers may have to organize every facility an employer owns before they have a right to bargain.

This bill is a radical attack on the basic rights of workers, and I urge its defeat.

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

Mr. GOODLING. Mr. Chairman, I yield 3½ minutes to the gentleman from Missouri (Mr. TALENT), who has many talents, and is the chairman of the Committee on Small Business.

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding and for his kind compliments.

I rise in support of the bill on each of its sections, and I want to address specifically the single facility site section and to do that, Mr. Chairman, I need to explain just a little bit of the background about what happens when a union seeks to organize a multifacility site.

□ 1830

That can occur in a lot of different lines of businesses. It can occur where you have a franchisor who owns several different shops or stores, restaurants. It can occur in the trucking business.

When a union wants to organize a site like that, we first have to determine what the appropriate unit is for bargaining. Is it one of the facilities, or is it all of the facilities, or is it some, but not all?

The union has the right in the first instance to file a petition and choose the size of the bargaining unit that it wants. If a union files a petition and limits it to one facility, that is presumptively, under Board law, and has been for 30 years, under both Republican and Democratic boards, that is presumptively the appropriate unit for bargaining.

But it was also possible for the last 30 years for a question to be raised concerning representation, a question to be raised concerning whether that was, indeed, an appropriate unit of bargaining. Then the Board would look at a hearing at a number of different factors. This is the way it has been for a generation.

Mr. Chairman, the key here is to decide whether the control over those facilities is so centralized; whether, for example, labor relations are controlled by one central supervisor at one location, and that controls it for all the locations, that it would be inappropriate, as the Board says, to have bargaining in one location.

You can understand why, Mr. Chairman. We do not want to have a franchisor who has several different chain restaurants, for example, bargaining with different unions in each different restaurant, when the classic tradition has been to have one set of policies, one set of pay, one policy regarding uniforms and vacations and the rest of it.

So the Board looked at a number of different factors to determine whether control was so centralized that one single facility would be an inappropriate unit for bargaining. Then a couple of years ago the Board decided to throw all that out. The Board proposed a rule and made the whole thing turn on the presence or absence of several factors, which really do not have anything to do with what the Board has traditionally considered to be relevant; factors like are the locations more than a mile apart?

What does that have to do with anything? What does that have to do with the stability of collective bargaining? That is what we are trying to achieve with these laws, the stability of labor relations. That is why the National Labor Relations Act was passed in the mid-1930s. Mr. Chairman, you can run a business from around the world today with a fax machine and a phone, so what difference does one mile make?

Another factor, whether there are more than 15 employees in the facility, it is a totally arbitrary criterion. So Congress for the last 2 years has passed riders in appropriations bills saying, no, do not implement that rule. It will disrupt collective bargaining, it is frankly kind of silly, and do not do that.

Now what we have is an opportunity to enshrine into law the standard that has been applied for 30 years that was developed by the Kennedy-Johnson Board in the sixties. It has worked very well. It is not overburdensome. It allows these matters to be taken up in a hearing, to be disposed of. Let us do that with this bill. Let us preserve the stability of labor relations in this country, and with regard to this important aspect of collective bargaining.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan (Mr. BONIOR), the minority whip.

Mr. BONIOR. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, this bill is a dangerous, a dangerous attack on America's working families and their right to organize. It is dangerous because it says some Americans do not have the same rights to free speech as the rest of us. It is dangerous because it says some Americans do not have the right to voluntarily join together in pursuit of a common goal. It is dangerous because it encourages employers to discriminate against people simply on the basis of their beliefs.

It is about silencing the voices of people who speak out for decent wages, for basic health care, for a secure retirement. It is about silencing the voices of people who make this country work and expect the same rights as any other American, the right to express their own beliefs and act upon them.

This bill is radical. It singles out people who believe in unions. It is aimed at people with the courage to stand up against injustice and intimidation to organize democratic elections for their co-workers, so they might decide for themselves whether or not they want a union, people like Betty Dumas, a woman who worked for 18 years at the Avondale Shipyard in Louisiana, who was fired because she refused to denounce her democratically elected union. Betty Dumas was fired because of her beliefs.

So what is next? Are we to sanction discrimination because of religious beliefs, because someone is Catholic or Jewish or Baptist or Muslim? Such discrimination I think everyone would agree is morally repugnant, but this bill is no different. It overturns a unanimous Supreme Court decision that prohibits discrimination based upon people's affiliation with organizations outside of work.

It sanctions discrimination against people who believe in unions, organizations that speak out for working families on issues like raising the minimum wage, extending Medicare, protecting Social Security.

This country was founded by people who fought and died for the freedom to freely associate, to elect their own leaders, and to speak their own beliefs. This bill would take away these rights from millions of American families. Once some Americans begin to lose their constitutional rights, once we say it is okay to discriminate against some people simply on the basis of their beliefs, the rights of everyone are endangered.

This bill is cynical. It is a politically motivated attempt to silence the voices of America's working families. It is a shameful attack on all of us, and it threatens the constitutional rights that Americans hold dear.

It is almost impossible today in this country to organize, anyway. To come to the floor with a bill like this that would shut down the limited window that people have to express their views and to organize for a better living for them and their families is an outrage. I urge my colleagues to vote against this bill.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. BALLENGER), someone who knows what is in the legislation.

Mr. BALLENGER. Mr. Chairman, I would like to ask a question: Why would any small business man who is sane hire someone to unionize his business? It does not make sense. Yet, the present law today demands that he must.

Some unions have concocted the ideal trap for employers, an unscrupulous workplace Catch-22 called salting. Dozens of union activists will show up at a nonunion company and apply for work. If they are not hired, they file an unfair labor practice charge. If they are hired, they disrupt the workplace, destroy property, and do whatever it takes to get themselves fired. Then they file an unfair labor practice charge, alleging wrongful discharge.

Do Members know how long it takes today for the NLRB to settle this? It takes an unlawful discharge union activist case, treated like any other labor dispute. Right now the median time for the NLRB to process an unfair labor practice case is 546 days. Imagine a small business man having to face this legal charge. The uncertainty for all sides can be maddening.

The answer is to clarify the rules so an employer is not forced to hire nor keep on the job any person with ulterior motives. The proposed measure takes pains not to infringe upon employees' existing protections, such as the right to organize.

Mr. Chairman, this bill, that is the only part of this bill that has any reason for the unions to fight. In reality, for years they have been taking the small business man for granted. I think we need to pass this bill.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS), someone who knows more about this bill than anybody in the House.

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

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me the time, and for his compliment.

Mr. Chairman, I rise to oppose this bill because of what it does to working people, what it does to working people and what it says to all people.

To understand what is wrong with this bill, we have to walk in the shoes of someone who wants a job and needs a job who does not intend to organize a union, who does not intend to do that.

If that person is denied that job because sometime in their past they have been a union officer, a union organizer, or even a union member, they have all kinds of rights. They can file a complaint with the National Labor Relations Board, and many months and many, many dollars later they can get a decision.

If they do not like that decision, they can hire an attorney. Many months and many dollars after they have hired an attorney, they can get another decision. After the decision has been made, they can have their attorney file or fight an appeal. Many months and many dollars after they have fought and determined the appeal, they get an outcome.

I may not be the expert that the gentleman from Missouri (Mr. CLAY) says on this bill, but I do have some common sense, and I know this, people who are looking for a job cannot afford to wait many months for an answer. They cannot afford the many dollars they would have to pay an attorney. They will not get the job they need because they had the audacity in the past to lead or join a union. That is what this bill does to men and women who need work and are pursuing it legitimately.

We should oppose this bill because of why it is being done. This is not a statement of fact, it is a statement of opinion. But I suspect if organized labor had slouched away from the challenge of the 1994 majority and never raised a fight, never tried to assist those of us who fight for working families to win the majority back, we would never be here this afternoon doing this. Because this is not about labor law reform, this is about retribution for people standing up for their rights at the polls and in campaigns across the country.

We ought to oppose this bill because of what this bill says. This bill is not worthy of the 1990s, it is worthy of the 1950s, because it does not remind me of the great efforts to write labor law, it reminds me of the McCarthy era in this country, when we had lists of people who could not get work.

That is what is going to happen if this bill becomes law. There will be lists of people who are troublemakers, who do not think and act the right way. The list will circulate, because she had the audacity to join a union, or he had the audacity to run for the presidency of a union.

Mr. Chairman, I oppose the bill.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Mr. Chairman, I rise in very strong support of H.R. 3246, the Fairness to Small Business and Employees Act. I believe it strikes a unique balance that gives the more than 22 million small businesses in America relief against a very well-fortified bureaucratic NLRB, and gives employees something called ''justice on time'' to get their jobs back.

Title I, as we have heard, deals with the unions' practice of salting; some might say espionage, but it is salting, they say. It is unfortunate that many of my colleagues on the other side of the aisle have succumbed to the typical union practice of never letting the facts get in the way of a good story.

Title I sends a clear message that if a paid union employee's primary purpose is to work for the employer, he or she is protected. If, however, that person is found to be there to disrupt or

inflict economic hardship on an employer, the law will not and it should not protect them.

Title II codifies the NLRB's longstanding practice of giving employers the right to argue before the Board whether a single site, and this has been repeated over and over this afternoon, whether a single site should be considered part of a bargaining unit. The Board's promotion of a one-size-fits-all approach was ill-conceived, it ignores reality, and it is inflexible in today's competitive global economy, which has also been pointed out.

Title III ensures that employees, their families and children, should not have to wait over a year for resolution of their cases, for over a year. The Board's bureaucratic practice thumbs its nose at these hardworking men and women by taking a median time of almost 600 days, and in some cases, 800 days to decide their fate. That is wrong, it is unacceptable, and it is frankly disrespectful. H.R. 3246 corrects this by making the NLRB issue a final decision within a year. This is justice on time.

Title IV, finally, protects the little guy against the heavy-handed lawyer-fortified NLRB. It will make the Board think twice before they bring a case against a small business or a labor organization. I did say labor organization. If they lose, the Board, not the little guy, should pay for the attorneys' fees and the expenses the company or the union had to spend to defend itself.

Mr. Chairman, this is a good bill. It is a fair and balanced bill. I commend the gentleman from Pennsylvania (Mr. GOODLING) and the gentleman from Illinois (Mr. FAWELL) for their efforts to bring this bill to the floor, and I urge my colleagues to vote for its passage. It is common sense.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. OWENS).

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

Mr. OWENS. Mr. Chairman, this is not a fair and balanced bill. This is a bill filled with dirty tricks. The tricks are pretty obvious. This bill to restrict workers from organizing is radical and extreme. The bill is part of a larger plot to create a separate America for working families and their representatives. We want workers to abide by rules that we are not making for anybody else.

□ 1845

We do not require loyalty oaths for any other category of employees. Only the workers are required; middle management will not be required and technicians will not be required to take loyalty oaths. If the bill did that, of course, we would place businesses at a great disadvantage.

Mr. Chairman, as I said before, if Bill Gates of Microsoft required that every young person coming into his company must take a loyalty oath that they are there to be ''bona fide''; They are never going to be entrepreneurs on their own; they are not going to walk away with certain secrets; they are forever loyal to the company; then he would destroy his own company.

Mr. Chairman, this bill is just one of about 10 more bills that we can expect which constitute a battery of assaults in the 105th Congress on working families. It is a renewal of the assaults that took place in the 104th Congress.

Labor unions have been good for America. The Republican attack is violating a commonsense bond, a commonsense covenant with the larger society. Labor unions are responsible for a lot of good things that have happened, including their drive and their willingness to take the case for the minimum wage to the American people, resulting in public opinion being changed in ways, marshaled in ways which the Republican majority could not ignore last year.

Last year, NLRB destruction was attempted. In 1994, the assault was to wipe out the effectiveness of the NLRB by cutting its budget drastically. Now they are proposing that they speed up their deliberations. I think a lot of workers and unions would love to have NLRB speed up also. But are my colleagues on the other side of the aisle ready to say that they are willing now to give additional funding for NLRB and do what is needed to make it effective?

The Reagan and Bush years almost destroyed the effectiveness of the NLRB. Let us restore the effectiveness by restoring their funding and let them serve the interests of both workers and business.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. MCKEON), a fine subcommittee chairman.

Mr. McKEON. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. GOODLING) for yielding me this time and commend him for his leadership on this bill. I also wish to commend the gentleman from Illinois (Mr. FAWELL), chairman of the subcommittee, for the fine work that he has done in bringing this bill to the floor.

Mr. Chairman, I rise in strong support of the Fairness for Small Business and Employees Act. H.R. 3246 is one of the most important pro-business, pro-employee bills before the House during this Congress. I am proud to say that I am a cosponsor of this legislation.

Mr. Chairman, as a small businessman, I am well aware of the burden of Federal taxes and regulations on our Nation's businesses. During the 105th Congress, we have fought hard to provide relief from these hardships. Last summer we enacted the Taxpayer Relief Act which provided billions of dollars in tax relief through capital gains and estate tax cuts. And now today, we are addressing the need for regulatory and legal relief.

Under this bill, we will make critical changes to the National Labor Relations Act that will ensure a more level playing field for small businesses, small unions, and employees.

H.R. 3246 incorporated four pieces of legislation that address distinctive parts of our labor law. Together, the Truth in Employment Act, the Fair Hearing Act, the Justice On Time Act, and the Fair Act accomplish much-needed reform to our Nation's labor laws.

For example, under H.R. 3246, an employer will be secure in the knowledge that an employee he or she hires is a bona fide applicant who is there to work, not there to harass or disrupt employee-company operations.

And then once they are working, employees are ensured that they will be given timely legal recourse in the event they feel their rights have been violated. Taken as a whole, these measures help correct some of the unfairness in Federal labor law and the NLRB. We need to remove these excessive, burdensome, and unfair regulations that create additional hurdles on our Nation's businesses, and I urge my colleagues to vote for H.R. 3246.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, the Fairness for Small Business and Employees Act is neither. It certainly is not fair to employees and it is certainly not fair to small businesses.

Mr. Chairman, H.R. 3246 allows any employer, large or small, to refuse employment to workers because of suspected labor union affiliations. Suspected.

This is the road that this Congress and this country should not and cannot go down. First of all, the right to organize and join a labor union is a basic American civil right. Unions give American workers a voice at their jobs and they give the union worker a voice in our economy. They also give American workers a voice in our electoral process, but that is another bill we are going to have to fight.

This bill, H.R. 3246, allows employers to refuse to give jobs to workers they suspect will organize other employees to join a union. Suspect.

Once employers can refuse to hire suspected union members, what will come next? Some employers may want to refuse to hire a young woman because they suspect she will get pregnant someday, or an older man because they suspect he will take too many sick days. We could end up with employers telling job applicants, I am just not going to hire you because I do not like the way you look.

Mr. Chairman, it is every American's right not to be judged by suspicions. Surely American workers have this right too.

H.R. 3246 punishes American workers. It is antiworker, it is anti-American. And I do not suspect, but I know, we must vote it down.

Mr. GOODLING. Mr. Chairman, I yield 2½ minutes to the gentleman from Nebraska (Mr. BARRETT).

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. GOODLING) for yielding me this time.

Mr. Chairman, I rise in support of H.R. 3246. The purpose of the legislation, as I see it, is to help small businesses and labor organizations in defending themselves against government bureaucracy, to ensure that employees entitled to reinstatement get their jobs back quickly, and to protect the right of employers to have a hearing to present their case in certain representation cases and, of course, to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers.

H.R. 3246 contains four narrowly drafted titles addressing four specific problem in the National Labor Relations Act. The legislation recognizes that the NLRB, which is supposed to be a neutral referee in labor disputes, is applying the law in a way that not only harms small employers, business and unions, but does a great disservice to hardworking men and women who may have been wrongly discharged.

Mr. Chairman, title 4 of the bill is modeled on the effective ''loser pays'' concept and requires the NLRB to pay attorney's fees and expenses of small employers of modest means, including businesses and labor organizations, who win their cases against the Board.

H.R. 3246 only applies to the smallest businesses and unions which have 100 employees or fewer and a net worth of $1.4 million or less.

The bill before us today would force the government to consider carefully the merits of the case before it proceeded against a small entity with few financial resources.

Right now, small employers often settle with the Board rather than spend significant amounts of money and time in litigation. I believe Chairman GOODLING's legislation would make certain that small employers and unions have an incentive to stand up for their rights by fighting cases of questionable merit.

Mr. Chairman, I urge my colleagues to support H.R. 3246.

Mr. CLAY. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. SANCHEZ).

(Ms. SANCHEZ asked and was given permission to revise and extend her remarks.)

Ms. SANCHEZ. Mr. Chairman, I ask my colleagues to reject H.R. 3246. It should be titled the ''Silence Working Families Act.'' It is a shame that the House is jeopardizing the living standards of working families.

As a result of the National Labor Relations Act and other Federal laws, working families have livable wages and job protections. And now the House is attempting to roll back the clock on American labor law.

Mr. Chairman, because workers can organize to represent themselves, workers are able to raise their families and to make this country strong. If workers have a pension, they can thank organized workers. Thank them again for the minimum wage. Thank them for the 8-hour day, for the 40-hour work week, for overtime pay and for compensatory time off. They can thank organized workers for workplace safety, for grievance procedures, and perhaps, most importantly, for health benefits.

Before workers could organize and represent themselves, we did not have maternity leave, let alone paid leave. These are just some of the improvements that all working families in the United States enjoy because of the struggles of organized labor.

Mr. Chairman, I ask my colleagues to reject H.R. 3246.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BRADY).

Mr. BRADY. Mr. Chairman, thank goodness that the practice of salting is not applied to Members of Congress, because if the equivalent of salting were applied to us, we would easily see this scenario: If a Democratic Congressman or woman with a strong, proud, liberal philosophy were to seek applicants for an important job in their office, under salting an applicant who minimally met the criteria for that job position could walk in in a ''Rush is Right'' T-shirt and proclaim to that Congressman or woman that ''I have no intention of representing your constituents, of serving the people in your district. My sole job in this job is to organize the workers on your staff against you, to create an environment resentful of your philosophy. And if you do not go along with this process, I have a right to bring your office and your staff down.''

If that Congressman or woman were to make the right decision and not hire that person, they would be subject to a National Labor Relations Board complaint, subject to spending thousands of dollars to defend a reasonable decision, and perhaps compelled to hire that person.

As ridiculous as that seems, as crazy as it seems to push that merit and productivity as criteria out the window, small businesses face that same ridiculous scenario every day. Families who have risked their savings to trade a job, and who are fighting in the marketplace, are handcuffed to hire the best people, the most qualified, the meritorious people who can help them achieve their dream, and they face this every day.

Mr. Chairman, we need to pass this bill to bring some reasonableness and fairness into the decision making of small businesses. I urge my colleagues' support for this fairness and a healthier work environment.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Missouri (Mr. GEPHARDT), the minority leader.

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

Mr. GEPHARDT. Mr. Chairman, there they go again. The Republican leadership has once again launched a major attack on working families and the unions that simply try to represent their interests.

Just last week, Republicans passed a campaign reform bill through committee which has as its centerpiece a worker gag rule which would silence the voice of American workers by shutting them out of the political process.

Now, today Republicans have brought to the floor a bill which represents a frontal assault on the National Labor Relations Act and the rights it preserves for millions of working people across this country.

Mr. Chairman, this Republican bill would make it more difficult for workers to organize and easier for employers to get away with violating labor laws.

The most egregious part of this bill is the so-called antisalting provision which would seriously undermine the organized labor movement in the United States. Under the Republican bill, businesses could refuse to hire or fire people, just because the employer suspects them of trying to organize their workplace.

□ 1900

This legislation would overturn a unanimous Supreme Court decision which held that union organizers are entitled to the same worker protections as any other employee. In addition, the Republican bill, through the attorneys' fees provisions, would have a significant chilling effect on future NLRB actions, making it less likely that American workers will have their right vigorously defended and preserved.

Finally, the Republican bill provides employers with a new way to delay and challenge union elections and restrict the NLRB's ability to reach a fair and just conclusion on unfair labor practice complaints.

In conclusion, Mr. Chairman, one of the most precious freedoms of the working men and women in this country is their right to organize. The bill Republicans have brought to the floor today would have a devastating effect on the labor movement in this country, which has done so much to ensure that working Americans earn livable wages and have decent benefits for their families.

President Clinton has already pledged to veto this harmful legislation. I urge my colleagues on both sides of the aisle to vote against this bill and stand up for the rights of the hard-working men and women of this country.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Chairman, I thank the gentleman for yielding.

I would urge some of the previous speakers at some point recently to read the bill, because if they had read the bill, they would not have made the statements that were just made. In America, if we want the unemployed to have jobs, if we want working families and the underemployed to have better jobs, we need to nourish and be fair with small business.

The Fortune 500 companies are not growing. The small businesses are growing and will grow faster if we are fair with them. What is wrong with someone, who mortgages everything they own to start a business, to ask for loyalty from those they hire to help them build that business, and if they are there to help them do that, they are going to support them? That is America.

What is wrong with a hearing process to decide if they are being organized, and they have three or four sites, whether it is going to be a single site or collective? That is America.

What is wrong with putting a limit on a decision to 1 year? A year is long enough to have delay.

What is wrong with when the big NLRB, with all of our money and all of their lawyers, comes down on small businesses unfairly, and it is proven they were unfair, that that small business can at least get its legal fees back? That is the what America ought to be standing for and what America is all about.

Those who have talked about all the labor issues of the past have not read this bill. This bill is fair to small business giving an equal, level playing field so that we can grow small businesses, so unemployed people can have jobs, so underemployed people can have a better job. It is about fairness.

If we in this Congress are fair to small business, this country will grow and the workers of America will have choices of jobs.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, H.R. 3246 is a terribly unfair bill, but it is part of a wider assault on the rights of workers to free association. This bill would turn back the clock to a time when employers had absolute power over the lives of workers and their families. It would effectively blacklist people who believe that employees need to band together to pursue their collective interest.

This bill would have a huge negative impact on the rights of all working people, making it far more difficult for the NLRB to carry out our Nation's industrial relations laws. This bill would have a devastating impact on our Nation's workers and the building and construction trades.

Every day millions of men and women go to work building the roads and bridges, building the high-rise office towers, building the schools that our Nation depends upon. These workers risk their lives every day to build America and to maintain our infrastructure. They work under harsh conditions. They are compelled to move from job to job, from one employer to another, to make a decent living.

What keeps these workers productive is the skills that they have received from thousands of joint apprenticeship programs, high-quality programs that are only available to them because of their affiliation with construction unions. It is their union membership and their dedication to training, to education, to quality work which allows them to contribute to our economy. And they are proud to carry their union membership from job to job.

This bill would make these hard-working Americans second-class citizens. It would allow employers to fire construction workers, or not hire them in the first place, simply because they have chosen union membership. This is blatantly unfair. It is discriminatory. It is unworthy of the democratic traditions of the Nation. The right to organize, the right to join a union are not simply political rights, they are moral rights essentially to protect liberty and equality and justice.

Mr. GOODLING. Mr. Chairman, I yield 2½ minutes to the gentleman from Colorado (Mr. BOB SCHAFFER).

Mr. BOB SCHAFFER of Colorado. Mr. Chairman, I appreciate the gentleman, the distinguished chairman, yielding me the time.

Those who claim that there is some unfairness in this bill, I would submit, probably have not read the bill or are not knowledgeable about the component parts of the legislation. House Resolution 3246 does not affect in any way the legitimate applicant's or employee's rights to engage in union organizing efforts.

I have heard a lot of these stories about salting from many employers within my district in Colorado and other congressional districts in the State of Colorado. Here is how this works, for those who are unfamiliar: A union organizer with the deliberate, distinct purpose of dragging an employer before the Labor Relations Board walks into an employee's place of business and says, ''Please hire me. I am a member of a labor union and I am an organizer and I am here to organize and destroy your place of business.''

The employer takes the application, considers it among all other applicants, and if that employer decides for a variety of reasons, based on merit, based on qualifications, based on completeness of the application, and on many occasions based on whether the applicant signed the application, the employer may decide to hire someone more qualified.

If that occurs, in a salting case, that activity alone almost guarantees and compels a hearing in front of the National Labor Relations Board, a hearing which, if he wants to vindicate himself and declare his innocence and profess it, costs him attorneys' fees, costs him an incredible amount of time, and in the process, drags down his productivity.

What the current law does is to perpetuate a gross unfairness where one class of employees can, in fact, prey upon another group of employees in the same trade; and the only distinction between the two is that one has a singular deliberate motivation to drag down the place of employment of the others who are employed in a particular trade or business.

If someone has at least half on-the-job qualification designation under the bill, why should an employer be obligated to hire them? House Resolution 3246 guarantees small employers a hearing before the National Labor Relations Board. It has been the practice for decades in organizing cases involving single-site locations; it is the epitome of fairness, in my estimation, with workplace fairness and job security and job opportunity.

I think we should not attack those, as my colleagues on the other side of the aisle are suggesting here today, attack those who are legitimately employed, legitimately enjoy their opportunity to work, and are gainfully employed and wish to remain so.

Mr. CLAY. Mr. Chairman, may I inquire as to how much time is remaining on both sides?

The CHAIRMAN (Mr. MCCOLLUM). The gentleman from Missouri (Mr. CLAY) has 9 minutes remaining, and the gentleman from Pennsylvania (Mr. GOODLING) has 6½ minutes.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BECERRA).

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

It strikes me, the perspective of the sponsors of this legislation, I think, was fairly well recapped by the gentleman from North Carolina a few speakers ago who said, ''Why would any small business member hire someone who wants to organize the workplace?'' The answer is, he would not.

Well, that is the attitude of the sponsors of this bill. Right from the start, they suspect anyone they wish to hire to work with them. How sad that there are sponsors who believe that we cannot hire someone who we cannot look at as an enemy in the beginning. What a way to begin a working relationship.

Why would any new employee want to undermine the very employer who will issue her first paycheck? And more than that, if they think of some of our successful small businesses, they originally started as successful family-operated businesses, but once they became too successful they had to hire outside of the family. They expected the same things from these nonfamily employees as they got from their family employees, probably good working competency, commitment to the effort. And the employee, whether family or not, probably expected the same as well, a decent wage, reasonable benefits.

Well, what makes anyone believe that if we start off with suspicions, we are going to be able to treat anyone as a good worker, let alone the family of your business? Unfortunately, that is what this bill says. Beware, any employer; when you hire an employee, be suspicious; never be able to believe that that person you hire wants to make you succeed as well.

How shameful that is that we in Congress will stand here and tell the American people that America's working men and women must be treated with suspicion simply because they wish to work and work under decent working conditions and also receive decent benefits. And if we cannot do that collectively, why do families do so well? They do it collectively.

Let my employee come to any place of work and say, I will work competently for you, hard. I will make you succeed. I will make you have a profit. In return, let me have something decent. And if I wish to do it collectively, as many family-operated businesses do, do not think of me as someone you suspect.

Please defeat this bill.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. FAWELL).

Mr. FAWELL. Mr. Chairman, if I could just get this thought in. The Supreme Court in Town & Country made it very clear that an employer, in dealing with an applicant, has to treat that applicant, even though the applicant is a member of a labor union and even though he may be a paid employee of a labor union, he has got to give him all of the rights of the National Labor Relations Act.

Now, the only thing that the employer is coming back here and saying is, can I not at least, when I know that that person is primarily there, and I have got the facts to prove it and I am going to have to prove it, general counsel is going to have to agree that I can prove it. But if I can show that his primary motivation is going to be able to help some other employer by whom he is employed or to whom he has a loyalty, do I not at least have that much right? Are we going to say to the small business people of America they do not even have that right?

That is what we are trying to express here. And it has nothing to do with taking away the rights of people to collectively bargain or to organize or anything of that sort.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. Mr. Chairman, I hope the gentleman from Illinois will listen, because his effort to make this Title I benign is very misguided. I want to tell him specifically why he is wrong. By the way, this has nothing to do only with small employers. Title I affects all employers. So do not wrap small employers around Title I, and do not say it applies only to paid union organizers. This applies to any employee, any prospective employee, any person. And here is what it says.

The person comes up, wants a job. This gives the right to the employer to read or try to guess his or her intent. And then if the employer decides what the primary purpose is, it is very clear from their own majority report who has the burden of proof, it is the NLRB, where a charge has been filed that has to show as part of its prima facie case that the employer was wrong.

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

Mr. LEVIN. I yield to the gentleman from Illinois.

Mr. FAWELL. It is the affirmative defense that the employer has to undertake to be able to show.

Mr. LEVIN. But the prima facie case, reading from their own language, the burden is placed on the NLRB.

Now what is going to happen here is, my colleagues are bringing about a chilling effect on the right of people to organize. They are letting an employer guess intent and then make somebody prove that that employer is wrong. That is wrong.

Already the deck is tilted in favor of the employer under the NLRA, as it has been interpreted in terms of captive audience provisions in terms of the right of people to express themselves on the floor of the shop. They cannot do that. And now they want to go one step further and try to chill the traditional American right to associate, to organize. They are wrong.

□ 1915

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. VISCLOSKY).

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

Mr. VISCLOSKY. Mr. Chairman, I rise in opposition to H.R. 3246 and would like to take this opportunity to talk about union organizing. The people of the debate here are correct. Much work needs to be done. But the work to be done is not to stifle people's opportunity to associate with one another on an economic basis, but to protect access of workers to legitimate union representation. The real problem which needs to be addressed in this House is that every year clear majorities of workers at businesses across the country indicate their support for union representation and 1, 2 or 3 years later the representation is still not approved because it is tied up with appeals to the National Labor Relations Board. In the meantime, unscrupulous employers too often take advantage of the opportunity to illegally intimidate, fire or commit other unfair labor practices against workers in order to defeat subsequent votes on union representation. H.R. 3246 would simply aggravate this problem. I urge my colleagues to join me in voting against the bill. Instead this House needs to pass real labor law reform.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon (Ms. FURSE).

Ms. FURSE. My goodness, how quickly some people forget our history, but we Democrats do not forget. We remember that less than 100 years ago in Centralia, Washington three woodworkers were hanged because they tried to organize the timber industry. But other courageous workers were not intimidated. They went ahead and they organized the mills and the woods. That is our history, too. We have a right in this country to organize. We must not be naive. This bill is anti-labor, it is anti-organizing, it is anti-union. Vote no.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. GREEN).

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

Mr. GREEN. Mr. Chairman, I thank my good friend from Missouri, the ranking member of the Committee on Education and the Workforce, for yielding me this time. Again the name keeps changing every session. I rise in opposition to the bill. I spoke earlier on the rule. I am glad to have the opportunity to close, because, one, I think this legislation is misguided. The opposition is based on, one, it is a closed rule. There are some of us who would like to have a real debate on labor law reform. Yet from what I understood in committee, the bill came out on a party line vote and here on the floor those of us who may not serve on the committee anymore do not have the opportunity to offer amendments to correct what we see in the legislation. That is why the bill's intent is misguided, but it also did not give us the opportunity today to change it.

The bill withdraws the benefits of free enterprise to the employees. We heard a lot today about free enterprise is great, and it is. We are all products of the free enterprise system. But it includes both the employers and the employees, and that is what this bill takes away, the free enterprise of the employees. This free enterprise system is the greatest in the world and it is the greatest in the world because of the last 50 to 60 years we have recognized that. It has both sides of the bargaining table. This takes away even a level playing field. I do not think the playing field is level today even between the employee and the employer, but this makes it even more unlevel. That is why this bill is so wrong.

I guess I have a concern because only 14 percent of the workforce in the United States is unionized. Granted, there are efforts to organize, but 14 percent. This is like taking a bomb that you could use a fly swatter for if you really needed it. This is so overwhelming for that 14 percent that are unionized. Maybe next year if this bill is not passed, maybe it is 15 percent,

but we have not had this bill in the law and that percentage of unionization has actually gone down.

So what is the need for the legislation? Except to pay back a debt or to pay back what may have happened last year during the elections because organized labor tried to make sure that those of us on the floor of the House understand that, sure, they may be union bosses but they also represent workers and they represent employees to try and have that level playing field.

We do need real labor law reform, Mr. Chairman. I would have liked to have seen a real debate today and a real give and take for labor law reform, to say, yes, okay, maybe you do not like what is happening with salting. Maybe you do not like that. Also I do not like what happens because I see people who do sign cards or do have an election that may take them years before they actually have a contract or have that representation that they voted for. To this day we see people who are fired from their jobs because they voted for a union. It takes them years to get that job back. They ultimately may. But justice delayed is justice denied. That is what is happening today. That is why this bill is so wrong.

I asked earlier under the rule, because I happen to have a card in the union, I did my apprenticeship as a printer but I also went to law school. I said I had learned how to read law as well as print a newspaper. What worries me about page 4 of the bill is where it says, ''Nothing in this subsection shall be construed as requiring an employer to employ any person who is not a bona fide employee applicant.'' My concern is that definition of bona fide employee. I looked in the report. I am concerned that the person who makes that hiring decision out there in the real world will not know what is in this report and does not even have the standard of law. If we want to make sure that they are not going to discriminate against someone because they had a union card or maybe they were a former union member, then we need to put it into law and put those protections in here.

That is why this bill ought to be defeated tonight. If it is not defeated, I hope to be able to stand here and oppose it, also, when the President vetoes it.

Mr. GOODLING. Mr. Chairman, I yield myself the balance of my time. This is not legislation that takes a step backward, as some people mention. As a matter of fact, it is an attempt to move into the 21st century. As I indicated before, unless we can get labor and management to move into the 21st century, there is very little hope for us to be competitive with the rest of the world. It is time we understand it is the 21st century, not the 1930s when the labor laws were written, not the 1930s when we talked about men only in the workforce, when we talked about only a manufacturing economy. It is the 21st century. Someone over there said, ''Why would you seek employment to harm the company? No one would ever do anything like that.''

Mr. Chairman, that is what this legislation is about, because that is exactly what is happening. Do not ask me whether that is happening. Listen to someone who was a union organizer who told us before our committee. This is what he said. Why don't we ''spend more time negotiating in good faith with the company we were organizing, especially when we felt we had an employee or two willing to request us as an agent to collective bargaining?''

And what was the response that he got? ''He told us that the NLRB is committed to prosecute every single charge, that there was no expense to us at all for it and that, at the very least, the contractor would be forced to spend time and money to defend themselves. . . .''

That is why these two people who came to a place of employment in Arkansas and were told, ''We don't have any jobs,'' they left, the employer thought, ''Well, that's it.'' Lo and behold, the National Labor Relations Board said, ''No, we have a case against you, a discrimination case.'' He went to his lawyer, his lawyer said, ''You have two choices. You can fight it and win and I'll guarantee you you'll win but it will cost you $23,000. You're a small business, that may put you out of business, but you'll win. Or you can pay $6,000 and lose.'' He did a little arithmetic and said, ''Gee, I've got to pay to lose, otherwise I'm out of business.'' So he paid his $6,000 to lose rather than the $23,000 to win.

How frivolous are these suits? Time and time and time again. Let me just read my colleagues a list. From Indiana, 96 charges, 96 dismissed by the National Labor Relations Board. But what did it cost the small business? $250,000, to get 96 cases dismissed. From Maine, 14 dismissed without merit. What did it cost the small business? $100,000. In Missouri, 47 dismissed, one settled for $200. What did it cost? $150,000. Little Rock, Arkansas, 20 dismissed, $80,000.

All we are saying here is that your motivation to be employed, at least 50 percent of it should be a motivation to improve the company, to work to help make the company successful, so that you get higher wages, so that you get higher fringe benefits. That is all it says. In another part of the legislation, I have watched in my district and throughout this country people lose jobs, businesses go out of business. Why? Time and time again they were sitting there waiting rather than negotiating in good faith, labor and management both, waiting for the NLRB to act, because they both thought they will act in their favor, and they took 1 year, 2 years, 3 years. Finally, no jobs, no business. We are saying in the legislation, act in a year. The employee has the right to know. The employer has the right to know. Then we can get on with the negotiating business. Those who are so concerned, as I am, about the working men and women out there, I hope you will join with me as we move forward with some legislation, because I have been in the backyards of some of those who are speaking today, and I saw the most horrible conditions anyone can ever imagine, and you say, ''It is in America?'' What did I see? No unemployment compensation, no workers' compensation, no OSHA, no wage and hour, a fire trap, they would all die if there were a fire. There is only one exit to get out of the place. No ventilation, no overtime. Most of them were represented by organized labor. Where is the Federal Government? Where is the State government? Where is the city? Where is OSHA? Where is Wage & Hour? Let us really think about the difficult cases that are out there. Let us not try to put people out of business who are trying to do well, because it is the employee that loses the job. We protect the employee, we protect the small business, we protect the small unions in this legislation. That should be a reason for everyone to vote for this legislation.

Mr. NETHERCUTT. Mr. Chairman, I rise today in strong support for the Fairness for Small Business and Employees Act. According to the Small Business Administration, 19 cents out of every revenue dollar is spent on complying with federal, state, and local regulations. When you consider that there are over 22 million small businesses in the United States, these regulations more than add up—they cost jobs—they stifle the American dream.

For too long Congress has passed mandates on small businesses and federal agencies have regulated compliance without even considering its impact on a business.

Mr. Chairman, today Congress is going to do the opposite—we are going to bring some relief to small businesses. I hope my colleagues will review this legislation with small business in their district in mind.

H.R. 3246 has four provisions, but I want to focus my attention on Title I, the Truth in Employment Act. Under current labor law, job applicants may or may not be seeking employment for personal reasons, they may be seeking employment as a union agent solely in order to unionize the organization. This tactic, otherwise known as salting, is not truthful nor does it benefit the company for which they hope to work.

Mr. Chairman, in salting situations a company is put in the difficult position of deciding either to hire a union salt or face NLRB, OSHA and EEOC inquiries and possible federal fines. In some cases, salting has been used by labor unions to harass or disrupt operations of companies that have not been favorable to their cause. This is not right and I believe Congress should act.

A small business in my district has faced salting. The Company had some openings and sought applications. There were salt applicants and non-union applicants. One salt applicant told the company boss that his union determined that this Company was on the union hit list and that it better hire him or face the consequences. The salts had no desire to work at his company—only to unionize it. The company chose to hire the most qualified applicant, which this time was non-union, and his

company was hit with NLRB grievances equal to the number of salt applicants. The company has spent thousands of dollars fighting these and other NLRB grievances. In the end, the federal government forced him through the NLRB to pay backpay and agree to hire those union salts on future jobs—union salts who have no desire to work for his company.

Mr. Chairman, salting affects hard-working small business owners. Unions have a valid place in American enterprise, and most union members are hard working, well intentioned employees. Unions have a heritage of which they are proud, but salting is a practice that hurts the labor movement, gives it a bad name, and doesn't serve well the cause of organized labor. I believe Congress should outlaw this tactic. I urge my colleagues to help small businesses in their district by supporting H.R. 3246.

Mr. KILDEE. Mr. Chairman, I rise today to voice my strong opposition to H.R. 3246. This bill is less about fairness to small business, and more about unfairness to working men and women.

H.R. 3246 would give employers the right to fire or deny employment to any worker they suspect is not a bona fide employee applicant. In the bill's words, someone whose primary purpose is not to work for the employer.

The committee report states that the primary purpose provision would apply to a person who was seeking a job without at least a 50 percent motivation to work for the employer.

What set of scales will employers use to determine what percentage of the employee's motivation is to work for the employer versus working to help organize his or her coworkers?

Mr. Chairman, we are not engaged in an idle academic exercise here.

This legislation will have real-life consequences for real-life men and women in real-life workplaces.

The Dunlop Commission reported that, each year, 10,000 American workers are wrongfully fired from their jobs for trying to organize their co-workers.

H.R. 3246 would further weaken the federal laws which currently provide American workers with a modicum of protection.

As others have pointed out, the U.S. Supreme Court, in an unanimous 1995 decision, ruled that a worker could be both a company employee and a paid union organizer at the same time. The High Court further stated that employers have no legal right to forbid an employee from engaging in organizing activity protected by the NLRA.

Mr. Speaker, H.R. 3246 would overturn that unanimous opinion of the High Court.

H.R. 3246 is a terrible piece of legislation which should offend the sensibilities of every Member of this House who values our American tradition of freedom, fairness, and fair play.

Let's vote down this very bad bill.

Mr. HOYER. Mr. Chairman, I rise today in strong opposition to H.R. 3246, a bill the Republican Leadership has seen fit to name the ''Fairness for Small Business and Employees Act'' but should more appropriately be called a ''Bill to Restrict Workers from Organizing''. This bill should not have been brought to the House floor for a vote. The only reason we are debating this bill today is because the Republican Leadership has, as part of their agenda, set a goal of removing the right of American workers to organize.

The current law protects American workers. An employee who holds a job for the purpose of organizing a particular workplace is an official employee of the company that hired that person. If this worker performs their employment duties satisfactorily, they are protected against discrimination for union activity and affiliation. If H.R. 3246 passes, it will overturn a 1995 unanimous Supreme Court decision that upheld the current law. This bill will give employers the ability to discriminate against workers who exercise the right to organize. The NLRB will be unable to protect workers against unfair employer discrimination.

This anti-labor bill also gives employers the ability to frustrate and delay their employees' choice of union representation. The NLRB, through years of experience, has determined that in most situations, it is appropriate for workers to organize in a single location of a multi-facility business rather than organizing at all locations at once. This bill requires the NLRB to apply a subjective test to determine the appropriate unit to organize. This will allow employers to have control over their workers' right to organize.

Mr. Chairman, H.R. 3246 is unfair to our workers and unfair to America. One of the foundations of this Nation is the right for workers to organize. This bill is at odds with basic principles of American labor law and jeopardizes fundamental worker rights. The bill is a direct and specific attack by the Republican Leadership on American workers and unions and I urge my colleagues to oppose it.

Mr. KLINK. Mr. Speaker, let's face it. It's screw labor week!

My colleagues on the other side of the aisle have decided that they know better than the entire Supreme Court in this instance.

We're not talking about a 5 to 4 decision here, or 6 to 3. Noooo. My Republican friends want to overturn a unanimous, 9 to nothing Supreme Court decision that said that union organizers who apply for and hold jobs for the purpose of organizing employees in a workplace cannot be fired for disloyalty.

By reversing the Supreme Court on this issue, my colleagues are turning labor history on its head and giving employers another tool against organized workers.

And that's what this bill is all about, my friends. It's another battle in the Congressional Republicans continuing campaign against working families.

In the last Congress, the Republican-controlled House tried to repeal the Davis-Bacon Act, which provides for prevailing wages in Federal construction contracts. They tried to repeal the Service Contract Act, which provides for prevailing wages in Federal service contracts. They also tried to abolish the Department of Labor and they cut millions from job-training funding.

They tried to ram through legislation that would allow corporations to raid worker pensions to the tune of $20 billion.

In the 105th Congress, the attack continued within H.R. 1, The Comp Time Act and the ''Team Act.''

Later this week, the Republicans will be at it again. They are bringing the worker gag rule to the floor of the House, which will basically require workers to get a note from their mommy before they can be politically active.

But, before I get off course, let's get back to the Anti-Organizing Act currently before us. Because it goes beyond discrimination in hiring.

It would also make it harder for workers to organize by forcing them to organize all the facilities of an employer, instead of just one. So if you tried to organize the workers in a McDonalds, you would be forced to organize every worker in every McDonalds in the country.

And while we're at it, lets have the Federal Government pay the legal bills of businesses in National Labor Relations Board disputes. That will only ensure that fewer such cases are brought, and further weaken hard won worker protections.

The masks are off Mr. Chairman. We can see the true agenda this week. It's all about screwing the working families of America.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to HR 3246, a bill that is mislabeled the Fairness For Small Business & Employees Act. It should be titled a Bill to Keep Organizers From Organizing. This bill undercuts the fundamental right of workers to choose a collective bargaining representative free from employer coercion.

This bill just adds to the arsenal of weapons that employers currently use in their anti-union campaigns. Under current law, an employer may lawfully order all employees to listen to a speech or watch a video urging them to vote against union representation. Employees who refuse to attend such anti-union campaign meetings can be disciplined, including being fired.

Employers may also prohibit union organizers from entering their premises throughout the organizing campaign, and may prohibit employees from discussing the union among themselves except during breaks. This bill gives powerful new weapons to employers, large and small, to prevent employees from joining unions.

Let me turn my attention to the issue of ''salting'', because it deals directly with an issue in which the Supreme court has ruled. Contrary to the claims of the bill's supporters, ''salts'' do not come to a company to destroy it. They come to organize the company's employees—not to eliminate their jobs. They understand that they need to fulfill the employer's legitimate expectations.

Salts must obey employer rules that apply to all employees. In addition, employers may lawfully prohibit union activity in work areas during working time. Employees engage in salting activities who do not comply with such rules, or who are insubordinate or incompetent, can be lawfully fired on the same basis as other employees.

Clearly, employers who object to salting do so not because of any inherent unfairness in the practice, but because they object to the fact that the law permits their employees to organize, and prohibits them from firing employees who promote union organizing.

The Supreme Court, in a unanimous 1995 decision, NLRB v. Town and Country Electric, ruled that a worker could be both a company employee and a paid union organizer at the same time, and that an employer has no legal right to require that a worker, as a condition of employment, refrain from engaging in union activity protected by the NLRA. This bill would effectively overturn that ruling. This is unacceptable and should not be allowed.

I urge my colleagues to vote against this bill.

Ms. CHRISTIAN-GREEN. Mr. Chairman, I rise in opposition to H.R. 3246, another example of the majority's continued assault on the

rights of working men and women in this country.

If allowed to become law, H.R. 3246 would shift power away from workers, making it more difficult for them to organize and for the National Labor Relations Board to stop employers from violating labor laws.

When will these attacks on the men and women who are the backbone of this country end?

H.R. 3246 would allow employers to discriminate against people they suspected of trying to organize their workplace by refusing to hire them or firing them if they are already employed at the company. This clearly anti-union bill is intended to overturn a unanimous Supreme Court decision of 1995 which held that a union organizer employed by a company was entitled the same protections as any other employee.

My colleagues, employees' rights are already seriously in jeopardy. Thousands of working Americans lose their jobs every year just for supporting union organizing. H.R. 3246 would make an already difficult period of time for American workers even worse. We must oppose this attempt to give employers a license to discriminate against workers rights to organize and protect the integrity of the National Labor Relations Act as well as the collective bargaining process.

Support our American workers—vote no on H.R. 3246.

Mr. BONILLA. Mr. Chairman, I rise today in support of the Fairness for Small Business and Employees Act. This bill might just as easily be called the No-Brainer Act. If you support creating jobs and promoting a strong economy, you should support this bill. It should be a No-Brainer for all of us to support this goal.

This bill is necessary because for years the NLRB has considered imposing a single site rule. For over 40 years, the courts have interpreted the law to provide employers with the right to a hearing on whether a single facility selected by a union is an appropriate bargaining unit. A reversal of this precedence by NLRB would create a litigation nightmare. Simultaneously, it would increase business costs threatening jobs. It should be a No-Brainer to realize that this is a dangerous path to take. Passage of this bill helps ensure NLRB will not threaten jobs with this approach in the future.

This bill makes other necessary reforms to abuses of the current system of labor-management relations. The bill stops ''salting,'' a practice where union organizers seek employment solely to organize a workforce. It should be a No-Brainer to recognize that a company must make hiring decision based on an employee's genuine interest in contributing to a company's success, not on their desire to promote big labor's agenda. The bill requires the NLRB to issue a final decision on certain unfair labor complaints within a year.

It should be a No-Brainer to support resolving these disputes in a timely manner and not leaving companies in bureaucratic limbo.

Finally, the bill requires the NLRB to pay attorney fees and costs to parties who prevail against the NLRB in administrative and court proceedings. It should be a No-Brainer to support this common sense effort to deter bureaucratic persecution.

The bill before us represents a common sense effort to protect our economic prosperity from costly government interference and small business from big labor.

Mr. SCHUMER. Mr. Chairman, I rise today to oppose H.R. 3246, another attempt by this Republican Congress to cripple the ability of working men and women of America to organize.

At the beginning of the 20th century, workers organized in order to attain a better standard of living for their families. As we approach the end of the century, unions still serve this noble purpose. The bill before us is another partisan attempt to end unions as we know them.

H.R. 3246 would debilitate unions by putting a scarlet letter on union organizers. Title I of this legislation makes it legal for companies to discriminate against job applicants who have been involved in union organizing. Furthermore, it would overturn a unanimous 1995 Supreme Court ruling that allows unions to place organizers in jobs for the purpose of organizing a particular shop.

The workers in my home state of New York cannot afford to lose these protections. Just this month, a U.S. District Judge ordered a company in Syracuse to rehire Kathy Saumier and Clara Sullivan. These two women had been fired for trying to organize a union at the plant because of unsafe working conditions. Under this law, those women would still be jobless because of their activism on behalf of their co-workers, In fact, companies could refuse to hire workers like Kathy Saumier and Clara Sullivan simply because they might become leaders. That is unfair. That is un-American.

Mr. Chairman, to protect American workers, we need to preserve their right to organize. That is why we need to oppose this legislation. I urge my colleagues to vote ''no.''

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered read for amendment under the 5-minute rule.

The text of H.R. 3246 is as follows:

H.R. 3246

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 ''Fairness for Small Business and Employees Act of 1998''.

TITLE I—TRUTH IN EMPLOYMENT

SEC. 101. FINDINGS.

Congress finds that:

(1) An atmosphere of trust and civility in labor-management relationships is essential to a productive workplace and a healthy economy.

(2) The tactic of using professional union organizers and agents to infiltrate a targeted employer's workplace, a practice commonly referred to as ''salting'' has evolved into an aggressive form of harassment not contemplated when the National Labor Relations Act was enacted and threatens the balance of rights which is fundamental to our system of collective bargaining.

(3) Increasingly, union organizers are seeking employment with nonunion employers not because of a desire to work for such employers but primarily to organize the employees of such employers or to inflict economic harm specifically designed to put nonunion competitors out of business, or to do both.

(4) While no employer may discriminate against employees based upon the views of employees concerning collective bargaining, an employer should have the right to expect job applicants to be primarily interested in utilizing the skills of the applicants to further the goals of the business of the employer.

SEC. 102. PURPOSES.

The purposes of this title are—

(1) to preserve the balance of rights between employers, employees, and labor organizations which is fundamental to our system of collective bargaining;

(2) to preserve the rights of workers to organize, or otherwise engage in concerted activities protected under the National Labor Relations Act; and

(3) to alleviate pressure on employers to hire individuals who seek or gain employment in order to disrupt the workplace of the employer or otherwise inflict economic harm designed to put the employer out of business.

SEC. 103. PROTECTION OF EMPLOYER RIGHTS.

Section 8(a) of the National Labor Relations Act (29 U.S.C. 158(a)) is amended by adding after and below paragraph (5) the following:

''Nothing in this subsection shall be construed as requiring an employer to employ any person who is not a bona fide employee applicant, in that such person seeks or has sought employment with the employer with the primary purpose of furthering another employment or agency status: *Provided*, That this sentence shall not affect the rights and responsibilities under this Act of any employee who is or was a bona fide employee applicant.''.

TITLE II—FAIR HEARING

SEC. 201. FINDINGS.

The Congress finds the following:

(1) Bargaining unit determinations by their nature require the type of fact-specific analysis that only case-by-case adjudication allows.

(2) The National Labor Relations Board has for decades held hearings to determine the appropriateness of certifying a single location bargaining unit.

(3) The imprecision of a blanket rule limiting the factors considered material to determining the appropriateness of a single location bargaining unit detracts from the National Labor Relations Act's goal of promoting stability in labor relations.

SEC. 202. PURPOSE.

The purpose of this title is to ensure that the National Labor Relations Board conducts a hearing process and specific analysis of whether or not a single location bargaining unit is appropriate, given all of the relevant facts and circumstances of a particular case.

SEC. 203. REPRESENTATIVES AND ELECTIONS.

Section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) is amended by adding at the end the following:

''(6) If a petition for an election requests the Board to certify a unit which includes the employees employed at one or more facilities of a multi-facility employer, and in the absence of an agreement by the parties (stipulation for certification upon consent election or agreement for consent election) regarding the appropriateness of the bargaining unit at issue for purposes of subsection (b), the Board shall provide for a hearing upon due notice to determine the appropriateness of the bargaining unit. In making its determination, the Board shall consider functional integration, centralized control, common skills, functions and working conditions, permanent and temporary employee interchange, geographical separation, local autonomy, the number of employees, bargaining history, and such other factors as the Board considers appropriate.''.

TITLE III—JUSTICE ON TIME

SEC. 301. FINDINGS.

The Congress finds the following:

(1) An employee has a right under the National Labor Relations Act to be free from discrimination with regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization. The Congress, the National Labor Relations Board, and the courts have recognized that the discharge of an employee to encourage or discourage union membership has a particularly chilling effect on the exercise of rights provided under section 7.

(2) Although an employee who has been discharged because of support or lack of support for a labor organization has a right to be reinstated to the previously held position with backpay, reinstatement is often ordered months and even years after the initial discharge due to the lengthy delays in the processing of unfair labor practice charges by the National Labor Relations Board and to the several layers of appeal under the National Labor Relations Act.

(3) In order to minimize the chilling effect on the exercise of rights provided under section 7 caused by an unlawful discharge and to maximize the effectiveness of the remedies for unlawful discrimination under the National Labor Relations Act, the National Labor Relations Board should resolve in a timely manner all unfair labor practice complaints alleging that an employee has been unlawfully discharged to encourage or discourage membership in a labor organization.

(4) Expeditious resolution of such complaints would benefit all parties not only by ensuring swift justice, but also by reducing the costs of litigation and backpay awards.

SEC. 302. PURPOSE.

The purpose of this title is to ensure that the National Labor Relations Board resolves in a timely manner all unfair labor practice complaints alleging that an employee has been unlawfully discharged to encourage or discourage membership in a labor organization.

SEC. 303. TIMELY RESOLUTION.

Section 10(m) of the National Labor Relations Act is amended by adding at the end the following new sentence: ''Whenever a complaint is issued as provided in subsection (b) upon a charge that any person has engaged in or is engaging in an unfair labor practice within the meaning of subsection (a)(3) or (b)(2) of section 8 involving an unlawful discharge, the Board shall state its findings of fact and issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice and to take such affirmative action, including reinstatement of an employee with or without backpay, as will effectuate the policies of this Act, or shall state its findings of fact and issue an order dismissing the said complaint, not later than 365 days after the filing of the unfair labor practice charge with the Board except in cases of extreme complexity. The Board shall submit a report annually to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate regarding any cases pending for more than 1 year, including an explanation of the factors contributing to such a delay and recommendations for prompt resolution of such cases.''.

SEC. 304. REGULATIONS.

The Board may issue such regulations as are necessary to carry out the purposes of this title.

TITLE IV—ATTORNEYS FEES

SEC. 401. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) Certain small businesses and labor organizations are at a great disadvantage in terms of expertise and resources when facing actions brought by the National Labor Relations Board.

(2) The attempt to ''level the playing field'' for small businesses and labor organizations by means of the Equal Access to Justice Act has proven ineffective and has been underutilized by these small entities in their actions before the National Labor Relations Board.

(3) The greater expertise and resources of the National Labor Relations Board as compared with those of small businesses and labor organizations necessitate a standard that awards fees and costs to certain small entities when they prevail against the National Labor Relations Board.

(b) PURPOSE.—It is the purpose of this title—

(1) to ensure that certain small businesses and labor organizations will not be deterred from seeking review of, or defending against, actions brought against them by the National Labor Relations Board because of the expense involved in securing vindication of their rights;

(2) to reduce the disparity in resources and expertise between certain small businesses and labor organizations and the National Labor Relations Board; and

(3) to make the National Labor Relations Board more accountable for its enforcement actions against certain small businesses and labor organizations by awarding fees and costs to these entities when they prevail against the National Labor Relations Board.

SEC. 402. AMENDMENT TO NATIONAL LABOR RELATIONS ACT.

The National Labor Relations Act (29 U.S.C. 151 and following) is amended by adding at the end the following new section:

''AWARDS OF ATTORNEYS' FEES AND COSTS

''SEC. 20. (a) ADMINISTRATIVE PROCEEDINGS.—An employer who, or a labor organization that—

''(1) is the prevailing party in an adversary adjudication conducted by the Board under this or any other Act, and

''(2) had not more than 100 employees and a net worth of not more than $1,400,000 at the time the adversary adjudication was initiated,

shall be awarded fees and other expenses as a prevailing party under section 504 of title 5, United States Code, in accordance with the provisions of that section, but without regard to whether the position of the Board was substantially justified or special circumstances make an award unjust. For purposes of this subsection, the term 'adversary adjudication' has the meaning given that term in section 504(b)(1)(C) of title 5, United States Code.

''(b) COURT PROCEEDINGS.—An employer who, or a labor organization that—

''(1) is the prevailing party in a civil action, including proceedings for judicial review of agency action by the Board, brought by or against the Board, and

''(2) had not more than 100 employees and a net worth of not more than $1,400,000 at the time the civil action was filed,

shall be awarded fees and other expenses as a prevailing party under section 2412(d) of title 28, United States Code, in accordance with the provisions of that section, but without regard to whether the position of the United States was substantially justified or special circumstances make an award unjust. Any appeal of a determination of fees pursuant to subsection (a) or this subsection shall be determined without regard to whether the position of the United States was substantially justified or special circumstances make an award unjust.''.

SEC. 403. APPLICABILITY.

(a) AGENCY PROCEEDINGS.—Subsection (a) of section 20 of the National Labor Relations Act, as added by section 402 of this Act, applies to agency proceedings commenced on or after the date of the enactment of this Act.

(b) COURT PROCEEDINGS.—Subsection (b) of section 20 of the National Labor Relations Act, as added by section 402 of this Act, applies to civil actions commenced on or after the date of the enactment of this Act.

The CHAIRMAN. No amendment to the bill is in order except the amendment printed in House Report 105–463, which may be offered only by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, pursuant to the rule, I offer amendment No. 1.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. GOODLING:

Page 4, line 17, before the first period, insert '', including the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection''.

The CHAIRMAN. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GOODLING) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, my amendment further spells out in the most direct and clear manner possible the intent of title I, which ensures that the truth in employment provisions of the Fairness for Small Business and Employees Act do not infringe upon any rights or protection for employees under the National Labor Relations Act. My amendment lays out specifically some of the important essential rights granted workers under the NLRA which are not impacted under title I so long as an individual is a bona fide employee applicant in that they are at least half motivated to work for the employer. While H.R. 3246, as currently drafted, does make clear that title I shall not affect the rights and responsibilities under this act of any employee who is or was a bona fide employee applicant, my amendment makes it explicitly clear that this includes the right to self-organization, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

□ 1930

Under my amendment, there should be absolutely no confusion whatsoever that H.R. 3246 does not seek to punish anyone for their union activities. It simply amends the NLRA to clarify that an employer is not required to hire anyone who seeks a job primarily to further other employment or agency status. So long as someone is at least half motivated to be a productive employee, then title I does not apply to them at all.

Title I of H.R. 3246 is only intended to address the egregious, abusive, salting practices involving individuals who, it is clear, are not applying for a job to go to work every day and be a productive worker, but rather applying so they can start filing frivolous charges, and I read all of those frivolous charges that are always thrown out, but rather are applying so they can start filing frivolous charges against the employer with NLRB in an attempt to cost the company money defending itself.

Mr. FAWELL. Mr. Chairman, would the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, there has been a lot of information floating around this week that title I of the Fairness for Small Business and Employees Act would gut workers' rights under the National Labor Relations Act and would take away employees' right to organize and participate in legitimate collective bargaining activities.

Does H.R. 3246 do any of this?

Mr. GOODLING. It does not. In fact, as I pointed out, the legislation has a provision spelling out quite clearly that nothing in the act shall, quote, affect the rights and responsibilities granted by the NRA, quote, of any employee who is or was a bona fide employee applicant. The amendment I have offered is intended to provide all the more assurance that title I in no way would infringe on any NRA rights.

Mr. FAWELL. And what does all this mean in English?

Mr. GOODLING. It means that if an individual applies for a job at a company and expresses at least 50 percent interest in actually working there, then that individual is entitled to all the rights granted by the National Labor Relations Act. In fact, an individual could very well be a paid union organizer, and title I would not impact them one bit, so long as they are not applying for the job with the primary purpose of furthering interest of some other employer.

Mr. FAWELL. You have mentioned this 50 percent test several times. Who would determine what the level is of a applicant's motivation to work for the employer?

Mr. GOODLING. The level of intent would be determined by the general counsel of the National Labor Relations Board, and someone just a little while ago said we are putting it on the National Labor Relations Board. That is exactly who makes the decisions now. We are not giving them anything new. The same individual makes the determination of the intent of employers under current case law. If the appropriate referee of a employer's intent is the NLRB's general counsel, then certainly an appropriate referee of an employee's intent is also NLRB's general counsel.

Mr. FAWELL. I have also heard it said this week that union salting is protected by the United States Supreme Court in its unanimous 1995 Town and Country decision, and that title I seeks to overturn this case which held that union organizers are employees under the NLRA and enjoy all of the act's protections.

Mr. GOODLING. That is deliberate misinformation as well. The holding of NLRB versus Town and Country Electric was very narrow. The Supreme Court held simply that paid union organizers can fall within the liberal statutory definition of ''employee'' contained in section 23 of the NLRA.

Title I of the Fairness for Small Business and Employees Act does not change the definition of ''employee'' or ''employee applicant'' under the NLRA. It simply would change the NLRB's enforcement of section A by declaring that employers may refuse to hire individuals who are not at least half motivated to work for the employer. So long as even a paid union organizer is at least 50 percent motivated to work for the employer, he or she can not be refused a job in violation of section 8(A).

Title I thus established a test which does not seek to overrule Town and Country, does not infringe on the legitimate rights of bona fide employees and employee applicants to organize on behalf of unions within the workplace. Indeed, the Supreme Court's holding that an individual can be servant of two masters at the same time is similarly left untouched.

The CHAIRMAN. Is there an opponent of the amendment who seeks recognition?

Mr. CLAY. Mr. Chairman, I am not opposed to the amendment, but I ask to claim the time in opposition so I can speak in favor of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri for 10 minutes.

Mr. CLAY. Mr. Chairman, the majority must have some serious misgivings about title I of its own bill. Earlier this week, the gentleman from Illinois (Mr. FAWELL), chairman of the subcommittee, prefiled and then withdrew an amendment to strike title I from the bill. Now the gentleman from Pennsylvania is trying to salvage this extreme and reckless title through this amendment.

The truth is this amendment does nothing to fix this bill. It merely restates the current law protections while still allowing employers to refuse employment to workers, based on the outside group affiliations.

I have no intentions of opposing the amendment because it does nothing.

Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Chairman, I thank the ranking member for yielding this time to me.

I also support the amendment, but I do want to speak about how little I think it does to improve the very negative underlying bill.

I find it rather ironic that the party of Abraham Lincoln would be pursuing a piece of legislation that has such negative implications for people's individual liberty and autonomy. It is a concern that really has not been brought up yet about this bill, but it is a very practical one, and I want to spend a few minutes talking about it.

A few minutes ago, our friends from Pennsylvania and Illinois said that the party who would determine the employee's intent as to primary purpose would be the general counsel of the National Labor Relations Board. In fact, as a practical matter, the first person who would determine the employee's principal purpose would be the employer. The employer is going to determine what the principal or primary purpose of the employee is.

How exactly is the employer going to do that? Is the employer going to speak? I assume the employer is going to interview the employee, and most employees are going to say, my purpose is to do the job well. Then the employer has to start to ask other questions. Is the employer going to ask the spouse of the applicant what the applicant said to his or her spouse? Is the employer going to ask prior employers of the employee further information than that which would be on the normal letter of reference? Is the employer going to go to persons that the applicant may have talked to at the place of religious worship or at a social gathering or political gathering the person may have gone to?

I would suggest to my colleagues that the practical implication of this bill is that it opens up an Orwellian can of worms where an employer clearly has the right to ask all kinds of questions about what the employee's motive might be, and that Orwellian can of worms runs into some very real privacy considerations of the applicant or employee.

I am sure that Abraham Lincoln, who founded his party in part on the principle of individual liberty and autonomy, would be rather surprised to know that one of the prices now of applying for a job is evidently giving the employer to whom you have applied carte blanche to find out what you think and what you say to people outside the normal job application process. And if this were to become law, which I doubt and hope does not occur, I wonder exactly how this inquiry would be conducted and by whom. It is one more reason, whether any union or not any union, whether in the work

force or not in the work force, it is one more reason to oppose this underlying piece of legislation.

Mr. GOODLING. Mr. Chairman, I yield myself 2 minutes.

I wish to continue the colloquy with the gentleman from Illinois (Mr. FAWELL).

As I was indicating, title I thus establishes a test which does not seek to overrule, does not seek to overrule Town and Country, does not infringe on the legitimate rights of bona fide employees and employee applicants to organize on behalf of unions within the workplace. Indeed the Supreme Court's holding that an individual can be a servant of two masters at the same time is similarly left untouched. Title I simply calls for at least 50 percent to be for the employer. If an applicant cannot show the NLRB's general counsel that he or she sought the job at least half because they really wanted to be an employee, then I believe we would all agree that the employer should not have to hire them.

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

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. FAWELL. So under H.R. 3246, Mr. Chairman, even organizers are not prohibited from getting jobs.

Mr. GOODLING. That is correct. Title I is completely consistent with the policies of the National Labor Relations Act. All the legislation does is give the employer some comfort that it is hiring someone who really wants to work for the employer, and as my amendment points out with particularity, title I in no way infringes on the rights granted by the National Labor Relations Act.

I would hope my colleagues on both sides of the aisle support my amendment, which while granting some protection to the employers against clear instances of salting abuses, also makes crystal clear this legislation does not in any way scale back on the rights contained in the National Labor Relations Act.

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

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding and I appreciate the gentleman from Pennsylvania, the chairman, trying to correct the impression that I have from this bill. I think the problem is that this bill tends to want to throw out the existing law and existing court cases with regards to what constitutes a bona fide employee. The court has ruled on this, and the effect of this, of course, is to drag it back into court, change the circumstances and to undercut the ability of someone to be employed that happens to harbor the notion of organizing and of exercising their freedom to in fact seek a collective bargaining election or join a union.

That is what this is all about. It just reshuffles the deck to bring it back up against the court with the option that they can undercut that person's ability to do what they see and what we think is proper in a free economy.

As has been said by my colleague from New Jersey, I think this goes right to the issue of mind control. This invites absolute control by the employers over the thoughts and over the views of employees with regards to how they ought to be organized and their opportunity to attain decent working conditions and wages.

Mr. Chairman, I rise in opposition to this bill H.R. 3246.

This measure has numerous provisions which are specifically defined to frustrate the ability of working men and women from organizing and joining a union. The result denys the fundamental freedom of association and speech at the care of our society and our basic freedoms.

The collective bargaining process is the vehicle that serves the workers and employer to achieve an agreed upon condition on the job with a fair wage and benefits.

Unfortunately because of the evolution of our U.S. mixed economy labor unions and organization represent less than 20% of our total labor force. This is also a result of the fact that labor law and policy has not kept pace with the changes and a concerted effort by many business to contest and successfully resist efforts by workers to achieve union representation and access to the collective bargaining process.

Ths bill before the House will make that process even more difficult. In a situation where workers are already at a disadvantage this bill seek to tilt the table and stack the deck against worker.

Working men and women deserve a fair shake and regards the law as a measure to undercut and shred what remains of our labor laws.

Ths bill plan and simple permits an employer to fire or not even hire a person who has an interest and may play a role in organizing a collective bargaining election. Today that is an unfair labor practice, but this proposes to make such an discriminatory action legal. Today a prospective worker's values and thoughts are private and an employer appropriately consider a employment situation based on qualification and the willingness of a worker to perform his or her assigned tasks. This bill crosses the line into mind control and invites absolute employer control of the workers private thoughts and values as to their interest in collective bargaining and joining a union. Control of the communication and the thoughts of a worker deny the fundamental freedoms that characterize a free society and a free labor force.

Additionally this measure which purports to advocate for small business denys a collective bargaining election for a separate work place, rather it mandates that the collective bargaining election must take place on an overly broad basis rather than permit a one location election—turning a single facility collective bargaining election into a multi-state or even national collective bargaining election. Both the provision to prevent the hiring and permitting the firing of a employee and the mandate to deny a single site election over turn court cases and current law that permits union organization on this basis.

This legislation turns the process of litigation and National Labor Relations Board appeals inside out requiring in the bill that small business must be compensated if they prevail in a decision. Today the NLRB and court have such discretion, but to require such no matter the circumstance will assure that almost all decision will be carried forth with the hope of success and payment.

These measure certainly don't achieve a common sense result in terms of labor-management accord and fair treatment, rather they are a transparent attempt to superimpose a disadvantage upon working men and women and their access to the collective bargaining process. One may wonder if this is some part of retaliation for the fact that organized labor has become more politically active in recent years and that this is some small minds is the may to penalize labor.

These actions are poor policy and the wrong was to force or win the day. The reaction to this bill can only be to reject the proponents and to re-double the effort to change the political equation.

Rather than loading the NLRB down with more paper work and appeals and requests for report along with the mandate to pay legal fees for those who successfully appeal. Congress should provide the resources that would address the backlog that has been building up the past decade to permit timely investigation and decision making by the NLRB.

This measure is a bad faith effort to disadvantage workers and the unions they may choose to represent them. I certainly urge its defeat.

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

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

I would merely indicate to the gentleman who just spoke that obviously he has little faith in the general counsel at the National Labor Relations Board. I will guarantee him that all employees have great confidence in that general counsel. I will guarantee him that organized labor has great confidence in that general counsel at the National Labor Relations Board.

Let me close simply by repeating what was said in an editorial in a paper that I read today: It is reassuring to know that some relief is being considered for the real victims of status quo: workers, small businesses, and small unions.

Let me repeat that: It is reassuring to know that some relief is being considered for the real victims of status quo: workers, small businesses and small unions.

My colleagues have an opportunity to help all three. All they have to do is vote yes on the amendment and on the legislation.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GOODLING).

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 398, noes 0, not voting 32, as follows:.

[Roll No. 77]

AYES—398

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonior
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Costello
Cox
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—32

Bonilla
Brown (FL)
Cannon
Cardin
Conyers
Cooksey
Crapo
Engel
Ford
Gonzalez
Harman
Hefner
Houghton
Hunter
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Markey
McDade
McDermott
McNulty
Millender-McDonald
Payne
Rangel
Rogers
Royce
Sherman
Smith (OR)
Smith (TX)
Waters
Yates

□ 2003

Messrs. BOUCHER, CUNNINGS, OBERSTAR and STARK changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SHERMAN. Mr. Chairman, during roll call vote number 77 on the Goodling Amendment to H.R. 3246 I was unavoidably detained. Had I been present, I would have voted yes.

The CHAIRMAN. No other amendment being in order under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TIAHRT) having assumed the chair, Mr. MCCOLLUM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3246) to assist small businesses and labor organizations in defending themselves against government bureaucracy; to ensure that employees entitled to reinstatement get their jobs back quickly; to protect the right of employers to have a hearing to present their case in certain representation cases; and to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers, pursuant to House Resolution 393, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 200, not voting 29, as follows:

[Roll No. 78]

AYES—202

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gingrich
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McIntyre
McKeon
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rohrabacher
Roukema
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan

Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith, Linda
Snowbarger
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wolf
Young (FL)

NOES—200

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brown (CA)
Brown (OH)
Campbell
Capps
Carson
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Forbes
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Johnson (CT)
Johnson (WI)
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
LaFalce
LaHood
Lampson
Lantos
LaTourette
Lazio
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHale
McHugh
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Quinn
Rahall
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Velazquez
Vento
Visclosky
Watt (NC)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
Wise
Woolsey
Wynn
Young (AK)

NOT VOTING—29

Bonilla
Brown (FL)
Cannon
Cardin
Conyers
Cooksey
Crapo
Engel
Ford
Gilman
Gonzalez
Harman
Houghton
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
McDade
McDermott
McNulty
Millender-McDonald
Payne
Rangel
Rogers
Ros-Lehtinen
Royce
Smith (TX)
Solomon
Waters
Yates

□ 2022

The Clerk announced the following pair on this vote:

Mr. Bonilla for, with Mr. McDade against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, during the final vote on H.R. 3246 (Rollcall 78) I was in the Chamber and attempted to vote, but the Speaker closed the vote before I could cast my vote. I attempted to secure the attention of the Chair but was unseccessful. Had I been allowed to vote I would have voted "no."

GENERAL LEAVE

Mr. FAWELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3246, the bill just passed.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2515, FOREST RECOVERY AND PROTECTION ACT OF 1998, AND LIMITATION OF TIME FOR AMENDMENT PROCESS

Mr. SMITH of Oregon. Mr. Speaker, I ask unanimous consent that House Resolution 394, the rule, be considered as adopted, and that during consideration of H.R. 2515, the forestry bill, in the Committee of the Whole, pursuant to that resolution, 1, that the amendment in the nature of a substitute made in order as original text be considered as read; and 2, after general debate, the bill be considered for amendment under the 5-minute rule for a period not to extend beyond 1:30 p.m. on Friday, March 27, 1997.

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

There was no objection.

The text of House Resolution 394 is as follows:

H. RES. 394

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2515) to address the declining health of forests on Federal lands in the United States through a program of recovery and protection consistent with the requirements of existing public land management and environmental laws, to establish a program to inventory, monitor, and analyze public and private forests and their resources, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Agriculture now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 3530. Each section of that amendment in the nature of a substitute shall be considered as read. Points of order against that amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI or clause 5(a) of rule XXI are waived. During consideration of the bill for amendment, the chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 202

Mr. NETHERCUTT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor to H.R. 202.

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

There was no objection.

PERMISSION FOR AUTHORIZATION TO SIGN AND SUBMIT REQUESTS TO ADD COSPONSORS TO H.R. 2009

Mrs. CAPPS. Mr. Speaker, I ask unanimous consent that I may be authorized to sign and submit requests to add cosponsors to the bill, H.R. 2009.

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

There was no objection.

□ 2030

PERSONAL EXPLANATION

Ms. ROS-LEHTINEN. Mr. Speaker, I would like the RECORD to reflect that I would have voted "no" on H.R. 3246, but the gavel was pounded before I registered my vote. I tried to

get the Chair's attention, but I was not able to do so.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HULSOF). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. RIGGS) is recognized for 5 minutes.

(Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EWING) is recognized for 5 minutes.

(Mr. EWING 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 Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONGRESS MUST REFORM THE NATION'S TRANSPORTATION SYSTEM AND REGAIN THE PUBLIC'S TRUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. COBURN) is recognized for 5 minutes.

Mr. COBURN. Mr. Speaker, I rise today to discuss a matter of grave concern to me and many of my colleagues. I am in great hope that the American public is paying attention to what I am about to say.

Mr. Speaker, I am going to talk about transportation dollars and budget authority and busting the budget. The transportation dollars that are being handled in this country are being handled in a way that I believe does not support the best interests of the American public nor support the quality of this institution.

Next week the House will be asked to vote on a transportation bill that could cost the American taxpayers $216 billion, money they have already paid into a taxpayers' fund. This will make this bill one of the largest public works bills in our history. The chairman of the Committee on the Budget has called the bill an ''abomination'' because it will bust the budget by at least $26 billion. That is $26 billion that we are going to pass on to our next generation. We have the assurances that this will be paid for in conference. Anybody that has been here for any length of time knows that that is not much in terms of assurance.

This Congress has made important steps toward reversing the fiscal irresponsibility of its recent past, and we must stay that course. We must not lose our bearings when we are so close to making significant strides towards reducing our $5.5 trillion debt.

I want to explain to the American people how transportation dollars are divided up in this country and where that process is corrupt and needs to be reformed. Every time Americans fill their cars up with gas, a few cents goes towards a massive Federal transportation fund. Congress has set up a committee to divide these funds. Each member of this committee exercises enormous influence over where these dollars are spent.

Every Member of Congress has the authority to request special projects, based on the needs of their district and the recommendations of their respective State's Department of Transportation. Money should be awarded to these projects based solely on their merit, but this is often not the case, as anyone who has observed this process recently will admit.

Instead of dividing transportation money according to the merit of projects, money is divided based on political favors and political expediency. Stories in today's Associated Press will help explain what I mean.

The AP reports North Dakota and South Dakota are similar in size and population, but when it comes to the House's highway bill, they are nothing alike. The bill earmarks $60 million in special projects for South Dakota, six times as much as its neighbor to the north.

Mr. Speaker, let me ask my colleagues and the American public a question. Is it likely that the projects in South Dakota have six times more merit as the projects in North Dakota, or is there some political motivation involved?

In Minnesota, one district out of the eight congressional districts in that State received $80 million of the $140 million earmarked for projects in that State. Does that one district have such a disproportionate need for highway funds, or is there some other reason for this imbalance in funding? Is it a coincidence that an inordinately high proportion of transportation funds are targeted to districts represented by members of the Committee on Transportation and Infrastructure? Is it a coincidence that this bill sends outrageous sums of money to members in both parties who will face difficult reelections?

Also, if my colleagues examine this bill, they will find striking disparities in the amount of money one State receives over another, regardless of what they put into the trust fund.

Mr. Speaker, I invite the public and the press to examine this bill and decide for themselves whether this money is being divided according to merit or to politics. This bill includes over 1,400 special projects. In 1987, President Reagan vetoed a bill that had 150 such projects, which is just one-tenth the number in this bill.

We should ask ourselves what the typical American thinks of this process. I think we know. The public finds that it is sick, dirty, and corrupt, and a throwback to the system of ''good ol' boys'' that we came here in 1994 to end. We have $5.5 trillion worth of debt in this country. We cannot afford to play games with the public's money and more importantly we cannot afford to play games with the public's trust.

That is why I and several of my colleagues turned down funds in this year's highway transportation bill. I made a statement to the press that the committee had approached me in hopes of buying my vote. I stand by that statement.

But this is not an issue of one Member against another Member or one Member against a committee. This issue is about whether Congress will continue to look the other way on a system that encourages Members to do the inappropriate and wrong things. This system not only wastes the public's money, it degrades the public's trust in this institution. It is difficult to put a dollar value on trust because it is invaluable. As legislators, the public's trust is our most precious and scarce resource. Once that trust is lost, we all know it is hard to earn it back.

If this Congress and the class of 1994 is known for one thing, I hope it is for our unwavering crusade to regain the public trust. Without that trust, we are governed by suspicion, cynicism, and our society cannot be sustained for long with that foundation.

We can blame the spread of this acidic public cynicism on a variety of familiar culprits: the liberal media, a debased entertainment industry, voter apathy, and Presidential scandal. All of these factors have played a role, but we are wise to first seek improvement among the group we can most directly effect—ourselves. The Congress has lost the confidence of the public, and it is our duty to do what we can to win it back.

The typical American believes politicians are more concerned about preserving their position than the long-term consequences of their policies, and this system perpetuates that perception.

Reforming this system will be an important step in that process. We should let the states make decisions about transportation funding and get it out the hands of Washington.

We must do the right thing for the country on this issue before we throw away more of the public's money and trust.

Today, I believe the greatest temptation facing legislators in our party is to postpone doing the right thing for the country until our position as the majority party is more secure.

If we make this our practice, with every compromise, with every sellout, we will drain the lifeblood from the movement that brought us into Congress. Our souls will depart from us and we will become the hollow politicians the public expects us to be, but sent here to replace.

I urge my colleagues to do what is necessary to reform this system when the House takes up the transportation bill next week.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

(Mr. HUNTER 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 Pennsylvania (Mr. PETERSON) is recognized for 5 minutes.

(Mr. PETERSON 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 Georgia (Mr. BARR) is recognized for 5 minutes.

(Mr. BARR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

YOUTH FIREARM VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

Ms. CARSON. Mr. Speaker, 2 days the ago the Nation was shocked when two adolescent boys opened fire on the students at Westside Middle School in Jonesboro, Arkansas, which killed four students and a teacher. Eleven others were wounded. One of the boys had told his friends that he had a lot of killing to do, according to the police.

Teacher Shannon Wright died trying to shield another student from the deadly fire. She was 32, the mother of a 2½ year old son. The police found a cache of guns at the site.

Just yesterday, a 14-year-old boy in Daly City, California tried to shoot his school principal, Matteo Rizzo, who had disciplined the boy last week for fighting with a schoolmate. The shot fortunately missed Rizzo and lodged in the wall behind him.

Today I have had a report from my home district of Indianapolis that a 7-year-old boy brought a loaded gun to school in his knapsack. When confronted by teachers, the boy said he had been threatened and brought the gun to school for his protection.

Last December, a boy opened fire on a student prayer circle at a high school in West Paducah, Kentucky, killing three students and wounding five. Two months earlier, two students died in a shooting in Pearl, Mississippi. And in December, a student wounded two students when he opened fire in a school in Stamps, Arkansas.

Mr. Speaker, we are facing a crisis when young kids can get guns easily and take them to school. Marion County, Indiana, a part of which I represent, has seen 115 children die by firearms in the last 5 years. Of these deaths, 33 were from handguns. Statewide in Indiana, some 40 children 19 and younger committed suicide with firearms in 1995. Four of these suicides were by children aged 10 to 14. Eighteen children died from firearm accidents in 1995.

Nationwide, more than 1,000 children aged 14 and younger committed suicide with firearms from 1986 to 1992, according to the Center to Prevent Handgun Violence. More than 1,700 were killed in accidents. An average of 14 teenagers and children are killed by guns each day.

Children committing acts of violence are not the only problem we have with children and guns. Adults carelessly leave guns around children and can be just as dangerous. Just this past Sunday in Indianapolis, a 3-year-old boy accidentally shot and critically wounded his mother's boyfriend. This man allowed a 3-year-old to hold his 9-millimeter handgun. Apparently the gun owner removed the ammunition clip but failed to remove the one round in the firing chamber. The boy pulled the trigger and the bullet struck the owner in the abdomen.

Two years ago, Michelle Miller of Indianapolis lost her 3-year-old son when a boyfriend let the child play with his gun. The gun went off, killing the child. As part of her sentence, Michelle is telling her story in public and urging families with guns to keep the weapons away from their children.

Mr. Speaker, what are 3-year-olds doing with guns? The Indianapolis Police Department responded to the most recent incident saying that gun owners should keep their weapons locked and out of the reach of children.

According to the Coalition to Stop Gun Violence, half of all gun owners keep their firearms in an unlocked area. One fourth keep their firearms unlocked and loaded, leaving their guns very vulnerable to threat, accidental shooting, suicides, and homicides.

Fortunately, we in Congress can do something to increase the safety of guns that are kept in homes and to keep guns out of the hands of children. H.R. 1047 that requires that handguns come equipped with safety locks is one such measure. A safety lock fits over the trigger of the gun, disabling the weapon until it is removed. With safety locks, parents would be able to secure guns and prevent their use either by their children or someone who steals their guns. We cannot force parents to use safety locks, but we can make sure that they are provided with a safety lock which every gun should carry.

That bill that I referenced is a simple, commonsense solution that we should enact immediately, and that is to require that trigger locks be placed on unattended guns so that our children cannot just use them wantonly. Perhaps we could look at ways to lock guns when they are manufactured, and require manufacturers to implement trigger lock devices in the manufacturing of firearms. And yes, I know that gun lobbies across this country would be opposed to this, but we as Members of Congress must step up very boldly and responsibly and act accordingly to the sentiments of this country and to the protection of our children.

□ 2045

EXCHANGE OF SPECIAL ORDER TIME

Mr. FOX of Pennsylvania. Mr. Speaker, I ask unanimous consent to take the time previously allotted to the gentleman from Florida (Mr. MICA).

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

There was no objection.

ISTEA BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FOX) is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to speak about a very important topic to my colleagues tonight, and that deals with the very important transportation bill.

The fact is that this new transportation bill is one that has been worked out on both sides of the aisle. It is paid for out of Transportation Trust Fund money. It is paid for each time the motorists go to pay for their gasoline. Those funds are being used and generated back to protect the public.

This transportation bill is a good one. It means jobs across America. It means improved road safety. It means new and improved public transit systems. It means improved air quality because more people are riding on the trains, subways, and buses. This ISTEA bill is a bipartisan piece of legislation.

The gentleman from Pennsylvania (Mr. SHUSTER), the chairman, and the gentleman from Minnesota (Mr. OBERSTAR), the ranking member, have worked over time with their staffs to make sure it is a positive piece of legislation in the fact it is fair to all States in its allocation and support of our Nation's governors, along with hundreds of other public service organizations.

We have reduced waste in this Congress. In the 104th Congress, we reduced spending by at least $53 billion. We continue reducing waste in the government by our own reexamination through the Results Caucus through our sunset procedures.

We have several bills, Mr. Speaker. As I am sure my colleagues are aware, we have bills that will make sure that

our legislation for each agency we are going through with a fine-tooth comb to make sure that where agencies are duplicating what others are doing, whether it be State government or private sector, we are going to downsize, we are going to privatize, we are going to consolidate or eliminate.

So we have done the job, working with Citizens Against Government Waste, to reduce those kinds of expenditures that previous Congresses may have approved, but this Congress does not approve. But transportation, that is an investment for our children, for our families, for the public.

Many people do not own cars so they rely on public transit. Much of this bill deals with public transit and how to make sure those who do not drive and cannot afford a car can still go to work and still go to the doctor and still do the necessities of life.

I look forward to bipartisan support not only in the House, but in the Senate, so a bipartisan bill can be passed and sent to the President for signature.

RESTORATION OF THE FARM CREDIT BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, several of my colleagues have introduced a bill called the Restoration of the Farm Credit bill. I want to report to the House today that the Senate, with their supplemental spending, also adopted that bill, understanding the emergency nature of farmers needing credit.

In the 1996 farm bill meant that indeed credit had been denied to farmers who might have had a blemish on their record. For whatever cause, whether it is due to a disaster, whether it is due to a medical cause, whether it is due to foreclosure, whether it is due to discrimination, any of these reasons, if a farmer had had one blemish on his record, he was barred or she was barred from there on out to borrow any monies from the USDA, whether that is a guaranteed loan or direct loan. So what it meant was one strike and farmers had no recourse whatsoever.

Mr. Speaker, one of the reasons small farmers are going out of business so fast is because they do not have access to credit. Certainly, when the United States Government is lending money to farmers, usually this is the last resort, the last opportunity farmers have is to go to their government to borrow money. So when the government says, no longer are we interested in small farmers and small ranchers, that means consumers and farmers, all who depend on having small farmers and ranchers participate in farming, are put at risk. It means the quality of food is at risk. It means the low food prices that we enjoy are at risk.

So I am happy to say that the Senate, the other body, was able to see the wisdom of that. I hope, as we have the opportunity next week, that we will have the same opportunity to see the emergency nature of responding to the critical credit needs of small farmers and ranchers.

Mr. Speaker, I commend my colleagues to consider that when they have the opportunity.

GOP NATIONAL SALES TAX IS BAD IDEA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PALLONE. Mr. Speaker, this evening the Democrats plan to discuss the Republican plan to abolish the Tax Code and replace it with either a flat tax or a sales tax.

I yield at this point to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New Jersey and I also thank my other colleagues who were on the floor and those who are coming tonight to join in this special order to talk about the need to cut taxes for working middle-class families and to reveal the true cost, as my colleague from New Jersey pointed out, the true cost of a dangerous Republican proposal to impose a national sales tax on the American people.

We have heard quite a bit lately from our Republican colleagues about tax reform. But behind the rhetoric and the calls to ''scrap the code,'' that mantra, if you will, repeated over and over again to scrap the code, behind the rhetoric of that phrase lie some very radical and some dangerous proposals that will actually raise taxes on working families and cut taxes for the wealthiest 1 percent of taxpayers.

I think we all agree that that is not reform, that is not what we are about. Abolishing the Tax Code, replacing it with a sales tax is one of those kinds of easy-listening proposals that Republicans are famous for. If you will, it is the legislative equivalent of elevator music; we might find ourselves humming along. But when we snap out of it, we realize that we hate the song. We have all had this happen to us.

The Republican national sales tax is a very bad idea. My Republican colleagues argue that a national sales tax would be simple and it would be fair. But take a closer look at it and we find that there is nothing simple or fair about it.

A national sales tax is not simple. In fact, several renowned economists have declared a national sales tax as unworkable. Even the conservative Wall Street Journal has panned the proposal and highlighted concerns about administration and about enforcement.

A national sales tax is not fair. The Brookings Institute says that of the GOP sales tax, ''The sales tax would raise burdens on low- and middle-income households and sharply cut taxes on the top 1 percent of taxpayers.'' That is not fair.

The GOP national sales tax proposals call for replacing all individual and corporate taxes with a 23 percent sales tax. But there is a new analysis by Citizens for Tax Justice that shows that the actual rate would be at least 30 percent. That means the American people would pay 30 percent more for everything, 30 percent more for everything. They would pay a 30 percent tax every time they opened their wallet. Talk about being nickeled and dimed to death.

What does that mean to the average middle-class family? Let us take a look. This week U.S. News and World Report did a cover story on the cost of raising a child in today's world. It is an astounding piece. According to U.S. News, for a child born in 1997, a middle-class family will spend $1.4 million to raise that child to age 18. This is the cover of U.S. News and World Report this week, ''The Real Cost of Raising Kids.'' Would my colleagues believe it is $1.4 million apiece? Put a 30 percent tax on top of that and we are looking at life for working families under a GOP national sales tax.

Let us take a look at a few examples of what a 30 percent tax means in real life. This is a box of diapers. It costs $23 today. Add a 30 percent GOP tax of $6.90 and we have the GOP price of $29.90. Let us take a look at what it costs for a pair of children's shoes. They cost about $20. Add the GOP sales tax, which is about $6, and we are paying $26 for the same pair of shoes.

Let us take a look at a box of cereal, and we all want to give our kids cereal. We want to make sure that they are healthy. The price is $2.99 today. The GOP tax of an additional 90 cents would bring the price of a box of Kellogg's Raisin Bran, Two Scoops of Raisin Bran here, up to $3.89.

Let us take a look at a loaf of natural grain bread. Price $2.59. GOP tax, 78 cents. GOP price, $3.37.

And what about baby food? Price 45 cents. GOP tax, 14 cents. GOP price, 59 cents.

This gives my colleagues some idea of the reality of a national sales tax and a 30 percent increase in that tax. Of course, we all know that children's shoes get more and more expensive. We saw here. So if they take a look at what happens as they grow up and they have a child that is a teenager, his or her shoes could cost $120. Add a 30 percent sales tax, and they are looking at a $36 tax, bringing the cost to $156. It is no wonder that, according to U.S. News and World Report, the cost of clothing a middle-class kid to age 18 costs $22,063.

My colleagues will see on this chart that the GOP sales tax would increase that cost significantly. I think it is important to take a look at this chart. This is the GOP 30 percent sales tax list for working families, the cost of raising a child.

If my colleagues will bear with me, housing, today's cost is $97,549. The GOP 30 percent sales tax would add $29,000. We are looking at a price tag from the GOP of $126,000.

Food, $54,795. Add to that the 30 percent sales tax of $16,400. We are talking about $71,000 to provide food for our kids.

Transportation costs, $46,000. Add $13,000 from the GOP tax, bringing it up to $60,000 to provide transportation for their child.

Clothing, $22,000; an additional $6,600, $28,600 in providing clothing for their child.

Health care, $20,700; $6,200 additional from the GOP tax; 26,000, almost $27,000 to provide health care for their child.

Day-care, $25,600; an additional $7,700; $33,300 to provide day-care for their child while they are working and trying to make ends meet and scrambling every month to pay the bills.

Miscellaneous costs, whatever it costs to raise kids, and we know that they are not all set and pat, we never know what is going to come up, $33-, almost $34,000. An additional $10,000 is what we would have to pay because of the 30 percent sales tax that the Republicans are talking about, bringing the total up to $44,000.

The cost of a college education, every family wants to be able to send their children to college if they can afford to do that. And if a child can get into a college today, it is $158,000 to send a child to college.

□ 2100

You would have to add a 30 percent sales tax to that, another $47,000, making it $205,000 to get your kid to school. What are working families in our country to do today? It is incredible what they are talking about with this 30 percent sales tax. That is what the Republican sales tax would mean in real terms to real families in this country.

Let me just take one other group, because there is one group that would be hit harder than others by the Republican sales tax, and that is the senior citizens in this country. Senior citizens would gain nothing, nothing from the elimination of income taxes since most are retired and many pay no income tax. But a 30 percent sales tax would hit seniors on a fixed income right between the eyes. That is where it hits these folks. One of the most burdensome expenses that is faced by senior citizens is the price of medication. All of us when we go to senior centers, when we go to senior housing, that is what we hear about, is what they are paying for medication and for their prescription drugs which many of them need to lead productive and healthy lives. We have taken a look at five of the most common medications used by seniors and looked at how the 30 percent Republican sales tax would impact those prices. Bear with me. These are monthly costs. For blood pressure medication, $110 now, the sales tax would add an additional $33, GOP price tag, $143 a month for blood pressure medication. Arthritis, it is now $75 a month for medication, add another $22.50, bringing that cost to almost $100 a month for senior citizens, again people on fixed incomes. Diabetes, $125 today, $37.50 through an additional 30 percent sales tax, bringing the total cost per month to $162.50. It is incredible what we would be doing to senior citizens in this country. Heart disease, $90, $27 additional in sales tax, $117 is the final cost to them per month for again seniors, elderly, people who are on fixed incomes. Our mothers, our fathers, paying this cost per month. An inhaler, $80 a month today, the tax would add another $24, bringing the cost per month to senior citizens to $104. This is really incredible and outrageous of what they would add to the cost of people who are frightened to death that these later years, instead of being the golden years, are the lead years, when they are most vulnerable and we are going to add these kinds of costs to medications that they need.

We need to have a real debate about reforming our tax system. I believe everybody here believes that. We need to cut taxes for working middle class families. We are for cutting taxes for working middle class families. This proposal moves us in the wrong direction. In fact, the Brookings Institute study of the GOP sales tax found that taxes would rise for households in the bottom 90 percent of the income distribution while households in the top 1 percent would receive an average tax cut of over $75,000. Millionaires get tax breaks and working families and senior citizens will be paying more. That is not reform. That is just so blatantly unfair to working families today.

Let me open the conversation to my colleagues. I am sorry I took so long, I truly am, but it is important to put this in context. We need to be doing this every single day and every single night in this body to make the people of this country understand what our Republican colleagues and the Republican majority are talking about with a national sales tax. A bit later we can talk about some of the things that the Democrats have done and would like to do to cut taxes for working families. Let me yield now to the gentleman from Michigan (Mr. BONIOR), the whip of this House.

Mr. BONIOR. I thank my colleague for her comments and for laying this out. I tell the gentleman from New Jersey (Mr. PALLONE) and the gentlewoman from Michigan (Ms. STABENOW), who were here before me, that I will not take a lot of time but I thank them for being here and for participating in these remarks this evening. I think the gentlewoman has really demonstrated quite well and quite vividly the inequity here with the GOP 30 percent sales tax hike, which hits particularly hard those on fixed incomes, our senior citizens, as she has so well demonstrated, with the cost of medication for those who are suffering from blood pressure, arthritis, diabetes, heart disease or those who have lung problems.

This is really a loony idea, this whole sales tax thing. There is no other way to describe raising the sales tax 30 percent on American working men and women in this country, particularly those on a fixed income. I think the figure that the gentlewoman from Connecticut mentioned earlier with respect to the Brookings Institute and Mr. Gale's study is very interesting. William Gale of the Brookings Institute, a wonderful scholar, said taxes would rise for households in the bottom 90 percent. That means 90 percent of those people who are paying taxes today in America would have their taxes go up as a result of this. The top 10 percent would probably do okay. The top 1 percent would get about a $75,000 a year tax reduction out of this plan. This is so skewed, so regressive, so top heavy to the wealthy that it is sad. It is very tragic and it is very sad. The gentlewoman has given some very wonderful examples there. I liked the raisin bran particularly. I like raisin bran. I eat it in the morning. What else has she got there? Some bread.

Ms. DELAURO. Natural grain. We have children's shoes. Kids grow out of shoes very, very quickly.

Mr. BONIOR. In my district and in the district of the gentlewoman from Michigan (Ms. STABENOW), we have automobiles. It is a big thing in our districts. Under the plan, an economy car that now costs about $12,000, there is another example here, I am giving one that costs 12, would cost about $14,600. Under the proposal that the gentlewoman from Michigan has, you take a family car priced at $21,000, the GOP tax is about $6,500 and that price goes up to $28,000, which is out of the range of many, many families today. In addition to that, you are talking about a modest home that would cost $100,000 today, you add $30,000 onto it, you are up to $130,000 with a home purchase with this tax.

I would like to just, if I could, for one second move to another, this is loony tune number two, this is the flat rate tax that my colleagues on the other side of the aisle seem to be in love with. Let us just take a look at what this does.

This is the Armey flat tax. It is going to raise taxes on working families. The green marker right here is what is paid percentwise in taxes now for people who make 25, 50, 100, 250,000 and 1 million a year. Under the Armey tax plan, flat tax plan, those who make $25,000 a year or more will have this much of a jump, from roughly less than 4 percent almost up to 12 percent for their tax increase. Those who make $50,000 a year will have a tax increase, roughly about 12.5 percent, their tax increase will go up to maybe 16, 17 percent. Those who make $100,000 a year will even have a tax increase under the Armey plan, not very much, but about a 1 percent increase. But those who make a quarter of a million dollars a year, you get a

tax cut and a big one. If you make a million bucks a year, you get an even bigger tax cut under the Armey flat tax plan. Basically what this plan does, it raises taxes substantially for the middle income people, between $25,000 and $100,000 a year, substantially, and then it gives a huge bonus to the very people at the top, those who need it the least, turning over the whole concept of progressive taxes.

I just wanted to come to the floor today to thank my friends for their concern on this issue and to raise some of these concerns with the American people today. Tax day is coming up, in terms of our income taxes. They ought to know that there are some very strange proposals that are being taken seriously out there and they ought to be leery of them and look at them very carefully.

Ms. DELAURO. Let me just ask my colleague from Michigan, with the Armey flat tax, what happens to unearned income?

Mr. BONIOR. Unearned income, under the Armey proposal the last time I saw it, is not taxed.

Ms. DELAURO. These are stocks and bonds.

Mr. BONIOR. It is not taxed. If you make your money off the stock market or off of bonds, you do not have to pay a tax on that. That has got to be made up somewhere, so we can pay for the roads and for the military and for our national parks and the other things we do. Of course that is going to be taken out by who, well, these people here, the 25, the 100,000, here they go, up the red markers go, more taxes.

This is a huge tax shift, from working people to the wealthiest people in our society. What is so disturbing about this is that when we look at what happened to incomes over the last 20 years, it is the top 25, 20 percent in our country that have done extremely well. But everybody else below that have either stayed level in terms of their income ability, earnings, or they have fallen. Of course those at the bottom have fallen tremendously, over 25, 30 percent over the last decade or so.

The whole progressivity of what we are about as a party in terms of helping working, middle income families who are squeezed every day is being turned upside down by these regressive sales tax and flat tax proposals that the GOP is offering.

Mr. PALLONE. If I could point out another thing that is very unclear, it seems to me, and maybe the gentleman would respond to that right now, because he mentioned sale of a home, which is included in this proposal for the sales tax. We have people, homeowners that rely very heavily on mortgage interest deductions and also in my State, and I think many States, you can also deduct your local property taxes from your income tax. It is not at all clear to me that this would continue.

Mr. BONIOR. It would not under the Armey plan. Maybe the gentlewoman from Michigan who really knows these tax issues extremely well might want to comment on that.

Ms. STABENOW. If I might, just to add to what really is the burden under these proposals, not only would we lose the home mortgage deduction but on top of the price, and to continue with the charts, if we are looking at a $155,000 house, not only would the GOP price be $201,000, but under the sales tax proposal, this also taxes the insurance premium you pay every month, it taxes the electric bill that you have in your house, it taxes all services. I wanted to add that on top of what you have talked about, which is so important, in health care and so important as it relates to manufactured goods and so on, we are talking about every time we do something. So not only for the blood pressure medicine or the arthritis medicine, it is going to the doctor that will add 30 percent. We are now going to make doctors sales tax collectors, 30 percent. They have to now collect it.

We will be creating a whole new group of tax collectors, shifting the burden on to small businesspeople and professionals. We will see a wide range of services that will now be taxed. If you go to the barber shop, add 30 percent, if you go to the dry cleaner, add 30 percent, if you come home to your house, not only is your house payment up 30 percent but again everything related to your home is up 30 percent. We are talking about a use tax literally on everything.

Let me mention a couple of other things that I think are very critical to this. As we look at higher education, we have all worked very hard to provide tax breaks so that more people can go to college, more people can go back to school, get job training. Tuition and fees are exempt from the retail sales tax, but room and board is not. My daughter starts school at Michigan State University next fall. She will live in the dorm. Under this proposal, I would be paying 30 percent more for her dorm room, 30 percent more for her books, 30 percent more for her food. If she lived off campus, 30 percent more for her rent. So we are not just talking about goods, we are talking about literally everything that we do.

Let me add something else, because there are several other things, very interesting, in this proposal. This proposal eliminates a number of different taxes. It eliminates all of the excise taxes on alcohol and tobacco, right at a time when we are saying that we ought to be doing more to discourage, particularly children, from smoking.

□ 2115

Mr. BONIOR. So you are saying that this eliminates the taxes on tobacco and on alcohol, and it raises by this amount the taxes on prescription drugs for blood pressure and arthritis and diabetes and heart disease, and all of that it raises it to a huge 30 percent.

Mrs. TAUSCHER. Absolutely. Which makes no sense whatsoever.

Ms. DELAURO. I think your point, and please, you have got some wonderful data and personal experiences here, but the point you were making about we are in the midst here of trying to reduce smoking amongst youngsters, kids.

Mrs. TAUSCHER. That is correct.

Ms. DELAURO. Middle school kids. And we found, all the studies have found that you add $1.50 a pack, it reduces the smoking. So, really, we are running at cross purposes here.

Mrs. TAUSCHER. It is really crazy.

Another thing that we found today in analyzing this bill is that it also eliminates the funding for the highway trust fund.

Now, this is particularly crazy, because we are in the process right now of passing a very important bill, one that we fought for hard in Michigan to be able to increase our fair share. We have not in Michigan over the years received our fair share, and we worked very hard to do that. But in the middle of this, it eliminates a wide variety of excise taxes and trust fund taxes, one being the highway trust fund.

So in so many ways, this particular bill makes no sense. It eliminates those taxes, it raises taxes on seniors, middle-income people. I do not know where we get the dollars then for the highway trust fund; I think that is an important question to ask.

Mr. PALLONE. Is it not also true, the way I understand this sales tax, this national sales tax, that the 30 percent sales tax will also be attached to goods and services that local and State governments purchase? So is it not likely that my local property taxes or even my local—you know, my State taxes are also going to go up another 30 percent because of the fact that this national sales tax is added.

Mrs. TAUSCHER. The other part that I might add that also adds on top of that, my city of Lansing will pay, for instance, 30 percent more for a police car. But this proposal also counts the wages of public employees as taxable, as value in terms of the sales tax. So the police officer in that car will pay 30 percent more on top of their wages. Either the local unit will pay it, or they will have a new income tax essentially on the wage of that police officer, that firefighter, that school teacher, because it taxes wages of government employees.

So we are going to see the taxes go up for people who serve us in local communities at the same time local units will have to pay 30 percent more to provide the service.

Mr. BONIOR. We are likely to see huge property tax increases in this because the local community, in order to afford the EMS, the ambulance, the police car and the wage structure that you just talked about, is going to have to come up with the resources, and that means property tax.

So this is a huge shift, not only from income, but it is a huge shift on sales tax and on property taxes as well.

Mr. PALLONE. You know, I have to say another thing too. It is very difficult for me to trust the fact that these other taxes are going to go away and this new sales tax is going to take their place. I mean we do not have a national sales tax, we never had a national sales tax, and I would be very reluctant to suggest that somehow now all of a sudden we are going to allow this door to open where this whole new Federal tax is going to come into play, but we are going to assume that the Federal income tax and all these other taxes somehow are going to disappear.

So it bothers me to think that a precedent is even being set of establishing a new type of national tax that we have not had before, because it opens up a Pandora's box essentially, and I would be fearful of that in itself, just based on historical precedence.

Mrs. TAUSCHER. And I would add, I know that the small business community is extremely concerned about that issue. Today we have been debating various issues related to small business, paperwork reduction, and so on, but the reality is that every small business, professional or retailer or manufacturer, will now become a tax collector for that sales tax.

And on top of that, the National Retail Federation, and I would quote, based on the last session's bill, this bill was put in last session, it has been put in in the same form this session. So last session when this bill was in front of us, in front of the Congress, the National Retail Federation said between 1990 and 1994 the retail industry created 708,000 new jobs. A study by Nathan Associates shows that a national sales tax would destroy 200,000 retail jobs over a similar period. Adding these jobs lost with the 708,000 that will not be created, we could result in a net impact of almost 1 million fewer jobs. This is the National Retail Federation talking about small business loss because there will be fewer people buying at Christmastime.

What are the headlines we always read? What are the retail sales, the concern of retailers that people be purchasing? This cuts down on purchasing, it eliminates jobs.

So this is a job killer on top of everything else.

Mr. PALLONE. You know the amazing thing to me, because you started to talk about implementing this, is that we have—you know, I understand we do a fairly good job compared to what would happen with the sales tax in terms of collecting taxes now, but it seems to me you are talking about a 30 percent sales tax. You are going to get a lot of cheating, it is going to be difficult to enforce. And you know here the Republicans and Democrats alike have been talking about trying to reform the IRS, and we have actually made some significant changes because we do not want them becoming like a police force cracking down.

Would you not have to do a tremendous amount of enforcement? Would not the IRS become even more, have to have more money and a larger budget in order to enforce this kind of a sales tax?

Mrs. TAUSCHER. And on top of that. I would just indicate that one of the things we have heard over and over again from the other side of the aisle is that we are going to eliminate the IRS under this proposal. We will eliminate the IRS as we know it. In the bill it transfers all the powers of the IRS to a new Sales Tax Bureau. So the name is gone, but the powers are still there. So then we have to talk about reforming a sales tax bill.

I mean what we need to be doing is talking about ways to reform the system for taxpayers, not just playing around with the name, and that is what this does. It changes the name, and then it drops down and requires every businessperson now and every person that has never collected sales tax, like a doctor, like attorneys, accountants, anyone in any kind of business on their own that is providing service, a plumber, electrician, and so on, they now become a tax collector and have to report that to the government.

So this is certainly anti-small business.

Ms. DeLAURO. I think it also, as our colleague from New Jersey pointed out, I mean it leaves you turning everybody, if you will, into a tax collector. You then have an enormous amount of room here for error, for fraud, for all kinds of things that are happening. It seems to me to be a multiplier effect here.

And I think the point you made before, that Mr. PALLONE made before, about folks are so skeptical about, you know, what taxes are going away before you begin to impose another 30 percent on whatever they are doing. And you know the public is smart. They are getting hammered, especially working families are getting hammered, and they have no guarantee over what is going to go away ultimately and what is going to be imposed on them.

I think the point that you made is so—really about the wage earner, the government wage earner; what happens with the property tax, in addition to which what happens to your own wages. So you are going to get hammered several times over on tax issues when people are feeling choked today by taxes, working people are.

I know in my State of Connecticut, I mean that is the cry that I hear about all the time, you know, that wherever they turn, there is another tax that they are paying.

Mrs. TAUSCHER. Well, they certainly will feel that even more under this particular proposal, and right at a time when we have just passed a series of tax cuts, $95 billion in tax cuts. We have been able to focus more cuts on education. The ability for people to be able to go to school, all of those things would be gone.

In Michigan when I was a State senator, I sponsored the State's largest property tax cut. I am not interested in seeing this shift back and seeing property taxes go back up in the State of Michigan or in any State.

And so we are talking about those taxes that the average person pays. It is very easy for a wealthy individual to pick and choose what extra things they are going to buy, but the average person who is buying the house, sending the kids to school, needing to buy the clothes, the food, the car and so on, most of our income goes back out again in purchasing things, and that is why we see that shift that has been talked about onto middle-income and lower-income people, because we do not have as much discretionary income with which to decide whether or not to purchase items. Most of what we bring in, we are turning around and we are purchasing something with it.

Ms. DeLAURO. I think it is worth pointing out what our colleague, Mr. Bonior, talked about in terms of the flat tax proposal and people who are dealing in stocks and bonds and unearned income, and they are not paying any taxes on that. So what you are saying is that those people who work in the workplace day in and day out, they are the folks who are getting socked with the additional taxes, in addition to which you are going to take away with the mortgage deduction and some of the other tax relief, if you will, that middle-class families have been counting on, relying on, surviving on.

So you are really hitting them again twice. You know, they are picking up the slack for the folks who are holding the stocks and bonds, and then getting hammered again on things that they have counted on, that American dream and owning that home, and not being able to take the mortgage deduction.

Mr. BONIOR. I am flabbergasted. I do not know what more to say. I mean, I just cannot believe these things are being offered. It really is quite staggering. The problem is that we have unfortunately let them get away with portraying this as an innocent, wonderful thing for the American working family, when in fact it is just the opposite. And I think as it gets more exposure and people understand the regressivity and the inequities in it, I think it falls flat on its face, pardon the pun, and I do not think it is going anywhere.

I mean. It is just like this other proposal that my colleagues on the other side of the aisle have had now to do away with—have a drop-dead date on the Federal income tax. I think it is going—it just goes out of business in X year. Well, what does that do to the small business person or the businessperson in terms of planning, when they do not know what it is going to be substituted with; whether they are going to substitute it with this 30 percent sales tax; are they going to substitute it with this regressive flat tax? I think not.

When the American people figure this all out, they are not going to want either of these provisions. I think they

want our present code to be leaner and trimmer and slimmer, and they want us to focus in on the things that the gentlewoman from Michigan mentioned: education, as we did in the last tax bill; they want us to focus in on tax credits for child care; they want us to be selective; and they want us to help average working families.

And I think that you could go overboard, and certainly these two proposals, the sales tax 30 percent increase and the flat tax by Mr. Armey, way overboard.

Mrs. TAUSCHER. If I might also add that I do believe that the people I represent want to see a less complicated tax system, want to see it fairer. And I do, too. And they also want to see IRS reformed, which we passed in the House. It has not yet been taken up in the Senate, very important IRS reforms, changing the burden of proof from the taxpayer to the IRS in Tax Court, very significant changes that need to be moving quickly.

One of the things I am concerned about is that we have passed IRS reform in the House, it has not been taken up yet in the Senate, and that needs to happen, so that we can—we need to be calling on the majority in the Senate to be bringing that up, because while we talk about the proposals that do not make sense for middle-class families and working people, we do know that there needs to be change and that there needs to be positive things.

It is a question of where our values are, who it is that we believe needs to see tax cuts and tax reform. And my vote goes with small business people, family-owned farms, middle-class families working hard to make ends meet. Those are the folks who have not seen the same wage gains and have felt the burden, too much of the burden, on taxes.

And so those are the folks I want to see helped, not the kinds of proposals that have been submitted on the other side of the aisle that will just increase their taxes.

□ 2130

Mr. PALLONE. Maybe we could talk a little bit, because I know the gentlewoman from Connecticut mentioned about how Democrats have fought for tax relief, in the time that we have left this evening. We have been basically fighting for families that really need the relief, those with children who are trying to save for their kids' education and their own retirement. As the gentlewoman from Michigan mentioned, thanks in large part to Democratic efforts, the Federal tax burden on families in the middle-income distribution and below has fallen since 1984.

There is an analysis by the Treasury Department that found that the average Federal income tax rate for a median family of four in 1988 will only be 7.8 percent, down from 10.3 percent in 1984. This is the lowest income tax burden for a median family since 1966.

These historically low income tax rates are as a result of Democratic policies. If I can mention a few, some of them have already been alluded to, and that is the expansion of the earned income credit in 1993 that cut taxes for millions of families with children; the $500-per-child credit the Democrats ensured would be available to moderate-income families. In addition, Democrats proposed the HOPE education scholarship tax credit to help families afford postsecondary education for the children. And in 1988, Democrats had proposed expansion of the child care tax credit to increase the amount of the credit from 30 percent to 50 percent of expenses and make it available to more families. So Democrats also support efforts to reduce the marriage penalty.

We are trying to reduce and we have been successful in reducing the tax burden for families in middle-income families with children who have to pay for education expenses, who have to pay for child care expenses. These are the kinds of tax reforms and tax cuts that we need to continue with.

I am very proud of the fact that we, as Democrats, have emphasized those targeted tax credits rather than the kind of crazy schemes that we are hearing from the other side.

Mr. Speaker, I yield to the gentlewoman from Connecticut.

Ms. DELAURO. I think that it is so important because not only can we not let folks get away with passing off these programs as a savior to working middle-class families, but when you go beneath the surface, you find out how seriously they are going to hurt working families. We should not let them get away with that.

The fact is that Democrats are not for tax cuts. We have started that process over the last several years. It continues so that people can take advantage of a Tax Code and the tax credits to get their kids to school; to be able to afford the child care; that that small business that you speak so eloquently about has the opportunity for reducing health care costs; or for expanding their business and being able to get the tax relief on equipment that they might buy, and raising those percentages.

There were a whole series of capital gains tax cuts that went into effect for small businesses who ought to be able to take advantage of that, and farmers. And those continue. The benefits continue as pieces of these things get phased in, because I would venture to say today that people are not seeing, immediately, the results of some of these things, so that it is ongoing. We need to be working at that, increasing those opportunities and those targeted tax cuts. That is where they ought to be going. Those are the folks we ought to be helping at this point.

We ought to be helping seniors cope with fixed income, with a higher rate of illness, perhaps, so that these costs do not skyrocket for them. That is the way we bring some opportunity in folks' lives to be able to raise their standard of living, if you will.

Those who are at the upper end of the scale have these opportunities. Nobody is denying that. They can also be more selective in which taxes they are paying. They have different kinds of shelters, different kinds of opportunities within the Tax Code. I will not even call them loopholes, they are opportunities in the Tax Code, to take advantage of in some way. Working middle-class families do not have those opportunities.

Ms. STABENOW. If I might give just an example.

Ms. DELAURO. Sure.

Ms. STABENOW. In the last tax debate, when the original bill came to the floor, that was basically the Republican tax bill, we did not see an immediate increase in the exemption for the State tax for small businesses, family-owned businesses, and family-owned farms. It was a phased-in amount that you could exempt that was over 10 years. It really was not very much.

I have been hearing, particularly from my family-owned farmers, and also family-owned businesses, about the need it be exempting more of that income when there is a death and be able to protect that income. We fought hard. I voted no on that original bill because it did not have that in it. We have worked very, very hard.

When the final bill was written as a result of our initiatives, we have now exempted $1.3 million for family-owned farms, started this January, $1.3 million for family-owned farms or family-owned businesses. This is the amount of money you do not now have to pay taxes on in your estate. And this was a value that we had about family business and family-owned farms. We fought hard for it, and we were able to make the change.

So we have been moving. We have been taking the proposals and making them better and working very, very, very hard to make sure that we are focusing on families, we are focusing on middle-income people, small businesses, and so on.

I would mention one other thing that we are now working on, and that is, in working with the President in his new pension proposals for small business, I am very pleased to have introduced a bill that will give a tax credit over 3 years for small businesses that set up pension plans for their employees, another important use of the Tax Code in terms of tax relief.

We have now 51 million people working hard every day for small businesses, working full time, no pension; 40 million of those in small businesses with less than 100 employees. So we now are working on an effort to allow that small business to write off the cost of setting up a pension plan so that those people working hard every day, who need that pension when they retire, will have the opportunity to do that.

Mr. PALLONE. Reclaiming my time, I just wanted to mention, I appreciate the comments that the gentlewoman from Michigan and the gentlewoman from Connecticut made, because I think the bottom line is that you are talking about targeted tax cuts that help the average working family.

I wanted to say, though, you know, that just for those who think that perhaps the Democrats do not have an alternative, we really have the only new tax system, if you will, new proposal out there that sweeps away the old Tax Code, but at the same time provides fairness. This is the one that was introduced by our Democratic leader, the gentleman from Missouri (Mr. GEPHARDT).

It is the only major tax reform proposal that retains the progressive rate structure and ensures that this new system is fair. It is a 10 percent tax plan that has been offered by our House Democratic leader, the gentleman from Missouri (Mr. GEPHARDT), recognizing that the Tax Code is too complex and filled with special interest tax breaks that result in higher tax rates for middle-income families.

So what the gentleman from Missouri (Mr. GEPHARDT) has proposed is basically ratifying and simplifying the system and cutting taxes for 70 percent of families with children, with income between $20,000 and $75,000. Under his plan, more than 70 percent of all taxpayers would have a tax rate of 10 percent or less.

This proposal by the gentleman from Missouri also eliminates the marriage penalty by making the standard deduction in tax brackets for couples double those for single people. It eliminates special interest tax breaks. Very important.

You keep reading on a regular basis, particularly around April 15, about all these special interest tax rates. It eliminates them. It eliminates the role of the army of lobbyists who now dominate tax policy discussions. We see them around here. Every one of us has seen these people. This is the time of year when we see them the most.

It calls for a commission to identify and recommend elimination of wasteful and unwarranted corporate tax and spending subsidies. I think this is something we should look at. This is a Democratic proposal by our leader. It stands for a tax system that is fair and simple, in the event you want to look at an alternative.

Ms. DELAURO. I think what is important to mention there, it also maintains that home mortgage deduction, again, which is so critical to families today. As I say, that is part of the American dream. I just wanted to point out, because I know the gentlewoman from Michigan, if you will, she is a technology maven, you know, and is there all the time pushing as how we need to move families and so forth to take advantage of technologies, the way our kids are going to get ahead and so forth.

I think it is interesting in terms of this sales tax here, in every family, kids are coming home today, ''Why can't I have a computer? I would like a computer. Why don't have one? You know, Mary has one. Jessica has one. Freddie has one. What about us?''

Well, hold up the chart. I think it is important to note that chart. Family computer, today's price is almost $2,000. It would add an additional 30 percent, another $600, bringing the cost of a family computer to almost $2,600, you know, for the most part, trying to put it out of the reach for working families. They are trying to respond to their kids to allow their kids to get ahead.

It is wrong. This is not what we ought to do. Let us target our tax credits to working families, to small businesses, to small farmers. Let us take a look at that Tax Code. Let us make it simpler. Let us make it easier. These catchwords scrap the code. They are radical. They are dangerous.

We are going to make it our mission here to continue to have these conversations so that the American public knows that they are being sold a pig in a poke. We are going to bring it to their attention so that they do not get fooled by this dangerous and extreme rhetoric.

Mr. Speaker, I think we will be up on our feet again on this issue.

TRAGIC U.S. POLICY IN RWANDA

The SPEAKER pro tempore (Mr. HULSHOF). 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 tonight to reflect on what we have seen on television and heard about, relating to the President of the United States' visit to Africa. I think all of us have witnessed the President as he has made his way across the African continent.

I read in this morning's Washington Post, and I know it was covered by other newspapers, an account of what the President said. And he was in Rwanda when he made this statement. He said, ''We did not act quickly enough after the killing began.'' I believe he was talking to Rwandans.

I want to talk about that statement in a second. But President Clinton will not be going to Somalia on this trip. In Somalia, our President took a humanitarian mission initiated by President Bush, and turned it into a $3 billion disaster.

Remember, if you will, that President Clinton placed United States troops under United Nations command. Remember, if you will, that as Americans we watched in horror as our murdered troops were left under U.N. command, unable to defend themselves, were dragged through the streets of Mogadishu.

Today, Somolia has slipped back into chaos after this Clinton fiasco. We have to remember what took place in Africa and what the policies of this administration were. I protested the Clinton proposal for Somalia before that tragedy, time and time again, in the well and on the floor of this House.

Let me now turn to Rwanda. President Clinton, as I said in my opening statement, is quoted as saying, ''We did not act quickly enough after the killing began.'' Pay particular attention to what the President said and what is printed in the papers.

Let me, if I may, as Paul Harvey says, tell you and repeat the rest of the story.

The President said we did not act quickly enough after the killing began. But what the President of the United States did not say to the world and to Africa is what we should now be remembering.

I saved the newspaper accounts of what the President said, because I was so stunned by the lack of action and actually the blocking of action by this administration, and brought them with me to the floor tonight. I saved them and had them blown up.

The Secretary General of the United Nations, Boutros-Ghali, begged President Clinton to allow an all-African U.N. force to go into Rwanda. Let me read what he said. This is what was in the newspaper.

□ 2145

When last year's peace agreement collapsed on April 7th and fierce fighting broke out between Hutu and Tutsi, the United Nations cut its 2,700-member force in Rwanda back to a few hundred at the urging of the Clinton administration.

I spoke out then, and I have spoken out afterwards on the floor when we saw what was happening with this administration and this policy before 1 million Africans were slaughtered.

Let me, if I may, recall some of the statements that I made on this floor. I made one statement on this floor, and I will read it. Let me, if I may, trace the history of this tragedy. Let me also, if I may, trace the history of our failed policy.

On April 6th, a plane with the presidents of Rwanda, Burundi was shot down. We knew then the potential for violence, terror and mass killings.

On May 11th, the United States criticized a U.N. plan to send 5,500 multinational soldiers into Rwanda to protect refugees and assist relief workers. No U.S. troops would have been involved.

On May 16th, the U.S. forced the U.N. to delay plans to send 5,500 troops to end violence in Rwanda, an all-U.N. force.

So we see that the history of action and inaction by this administration, and history should so properly record it.

THE STATUS OF OUR NATIONAL DEFENSE AND OUR NATIONAL SECURITY

The SPEAKER pro tempore (Mr. HULSHOF). Under the Speaker's announced policy of January 7, 1997, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise tonight to discuss an issue that is not one of the front page stories nationally, but which really needs to be discussed in this body, and that is the status of our national defense and our national security. It is an especially timely discussion tonight because we are about to take up for consideration both in this body and the other body a supplemental bill that will partially deal with the funds that we have been expending in Bosnia and in other parts of the world where our troops are currently deployed. But before I get into my overview, Mr. Speaker, let me respond to some of the discussion from our colleagues on the other side during the previous hour.

They attempted to portray the Republicans as being insensitive to the needs of working people, not caring about seniors, not caring about families, not caring about education, not caring about health care. In fact, nothing could be further from the truth, Mr. Speaker.

I take great pride in being a Member who, by profession, spent years as a public school teacher in a suburban district next to Philadelphia, ran a chapter 1 program for economically and educationally deprived children, and like my colleagues on the Republican and on the Democrat side, cared desperately about the future of our young people.

We in the Republican Party simply have a fundamental difference with our Democrat colleagues. We think that the American people can best decide how to spend their money, what the priorities should be. Obviously, we could spend the money of the American people in a number of different ways, and that is what many of our colleagues on the other side think should be the role of the Federal Government. We, however, believe that giving the American people more of their hard-earned money to spend on their priorities is in fact the best way to allow us all to enjoy the liberties under this system that we are so blessed with.

In fact, following my presentation tonight, one of our colleagues, the gentleman from Iowa (Mr. GANSKE), will be doing an in-depth discussion of health care, and I think he will be raising some very provocative issues about our need to look at the way health care is being provided in this country.

So Republicans do care, Mr. Speaker, and Democrats do care. And I think for Members of either party to get up and totally tear apart the other side is, in fact, what it appears to be; it is just shallow rhetoric, it is political rhetoric designed to try to continue what happened in the last campaign cycle. We do not need that. With the difficult problems that this Nation has, we need to have intelligent discussion, debate, and deal with the real issues that face this country.

One of those issues, unfortunately, Mr. Speaker, that has not been getting much attention has been our national security. In fact, if we look at the record over the past 7 years, the only major area of the Federal budget that has in fact been cut in real terms is our defense portion of the budget. In fact, it has gone down for 13 consecutive years.

Now, many would argue that the world has changed, and since we are no longer in the Cold War where we are having to keep up with a very powerful Soviet Union, that reductions in defense spending are appropriate; and in fact, Mr. Speaker, I agree with that, and I have supported many of the reductions that we in fact have caused to occur over the past several years.

For instance, for the past 3 years, I have been a Republican, as chairman of the Subcommittee on Military Research and Development, voting consistently against the B–2 bomber. It is not that I do not like the technology, I think Stealth technology is critically important, but I just do not think we can afford the B–2 bomber with the budget limitations we have and with the other problems that we have as a Nation.

But we need to look at the facts, Mr. Speaker, in terms of what has been happening with our defense posture, what the threats are, and where we are going to be at the beginning of the next century, because I think we are going to face a very perilous period of time.

First of all, let us make some comparisons. Now the people of America, my constituents back home in Pennsylvania, believe that we are spending so much more of their tax dollars today on defense than what we did in previous years. The facts just do not bear that out, Mr. Speaker. In fact, in the 1960s, and I picked this period of time because we were at relative peace, it was after Korea, but before Vietnam, the country was not at war. John Kennedy was the President. During that time period, we were spending 52 cents of every Federal tax dollar sent to Washington on our military. We were spending 9 percent of our country's gross national product on defense. We were at peace.

Today, Mr. Speaker, we are spending 15 cents of the Federal tax dollars sent to Washington on the military, about 2.9 percent of our GNP. So, in fact, as a percentage of the total amount of money taken in by Washington, we have in fact dramatically cut the amount of that money going for national security.

But some other things have changed during that time period that we have to look at. First of all, Mr. Speaker, back when John Kennedy was the President, we had the draft. Young people were sucked out of high school, they were paid far less than the minimum wage, and they were asked to serve the country for 2 years.

Today's military is all volunteer; we have no draft. Our young people are paid a decent wage. In fact, many of them have education well beyond high school, college degrees, some have advanced degrees. So we have education costs. We have housing costs because many of our young people in the military today are married; so we have health care costs, housing costs, education costs that we did not have when John Kennedy was President because our troops were largely drafted. So a much larger percentage of this 15 cents on the dollar that we bring into Washington for the military goes for the quality of life of our troops.

And in fact, the bulk of our money today, the bulk of the money spent in the defense budget goes to provide for quality of life for the men and women who serve this country. So that is a fundamental change. But some other things have happened, Mr. Speaker.

First of all, we have to look at what has occurred during the last 7 years or 6 years as this President has seen fit to dramatically cut defense far beyond what I think is a safe level in terms of long-term spending. During a time where the President has proposed massive decreases in defense spending, he has increased the deployment rate of our troops to an all-time high, in fact, the highest level of deployments in the history of America.

Now, let me give some examples, Mr. Speaker. I have a chart that bears this out. This chart shows the number of deployments that our country has provided our troops in terms of the past 7 years. We have deployed our troops, rather, the President has deployed our troops 25 times at home and around the world. These are deployments that involved military operations, some have involved confrontation, many are peacekeeping, some are involved with disaster relief, a whole host of missions. But the point is that during the period of time where we decimated defense spending to an all-time low, we increased the deployment low to an all-time high. Mr. Speaker, 25 deployments in the past 7 years.

Now, compare that to the previous 40 years. We had 10 deployments in that period of time. So in the previous 40 years, prior to Bill Clinton becoming the President, our troops were deployed a total of 10 times. Just in the last 7 years, our troops have been deployed 25 times.

Now, what is so significant about that, Mr. Speaker? Well, what is so significant about that is that none of those deployments were budgeted for, none of them were planned for. So to pay for those deployments, we had to take money from other accounts, because there were no special monies made available to pay for the costs of all of these deployments.

Now, Mr. Speaker, that has a devastating impact on our ability to modernize our military equipment and to maintain the morale of our troops. Let me give an example.

The Bosnian operation, we were told, would only last for a matter of months, perhaps a year to 2 years at the most. By the end of the next fiscal year, the American taxpayers will have spent $9.4 billion on the Bosnia operation alone. In fact, Mr. Speaker, over the past 7 years, with those 25 deployments, we have spent $15 billion on contingency operations around the world, none of which were budgeted for.

Now, someone might say, Mr. Speaker, well, that really does not matter. The military is getting paid anyway; why can they not do their training in these faraway places? Well, sometimes they can do some of that training, Mr. Speaker, but by and large, we cannot pay for the bulk of the support necessary to pay for our troops just out of the training accounts. It just does not work.

What is even more troubling is, as the President has deployed our troops at this rapidly escalating rate, he has not taken the time to get our allies to pay their fair share of the deployment costs.

Now, let me give a comparison. George Bush deployed our troops to the Middle East in Desert Storm, a very expensive operation. But there was a fundamental difference, Mr. Speaker. In Desert Storm, leading up to that operation, President Bush interacted with the leaders of the world on a regular basis. He said to them, we will go in there and we will provide the support of our military in cooperation with an allied forces group, and we will provide the bulk of the sealift and the airlift. But, he said to our allies, not only must you provide the troops to go in with our troops, but you must pay for the operation itself.

Desert Storm cost $52 billion. America was reimbursed over $53 billion. So that in terms of the cost, there was no negative impact on our budget process.

The $15 billion that we have spent on the 25 deployments since Desert Storm have not been paid for and shared by our allies. America has had to pay that bill itself, and all of that funding has come out of defense budgets, none of which was planned for.

What does that mean? That means we have slipped programs to the outyears. It means we have not bought new helicopters to replace old ones. We wonder why we are having helicopter accidents today. In fact, Mr. Speaker, we are going to be flying helicopters built during the Vietnam War that will be 45 years old before they are retired, because to pay for those deployments, we have had to stretch out the replacement buys that will allow those helicopters to be retired.

The B–52 bomber, Mr. Speaker, will be 55 years old before we ultimately retire that aircraft, yet it is still a critical part of our capacity in terms of bombing needs that we might have around the world.

So to pay for all of these deployments, we have had to raid the defense budget. We have kept the numbers that we agreed to, and our party has held fast. But we have eaten out of the Defense Department's capability to modernize our forces and to maintain the quality of life for our troops.

But it is even more outrageous than that, Mr. Speaker. In these deployments where our troops have been sent to Haiti and to Somalia and Macedonia and to Bosnia, the concern of our colleagues in Congress is not that we should not be there; I think almost all of us in this body, Democrats and Republicans, believe, as the world's only remaining superpower, we have an obligation to help settle regional conflicts.

□ 2200

That is not the issue. The issue in the Congress, Mr. Speaker, is that this administration has not gotten support from our allies to be involved and to pay their fair share.

When this body went on record and voted on whether or not to support the President's decision to go into Bosnia, the bulk of our colleagues that I talked to were not against going into Bosnia. They were upset that America was putting 36,000 young Americans in that part of the world when the Germans, right next door to Bosnia, were only committing 4,000 troops. Our colleagues and I say, what is going on here? If Bosnia is right next to Germany, why should not Germany be committing more of its troops, and why should not the European nations be paying more of the cost of the Bosnian operation?

In fact, Mr. Speaker, my understanding is that in the case of some of the Scandinavian militaries, we actually agreed to pay some of their housing costs to get their troops to be part of the multinational force.

The same thing has occurred in Haiti. Our troops are still in Haiti, still maintaining the peace, when we were told they would only be there for a few months at the longest period of time.

In Haiti the President has said to the Congress, I have gotten other nations to come in with America. He is right. But, Mr. Speaker, what he has not told the American people is that to get those countries to come in, he actually has had American DOD dollars pay for the salaries, the housing costs, and the food for those foreign troops. The Bangladesh military has sent 1,000 troops into Haiti to help out. Why? Partially because American tax dollars have paid for those troops to come into Haiti.

The point is one, I think, Mr. Speaker, that points up the fact of the problem of our defense budget. In a period where we have cut defense spending dramatically because the threats have decreased, we in fact, Mr. Speaker, have increased deployments and not gotten our allies to share that burden. It has caused us to face a crisis right now in the military.

There is one more factor we have to look at, Mr. Speaker. That is the fastest growing portion of the defense budget, the fastest growing portion of the defense budget, in a very quickly shrinking budget, is not for new weapons systems. It is not for salary increases for the troops. It is for a fund that we call environmental mitigation.

I take great pride in my environmental voting record, Mr. Speaker, as a Republican, and will continue that record as long as I am in this body. But we are spending $12 billion this year of DOD money for what we call environmental mitigation.

Some of that is critically important. When we decommission nuclear submarines, we have to make sure that we deal with that spent nuclear fuel and that we do it in a safe way. When we close down military sites, we have to make sure that we clean up those sites from any hazards that may be there.

But Mr. Speaker, we have gone to the extreme. We have begun to use the defense budget as a cash cow. A military base is open on one day, where you have the children, the offspring of military personnel, going to an elementary school on the base and not suffering any adverse consequences.

The base closes down, and then the local leaders of the community say, this base is a toxic waste site because the military used chemicals there. Then they demand from the Federal government, and we have gone along with this game, hundreds of millions of dollars not to just clean up those sites, but to develop very extensive reuse and economic development schemes, using money that was originally designed to be used for the defense of this country. That fund, Mr. Speaker, is now $12 billion, and it is growing each year.

The point that I am trying to make is not that we have in fact the need to dramatically increase defense spending, because we cannot do that. But, Mr. Speaker, we have some hard choices to make.

This President has either got to help us reform the laws dealing with these bases that we have closed, to give us some flexibility in the Congress and in the administration of these base closings in terms of the costs that we have to put forward, he has to get our allies to pay more of the share of these deployments, or reduce the deployment levels that our troops are being asked to commit to around the world, or he has to do what he has already asked for, and that is another round of base closings.

The administration today is pleading for this Congress to approve another round of military base closings. Let me say, Mr. Speaker, I agree with the President. We should close more bases in America. I agree with the President, but the President is not going to be able to get a base closing bill through this Congress.

The average citizen would say well, if we need to close more bases, if that is going to help us save money because it

will reduce our military, why then will not the Congress approve a base closing process? The answer is simple, Mr. Speaker.

In the 12 years that I have been in Congress, one of the most difficult assignments that we had to make 6 or 7 years ago was how to reduce the military infrastructure as we cut the number of troops in the military. No Member of Congress wants to close a base in his or her district. It is political suicide. So we went to great lengths, Democrats and Republicans, to set up an independent process to remove politics from base closings, so neither Democrats nor Republicans could decide whose base would be closed based upon politics alone.

This independent commission twice recommended base closings. One of the first bases closed was the Philadelphia Navy Yard, right next to my district. When it closed, 13,000 people lost their jobs. But with a shrinking Navy, we cannot support eight public shipyards. We had to close four of them. So the base closing process worked twice. We closed a significant number of bases.

Then a third round of base closings was recommended, and something different happened. President Clinton, in the year that he was running for reelection, made a decision. He said, we are going to take the recommendations of the commission, except for two. I am going to recommend that we keep one base in California and one base in Texas open, even though it has been recommended for closure. So those two bases were given reprieves.

It just so happened that those two bases are in the two States with the most electoral votes. Many would say that the reason the President disagreed with the base closing commission was because he wanted to have California and Texas support him in the campaign. I am not going to make that accusation today, but what the President did do, Mr. Speaker, was that he soured the process.

Members of Congress today, Democrats and Republicans, will not vote for a new round of base closings because they do not trust this administration. We were fooled once, and we will not be fooled again. This President took a nonpolitical process that Republicans and Democrats agreed to and he violated that process. Now we do not have the confidence that this administration will go back to the way base closings occurred in the past.

Therefore, we are in a dilemma. We need to close more bases, but this administration, who says we need to close more bases, cannot get a base closing process approved by this Congress. It is because of the actions of this President.

All of these things occurring are affecting our defense budget. That is why the debate coming up this week and next week on the floor of the House and the floor of the other body will be about whether or not we replenish some of that money that has been spent on Bosnia into the DOD budget. I think that is the only thing we can do. We have had a budget agreement that has been very tight. We set caps on defense spending, and we have now violated those caps.

The Congress did not go in and take money out of that defense budget, we did not raise the caps. It was the President himself that deployed these troops to exotic places around the world, many of which I supported, and did not propose a way to pay for them. Therefore, our defense budget was unilaterally cut.

What we want the supplemental to do, what I want the supplemental to do, is to reinstate some of that money, less than $2 billion, to those defense accounts that have been decimated by over $9 billion just for Bosnia alone, and $15 billion for all of our contingency operations over the past 7 years. I think that is the right thing to do for our troops, and the right thing to do for our military.

Let me get on to the next point I wanted to make, Mr. Speaker: that is, the President lulling us into a false sense of security. The President is the Commander in Chief. When my constituents back in Pennsylvania listen to the President give a speech, they know he is also the Commander in Chief, and he knows what the threats are in the world. But let me talk about some of those threats. Let me talk about the President's use of the bully pulpit to convey to the American people a false sense that there are no longer threats in the world.

As I said earlier, I am the first to admit, it is a changed world. The Cold War is over. But does that mean Russia is no longer a threat? Mr. Speaker, I do a significant amount of work with Russia. I formed and chair the initiative with their Duma. I have been to Russia 14 times, four times in the last year. My undergraduate degree is in Russian studies. I know the language, and I am working right now on a number of positive programs to help stabilize Russia.

I do not see Russia as an evil empire, Mr. Speaker. But let me say this: Russia is more destabilized today than at any time in the last 50 years. We need to understand that, not from fear of having Russia mount an all-out attack on America. I do not believe that is in any way, shape, or form what Boris Yeltsin or any other leader would want to do. But there is a heightened opportunity or a heightened potential for incidents involving and as a result of the instability in Russia today.

Let me give some examples. With the economic chaos in Russia today, more and more of Russia's conventional military is being decimated. The generals and admirals who were the key leaders in the Soviet military have been forced out of their positions with no pensions, with inadequate housing, in most cases no housing.

In many cases, as General Lebed testified before my subcommittee last week here in Washington, and as he has told me on two other visits in Moscow and Washington, they have now had to resort to criminal activities to take care of their families.

So these generals and admiral, who know where all the technology is in Russia, who know where the nuclear materials are in Russia, are now resorting to selling those materials on the black market because they feel betrayed by the motherland. We are seeing technology transfer occur at a rate now that we have not seen in the past 50 years.

This is not being fostered by Boris Yeltsin, it is occurring because of instability in Russia, because of Russian military officers who feel betrayed by their country. In addition to that, Mr. Speaker, Russia's demise of their conventional military has caused them to be more reliant on their offensive, long-range strategic missiles.

The President has given a speech three times in this well and 190 times in America where he has said something like this. He has looked in the camera and said, you all can sleep well tonight because, for the first time in 50 years, there are no long-range ICBMs pointed at America's children.

As the Commander in Chief, Mr. Speaker, he knows we have no way of verifying that. The Russians will not allow us to have access to their targeting, just as we will not allow them to have access to ours. But he also knows, Mr. Speaker, you can retarget an ICBM in 15 to 30 seconds. In addition, Mr. Speaker, he knows that China today has 18 to 25 ICBMs, each with a range of 30,000 kilometers, that are aimed at American cities that can launch at any city in America.

But let us look beyond that, Mr. Speaker. Let us look at whether or not there is a potential for an incident to occur that would threaten American troops or the American people.

In January, 1995, Norway announces to Russia in a written communication that they are going to launch a multi-stage weather rocket from an island off the coast of Norway. It is a courtesy to notify a neighboring country. The date of the launch comes about, and Norway launches this multi-stage weather rocket. Russian intelligence, with systems that are not being properly maintained, sees this multi-stage rocket taking off and mistakes it for an American multi-stage ICBM coming from one of our submarines at sea.

The Russian security system puts the system in Russia on a full alert, which means that they activate the black boxes, the cheggets, that control the Russian nuclear arsenal which are in the hands of Boris Yeltsin, at that time Pavel Grachev, the defense minister, and General Kolesnikov, the chief of the command staff, which meant that Russia had 15 minutes within which was the time period allocated to call off a nuclear response against America to a weather rocket that they had been forewarned of by Norway.

Mr. Speaker, this is not a Stephen Spielberg science fiction movie, this is

what occurred. The Russians have acknowledged this. In fact, Boris Yeltsin's explanation was that it was a good test of their system; that with 7 minutes left, he overruled Kolesnikov and Grachev and called off the response.

□ 2215

Mr. Speaker, that is the threat. The threat is from an accidental launch. The threat is from a rogue Nation getting a capability that threatens our troops, our allies, and our people. That is why we need to continue to focus on national security. Not because Russia is the ''evil empire,'' because they are not. Not because China is coming after us, because they are not. But because there are risks in the world today that I would argue are greater than what they have been for the past 50 years, mainly because of the lack of cohesion inside of Russia and with the Russian Government and its military.

Another example, Mr. Speaker, last May I was in Moscow, and among the meetings that I had were with the senior leaders of the Duma, including the Deputy Defense Minister; the Minister of Natural Resources, Orlov; the Minister of Atomic Energy, Mikhaylov; and Boris Nemtsov, the Deputy Prime Minister.

I met again with General Lebed. And as you know, General Lebed is a four-star retired general. He is the individual credited with ending two wars that Russia was involved in: the war in Moldavia and the war in Chechnya. Lebed himself ended both of those conflicts. He ran for the presidency against Yeltsin, and Yeltsin was so fearful of his candidacy that he enticed him to leave the race to come work for him as one of his top advisors.

Many give General Lebed the credit for allowing Yeltsin to win the last election, because if Lebed had stayed in the race, he would have taken enough votes away from Yeltsin that the Communist Zyuganov would have won the presidential election in Russia at the same time the Communist Party was winning 165 seats in the State Duma.

General Lebed, in our meeting last May, a private meeting with six Members of Congress, was talking to us about the security of Russian nuclear weapons. He was talking to us about decommissioned submarines, nuclear powered submarines sitting in dry-dock with no solutions in sight to deal with that nuclear waste and those contaminated products.

He gave us a number of examples of Russian military going into Mafia-type operations, selling equipment, hardware, and even the potential of selling nuclear materials. But then he talked about one specific incident. He said in response to a question I asked him about nuclear devices, whether or not Russia had any small nuclear devices, he said, ''Let me tell you a story. When I was the secretary of the Defense Council for President Yeltsin, one of my assignments was to account for 132 suitcase-sized nuclear bombs. These are devices that could be carried by two people, each with the capacity of approximately 1 kiloton, which is about one-tenth the size of the Hiroshima bomb.

He said Russia built 132 of these. ''I was given the assignment to account for them.'' He said, ''My people could only find 48.'' We said, ''General, where are the rest?'' And he said, ''I have no idea.'' He said, ''They could be safe. They could be secure. We do not know where they are. They could be in someone else's hands. They could be on the border. They could be in the former Soviet States, I just do not know.''

Mr. Speaker, I came back from that trip. There was no press in place. This was not an attempt, as the Russian Government would later say, by Lebed to get some headlines. There was no press in the meeting. There was no press conference. I came back to Washington and I debriefed the CIA and the DIA on what the Russian general had told me. They could not tell me whether or not they knew whether or not General Lebed knew that these devices were not secure. Our intelligence just did not know the answer to that question.

Now, the Russians trashed General Lebed. They called him a traitor. They said he did not know what he was talking about, this general had no idea of whether or not Russia ever built nuclear devices. And many of the senior officials from Russia denied that Russia ever built these devices.

''60 Minutes'' contacted me in August when they read my trip report, which became a part of the CONGRESSIONAL RECORD, and they said, ''Congressman, did the general really say this?'' And I said yes. They said, ''Can we interview you?'' I said yes. They interviewed me and went to Moscow and interviewed General Lebed. And the first story in September of last year by ''60 Minutes'' was General Lebed repeating what he told me in that meeting in Moscow.

Again, the Russia media denied what the general said. They trashed him. In fact, our own Department of Defense, our press spokesman said publicly, ''We have no reason to doubt that Russia does not control any small nuclear devices they may have built.''

So in October, I invited one of my Russian scientific friends to come to Washington. Alexei Yablakov. Dr. Yablakov is one of the most world-renowned environmental leaders in Russia. He is an ecologist. Dr. Yablakov came. He is a member of the Academy of Sciences in Moscow. He came to Washington and testified before my committee. He said on the public record that he knew that General Lebed was telling the truth. Russia built these devices, and he knew scientists who were his colleagues who had worked on these devices and who told him that some of them were built for the KGB, and that it was imperative for Russia to find and locate and destroy these nuclear suitcases.

Yablakov was called a traitor back in Moscow. The media trashed him. They said he was no good. Yablakov defended his honor. The story was a major story all over Russia. In fact, the Defense Minister called Yablakov into the Kremlin, and working with him, said they would issue a decree, a presidential decree to account for any of these devices that may have been built which they denied had been built earlier.

Mr. Speaker, I was again in Moscow in December, and on that trip I met for an hour and a half with the Defense Minister of Russia, General Sergeyev. In his office I again asked him about the small nuclear devices. He said, ''Congressman, we did build these devices. In fact, we built several types of them, as your country did. We know that have you destroyed all of your small nuclear devices. We still have approximately 200. But I commit to you that by the year 2000, we will have them all destroyed.''

Now, why do I tell this story, Mr. Speaker? I tell this story because to create the impression that all is stable in Russia is exactly the wrong position to be stating to the American people. We do not need to scare the American people, but we need to be honest with them, candid with them, and the same thing applies with Russia itself.

Because of the instability in Russia, many individuals and entities are looking to sell off technologies and products to rogue nations. Two years ago, we caught Russian institutes and individuals transferring guidance systems for rockets to Iraq. In fact, the Jordanian and Israeli intelligence intercepted these devices which are very expensive, that had been taken off of Russian SSN–19 rockets, very sophisticated long-range rockets that were being shipped to Iraq.

Three times the CIA caught Russia transferring sets of guidance systems to Iraq. One hundred twenty sets of these guidance systems, Mr. Speaker, went from Russia to Iraq, to allow Iraq to improve the accuracy of their Scud missiles which killed our 27 Americans 7 years ago.

Not one time did this administration impose sanctions as required under the treaty between the U.S. and Russia called Missile Technology Control Regime, which requires sanctions when a nation or an entity is caught selling material that is covered by that treaty. In fact since 1993, we have caught Russia violating the Missile Technology Control Regime seven times. We have not imposed sanctions once.

This past summer, the Israelis came to America and they said, we have evidence that Russian scientists are working with Iran to allow Iran to build medium-range missiles that we cannot defend against. Initially the administration raised cain because that kind of intelligence information they did not want out. When the investigation was done, we found out exactly what happened, and that in fact was Russian entities involved with the Russian space

agency had been transferring technology to Iran to allow Iran to build a medium-range missile partly based on the Russian SS–4 missile.

What does this mean, Mr. Speaker? This means that within 12 months, Iran will have a medium-range missile that can hit any one of 25,000 American troops that this President today has deployed in Bosnia, in other regions around the Middle East, Somalia, Macedonia, because of the capability of those missiles. It also means that Iran will be able to hit, from its homeland, Israel directly with a medium-range missile.

It means that Iran is working, as well as Iraq, on developing medium-range missile capabilities that is going to destabilize that part of the world. And the horror story here, Mr. Speaker, is we will have no system in place to defend Israel against those missiles when they are deployed.

Now, some say we have the Patriot system. It was great during Desert Storm. The Patriot system was not designed to take out missiles. It was built as a system to shoot down airplanes. When the risk of Saddam's Scud missiles appeared in Desert Storm, Raytheon Corporation was able to heat up that Patriot system to give us some capability to take out low-complexity Scud missiles. But our military has acknowledged publicly that during Desert Storm, the Patriot system was at best 40 percent effective, which meant that 60 percent of the time we could not take out those Scud missiles. And even when we did hit the Scud missile, we were not hitting the warhead where a chemical or biological weapon would be. We were hitting the tail section, so that the debris would actually land on the people and still do the devastating damage of the bomb or the weapon of mass destruction and have its impact on the people whom it was intended to hurt.

In fact we had our largest loss of life of American troops in this decade in Dhahran, Saudi Arabia, when that low-complexity Scud missile went into that barracks.

The point reinforces my notion, Mr. Speaker. While we need to continue to control the amount of defense spending, we need to be prepared for what is happening in the world today. China is spending a larger and larger amount of its money on defense. North Korea has now deployed a medium-range missile that we thought we would not see for 5 years. It is called the No Dong. It now threatens all of Japan. It threatens South Korea, and potentially troops in that theater, and they are working on a longer-range missile that eventually will be able to hit Alaska and Hawaii.

The point is that as much as we want to spend more and more money on domestic programs, we cannot do that by sacrificing the strong deterrent that a strong military provides. The reason we have a strong military is not just to fight wars. It is to deter aggression. There has never been a nation that has fallen because it is too strong. And while we do not want to be the bully of the world, we need to understand that strength in our military systems deters regional aggression. And regional aggression is what leads to larger confrontations and eventually world war.

Here is a summary, Mr. Speaker, of the budget projections from 1991 to 2001. The blue bar graph is mandatory outlays. They are going to increase by 35 percent during that 10-year period. The green bar graph is domestic discretionary spending. That is going to increase by 15 percent during the 10-year period. The red bar graph is defense spending. It is decreasing by 35 percent during that 10-year time period.

We need to be careful, Mr. Speaker, that we do not approach a similar situation to what occurred in the 1970s, because if we allow our military to not modernize, to not provide the support for the morale of the troops, we could begin to see a decay that we will not be able to reverse.

Now, why is all of this important and why do I discuss it today? Because the budget problems that I outlined at the beginning of my special order are going to be exacerbated after the turn of the century. This administration has postponed all modernization in our military and, therefore, everything has been slid until the next administration comes into office. This administration looks great. They have been able to balance the budget, they have been able to cut spending. They say they have cut Federal spending. They have only cut defense. That is the only area of the Federal Government where we have had real decline in real terms.

□ 2230

But in the process of doing that, they have postponed decisions for new systems until the next century. In the year 2000 and beyond, these are the systems that are currently scheduled by this administration to go into full production: the V–22 for the Marine Corps; the Comanche for the Army; the F–22 for the Air Force; the F/A–18E and F for the Navy; the Joint Strike Fighter for the Navy, Air Force, and Marine Corps; a new aircraft carrier; new destroyers.

The Army after next, an information-controlled Army: missile defense, theater missile defense, national missile defense. All of these programs, Mr. Speaker, are coming on line at the beginning of the next century and none of them can be paid for because of what we are doing to the defense budget today.

Now, what have I proposed? I have told the administration, cut more programs. If you are not going to cut environmental costs, if you are not going to reduce deployments, if you cannot close more bases, and if you are not going to give us more money for defense, then cancel more programs.

I voted to cancel the B–2, and the President kept the line open one more year during his election year in spite of the fact that we should have canceled it and saved that money. And I told the administration, cancel one of the tactical aviation programs. We cannot build three new TACAIR programs. This year we are spending $2.7 billion on tactical aviation that is buying new fighter planes.

The current plans of this administration in building the F–22, the Joint Strike Fighter, and the F/A–18E and F, the GAO and CBO estimate in 10 years would cost us between 14 and 16 billion dollars a year. Where does this President think he is going to get—he is not going to be here. Where does he think the next President is going to get an increase of $10 to $12 billion just for tactical fighters alone? It is not going to happen, Mr. Speaker.

That is why I am predicting a major train wreck, a train wreck that could jeopardize security of this country. We have got to be realistic about what the threats are. We have got to be realistic about what our needs are. We have got to be realistic about the way that we prioritize spending. We have got to be honest with the American people. And we have not done this.

This administration in the State of the Union speech two months ago mentioned national security out of an 80-minute speech in two sentences. Yet the President is quick to deploy our troops around the world, but does not want to fund the dollars to support those very troops and modernize them.

Something has got to give, Mr. Speaker. And I hope this special order tonight will make our colleagues, will make this city, and will make this country understand the dilemma we are facing. I am not here to advocate massive increases in defense spending. I am here to say help us control the amount of money we are currently putting forth, cut where we can, be realistic about what the threats are, and be honest about what our needs are in the 21st century. Because if we do not do that, I think the prospects for the long-term security of this country and the free world get dimmer and dimmer.

HMO CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes.

Mr. GANSKE. Mr. Speaker, 2 years ago I met a woman who killed a man. I did not meet her in prison. She was not on parole. She had never even been investigated by the police. In fact, for causing the death of a man, she received congratulations from her colleagues and she moved up the corporate ladder. This woman, Dr. Linda Peeno, was working as a medical reviewer at an HMO.

In testimony before the Committee on Commerce on May 30, 1996, she confessed that her decision as an HMO reviewer to deny payment for a life-saving operation led to the preventable

death of a man she had never seen. Dr. Peeno then exposed the ways that HMOs denied payment for health services. She showed how plans draft contract language to restrict access to benefits. She showed how HMOs cherry-pick healthy patients. She showed how HMOs use technicalities to deny necessary medical care.

Dr. Peeno also told Congress about the most powerful weapon in an HMO's arsenal to hold down costs. HMOs generally agree to cover all services that are deemed medically necessary. But because that decision is made by HMO bureaucrats, not by the treating physician, Dr. Peeno called it the ''smart bomb'' of cost containment.

Hailed initially as a great breakthrough in holding down health costs, the painful consequences of the managed care revolution are being revealed. Stories from the inside, like those told by Dr. Peeno, are shaking the public's confidence in managed care. We can now read about some of Dr. Peeno's experiences in the March 9 edition of U.S. News and World Report.

The HMO revelations have gotten so bad that health plans themselves are running ads touting the fact that they are different from the bad HMOs that do not allow their subscribers a choice of doctors or interfere with their doctors practicing good medicine.

Here in Washington one ad says, ''We don't put unreasonable restrictions on our doctors. We don't tell them that they cannot send you to a specialist.'' This Chicago Blue Cross ad proclaims, ''We want to be your health plan, not your doctor.'' In Baltimore, the Preferred Health Network ad states, ''At your average health plan, cost controls are regulated by administrators. APHN doctors are responsible for controlling costs.''

This goes to prove that even HMOs know that there are more than a few rotten apples in the barrel. The HMO industry has earned a reputation with the public that is so bad that only tobacco companies are held in lower esteem. Let me cite a few statistics.

A national survey shows that far more Americans have a negative view of managed care than a positive view. By more than 2-to-1, Americans support more government regulation of HMOs. The survey shows that only 44 percent of Americans think managed care is a good thing.

Do my colleagues want proof? Well, recently I saw the movie ''As Good As It Gets.'' When Academy Award winner Helen Hunt expressed an expletive about the lack of care her asthmatic son gets from their HMO, people clapped and cheered. It was by far the biggest applause line of the movie. No doubt the audience's reaction has been fueled by dozens of articles and news stories highly critical of managed care and also by real-life experiences.

In September 1997, the Des Moines Register ran an op-ed piece entitled ''The Chilly Bedside Manner of HMOs'' by Robert Reno, a Newsweek writer. Citing a study on the end-of-life care, he wrote, ''This would seem to prove the popular suspicion that HMO operators are heartless swine.''

The New York Post ran a week-long series on managed care; headlines included. ''HMOs Cruel Rules Leave Her Dying for the Doc She Needs.''

Another headline blared out, ''Ex-New Yorker Is Told, Get Castrated In Order To Save.'' Or this one: ''What His Parents Didn't Know About HMOs May Have Killed This Baby.'' Or how about the 29-year-old cancer patient whose HMO would not pay for his treatments? Instead, the HMO case manager told the patient to ''hold a fund-raiser,'' a fund-raiser. Mr. Speaker, I certainly hope that campaign finance reform will not stymie this man's chance to get his cancer treatment.

To save money, some HMOs have erected increasingly steep barriers to proper medical care. These include complex utilization preview procedures, computer programs that are stingy about approving care, medical directors willing to play fast and loose with the term ''medically necessary.''

Consumers who disagree with these decisions are forced to work their way through Byzantine appeals processes which usually excel at complexity, but generally fall short of fairness; and these appeals, unfortunately, Mr. Speaker, can last longer than the patient. The public understands the kind of barriers they face in getting needed care.

Republican pollster Frank Luntz recently held a focus group in Maryland. Here is what some consumers said. One participant complained, ''I have a new doctor every year.'' Another said she is afraid that if something major happened ''I wouldn't be covered.'' A third attendee griped that he had to take off work twice because the plan requires people to see the primary care doctor before seeing a specialist.

Those fears are vividly reflected in editorial page cartoons. Here is one that reflects what the focus group was talking about. It shows a woman working in a cubicle in a claims department of an HMO. In talking with the customer she remarks, ''No, we don't authorize that specialist. No, we don't cover that operation. No, we don't pay for that medication. No, we don't consider this assisted suicide.'' These HMO rules create ethical dilemmas.

A California internist had a patient who needed emergency treatment because of fluid buildup in her lungs. Under the rules of the patient's plan, the service would come at a hefty cost to the patient. She told the doctor that she could not have the treatment because she did not have the money. However, if she was admitted to the hospital, she would have no charges. So her doctor bent the rules. He admitted her and then he immediately discharged her.

Now, Mr. Speaker, are HMOs now forcing doctors to lie for their patients? HMOs have pared back benefits to the point of forcing Congress to get into the business of making medical decisions. Take, for example, the uproar over the so-called drive-through deliveries. This cartoon shows that some folks thought health plans were turning their maternity wards into fast food restaurants. As the woman is handed her new child, the gate keeper at the drive-through window asks, ''Would you like fries with that?''

Well, in a case that is not so funny, in 1995 Michelle and Steve Bauman testified before the Senate about their daughter, Michelina, who died two days after she was born. Their words were powerful and eloquent. Let me quote from Michelle and Steve's statement. ''Baby Michelina and her mother were sent home 28 hours after delivery. This was not enough time for doctors to discover that Michelina was born with streptococcus, a common and treatable condition. Had she remained in the hospital an additional 24 hours, her symptoms would have surfaced and professional trained staff would have taken the proper steps so that we could have planned a christening rather than a funeral. Her death certificate listed the cause of death as meningitis.'' Michelle and Steve went on to say, ''when it should have read, death by the system.''

In the face of scathing media criticism and public outrage, health plans insisted that nothing was wrong, that most plans allowed women to stay at least 48 hours and that babies discharged the day of delivery were just as healthy as others.

Mr. Speaker, that line of defense sounds a lot like the man who was sued for causing an auto accident. ''Your Honor, he says, I was not in the car that night. But even if I was, the other guy was speeding and swerved into my lane.''

□ 2245

For expectant parents, however, the bottom line was fear and confusion. There is nothing more important to a couple than the health and safety of their child. Because managed care failed to condemn drive-through deliveries, all of us are left to wonder whether our plans place profits ahead of care. The drive-through delivery issue is hardly the only example of the managed care industry fighting to derail any consumer protection legislation. What makes this strategy so curious is that most plans had already taken steps to guarantee new moms and infants 2 days in the hospital. Sure, there were some fly-by-night plans that might not have measured up, but most responsible plans had already reacted to the issue by guaranteeing longer lengths of stay. The HMOs' efforts to reassure the public that responsible plans do not force new mothers and babies out of the hospital in less than 24 hours, however, were completely undermined by their opposition to a law ensuring this protection to all Americans. That was a missed

opportunity for the responsible HMOs to get out front, to proactively work for legislation that reflected the way they already operated. Not only would it have improved managed care's public image, but it would have given them some credibility.

Why then did managed care oppose legislation on this issue? Because the HMO industry is Chicken Little. Every time Congress or the States propose some regulation of the industry, they cry, ''The sky is falling, the sky is falling.'' I would suggest that by endorsing some common sense patient protections, managed care would be more believable when they oppose other legislation.

Mr. Speaker, today's managed care market is highly competitive. Strong market rivalry can be good for consumers. When one airline cuts fares, others generally match the lower prices. In health care when one plan offers improved preventive care or expanded coverage, other market participants may follow suit. But the competitive nature of the market also poses a danger for consumers. In an effort to bolster profits, plans may deny coverage of care that is medically necessary. Or they may gag their doctors to cut costs. Some health plans have used gag rules to keep their subscribers from getting care that may save their lives.

During congressional hearings 2 years ago, we heard testimony from Alan DeMeurers who lost his wife Christy to breast cancer. They are pictured here with their children. When a specialist at UCLA recommended that Christy undergo bone marrow transplant surgery, her HMO leaned on UCLA to change its medical opinion. Who knows whether Christy would be with her two children today had her HMO not interfered with her doctor-patient relationship. HMO gag rules have even made their way onto the editorial pages. Here is one such cartoon. A doctor sits across the desk from a patient and remarks, ''I'll have to check my contract before I answer that.'' Dr. Michael Haugh is a real life example of this problem. He testified before the Committee on Commerce and told how one of his patients was suffering from severe headaches. He asked her HMO to approve a specific diagnostic procedure. They declined to cover it, claiming that magnetic resonance arteriogram was experimental. Remember, Dr. Peeno testified about the clever ways that health plans decide not to cover requested care. So Dr. Haugh explained the situation in a letter to his patient. In it he wrote, ''The alternative to the MRA is to do a test called a cerebral arteriogram which requires injecting dye into the arteries and carries a much higher risk to it than MRA. It is because of this risk that I am writing to tell you that I still consider that an MRA is medically necessary in your case.'' Two weeks later, the medical director of BlueLines HMO wrote to Dr. Haugh. He said, ''I consider your letter to the member to be significantly inflammatory. You should be aware that a persistent pattern of pitting the HMO against its member may place your relationship with BlueLines HMO in jeopardy. In the future I trust you will choose to direct your concerns to my office rather than in this manner.''

Amazing. The HMO was telling this doctor that he could not express his professional medical judgment to his patient. Cases like these and others demonstrate why Congress needs to pass legislation like the Patient Right to Know Act to prevent health plans from censoring exam room discussions. This gag rule cartoon is even more pointed. Once again a doctor sits behind a desk talking to a patient. Behind the doctor is an eye chart saying ''ENUF IZ ENUF.'' The doctor looks at a piece of paper and tells his patient, ''Your best option is cremation, $359, fully covered,'' and the patient says, ''This is one of those HMO gag rules, isn't it, Doctor?''

The HMO industry continues to fight Federal legislation to ban gag rules. The HMOs and their minions in Congress still keep the Patient Right to Know Act from coming to the floor, despite the fact that it has been cosponsored by 299 Members of this House, endorsed by over 300 consumer and health profession organizations and has already been enacted to protect those receiving services under Medicare and Medicaid, but not for those of you who are not poor or elderly. Even some executives of managed care plans have privately told me that they are not opposed to a ban on gag rules, because they know that competition can result in a race to the bottom in which basic consumer protections are undermined.

My bill to ban gag rules presents managed care with an opportunity to be on the vanguard of good health care. Instead, they are frittering away another opportunity just like they did with drive-through deliveries. In opposing a ban on gag rules, HMOs have only fueled bipartisan support for broader, more comprehensive reform legislation.

In recognition of problems in managed care, last September three managed care plans joined with consumer groups to announce their support of an 18-point agenda. Here is a sample of the issues that the groups felt required nationally enforceable standards, things like guaranteeing access to appropriate services, providing people with a choice of health plans, ensuring the confidentiality of medical records, protecting the continuity of care, providing consumers with relevant information, covering emergency care, disclosing loss ratios, banning gag rules. These health plans and consumer groups wrote, ''Together we are seeking to address problems that have led to a decline in consumer confidence and trust in health plans. We believe that thoughtfully designed health plan standards will help to restore confidence and ensure needed protection.'' Mr. Speaker, I could not have said it better myself. These plans, including Kaiser Permanente, HIP, the Group Health of Puget Sound probably already provide patients with these safeguards. So it would not be a big challenge for them to comply with nationally enforceable standards. By advocating national standards, these HMOs distinguish themselves in the market as being truly concerned with the health of their enrollees. Noting that they already make extensive efforts to improve their quality of care, the chief executive officer of Health Insurance Plan, known as HIP said, quote, ''Nevertheless, we intend to insist on even higher standards of behavior within our industry and we are more than willing to see laws enacted to ensure that result.'' Let me repeat that. ''We are more than willing to see laws enacted to ensure that result.''

One of the most important pieces of their 18-point agenda is a requirement that plans use a lay person's definition of emergency. Too often health plans have refused to pay for care that was delivered in an emergency room. The American Heart Association tells us that if we have crushing chest pain, we should go immediately to the emergency room because this could be a warning sign of a heart attack. But sometimes HMOs refuse to pay if the patient tests normal. If the HMO only pays when the tests are positive, I guarantee you, Mr. Speaker, people will delay getting proper treatment for fear of a big bill and they could die if they delay diagnosis and treatment. Another excuse HMOs use to deny payment for ER care is the patient's failure to get preauthorization. This cartoon vividly makes the point.

Kuddlycare HMO. My name is Bambi. How may I help you?

You're at the emergency room and your husband needs approval for treatment?

Gasping, writhing, eyes rolled back in his head? Doesn't sound all that serious to me.

Clutching his throat? Turning purple? Um-huh. Have you tried an inhaler?

He's dead? Well, then he certainly doesn't need treatment, does he?

Gee, people are always trying to rip us off.

Does this cartoon seem too harsh? Ask Jacqueline Lee. In the summer of 1996, she was hiking in the Shenandoah Mountains when she fell off a 40-foot cliff, fracturing her skull, her arm and her pelvis. She was airlifted to a local hospital and treated. You will not believe this. Her HMO refused to pay for the services because she failed to get preauthorization. I ask you, what was she supposed to do with broken bones lying at the base of the cliff? Call her HMO for preauthorization? I am sad to say that despite strong public support to correct problems like these, managed care regulations still seem stalled here in Washington. Some opponents of legislation insist that health insurance regulation, if there is to be any at all, should be done by the States.

Other critics worship at the altar of the free market and insist its invisible hand can cure the ills of managed care. As a strong supporter of the free market, I wish we could rely on ADAM SMITH's invisible hand to steer plans into offering the services consumers want. And while historically State insurance commissions have done an excellent job of monitoring the performance of health plans, Federal law puts most HMOs beyond the reach of State regulations. Let me repeat that. Federal law puts most HMOs beyond the reach of State regulations. How is this possible? More than two decades ago, Congress passed the Employee Retirement Income Security Act, which I will refer to as ERISA, to provide some uniformity for pension plans in dealing with different State laws. Health plans were included in ERISA, almost as an afterthought. The result has been a gaping regulatory loophole for self-insured plans under ERISA. Even more alarming is the fact that this lack of effective regulation is coupled with an immunity from liability for negligent actions. Mr. Speaker, personal responsibility has been a watchword for this Republican Congress. This issue is no different. I have worked with the gentleman from Georgia (Mr. NORWOOD) and others to pass legislation that would make health plans responsible for their conduct. Health plans that recklessly deny needed medical service should be made to answer for their conduct. Laws that shield them from their responsibility only encourage HMOs to cut corners.

Take this cartoon, for instance. With no threat of a suit for medical malpractice, an HMO bean counter stands elbow to elbow with the doctor in the operating room. When the doctor calls for a scalpel, the bean counter says, ''pocket knife.'' When the doctor asks for a suture, the bean counter says, ''Band-Aid.'' When the doctor says, ''Let's get him to the intensive care unit,'' the bean counter says, ''Call a cab.''

Texas has responded to HMO abuses by passing legislation that would make ERISA plans accountable for improper denials of care. But that law is being challenged in court and a Federal standard is needed to protect all consumers. The lack of legal redress for an ERISA plan's act of medical malpractice is hardly its only shortcoming. Let me describe a few of ERISA's other weaknesses.

□ 2300

ERISA does not impose any quality assurance standards or other standards for utilization review. Except as provided in Kassebaum-Kennedy, ERISA does not prevent plans from changing, reducing or terminating benefits. With a few exceptions, ERISA does not regulate a plan's design or content, such as covered services or cost sharing. ERISA does not specify any requirements for maintaining plan solvency. ERISA does not provide the standards that a State insurance commissioner would.

It seems to me that we can take one of three approaches in reforming the way health plans are regulated by ERISA. The first would be to do nothing, but I think I have already demonstrated why that is not acceptable.

The second option would be to ask the States to reassume the responsibility of regulating these plans. This was the traditional role of the States, and they continue to supervise other parts of the health insurance market. But I will tell you why that will not work.

Turning regulation of ERISA plans over to the States will be fought tooth and nail by big business and by HMOs, and it will not happen. That leaves only one viable option: some minimal reasonable Federal consumer health protections for patients enrolled in ERISA plans.

Now there are many proposals on the table, including the Patient Access to Responsible Care Act, the Patients' Bill of Rights, the 18-point agenda released by Kaiser HIP and AARP. Whether we enact one of these options or some other yet to be drafted, Congress created the ERISA loophole and Congress should fix it.

Now, defenders of the status quo sometimes say that making plans subject to increased State or Federal regulations is not the answer. They insist that like any other consumer good, managed care will respond to the demands of the market. I would note that other industries are liable for their acts of misconduct.

So the shield from liability provided by ERISA by itself distorts the health care market. It differs from a traditional market in other ways as well. For example, the person consuming health care is generally not paying for it. Most Americans get their health care through their employer because the primary customer, the one paying the bills, is the employer. HMOs have to satisfy their needs before they satisfy the needs of their patients. And the employer's focus on the cost of the plan may draw the HMO's attention away from the employee's desire for a decent health plan.

As Stan Evans noted in Human Events, many HMOs operate on a capitated basis. This means that plans are paid a flat monthly fee for taking care of you. This translates to the less they spend on medical services, the more profit they make.

Now, how many markets function on the premise of succeeding by giving consumers less of what they want?

Take a look at this cartoon which illustrates perfectly the problem of health plans focusing on the bottom line. The patient is in traction. This is the HMO bedside manner. And the doctor standing next to him says, ''After consulting my colleagues in accounting we have concluded you are well enough. Now go home.''

Are HMOs paying attention to their patients' health or to their stockholders' portfolios?

Stan Evans again hit the nail on the head when he noted:

> Paid a fixed amount of money per patient regardless of the care delivered, HMOs have a powerful motive to deliver a minimum of treatment. Care denial, pushing people out of hospitals as fast as possible, blocking access to specialists and the like are not mistakes or aberrations. They stem directly from the nature of the setup in which HMOs make more money by delivering less care, thus pitting the financial interests of the provider against the medical interests of the patient.

His comment raises an important issue. Presented with tragedies like those of the Baumans or Mrs. DeMeurers, managed care defenders argue those are just anecdotes. What Mr. Evans points out is that cases like these are not mistakes or aberrations or anecdotes. They are exactly the outcomes we would expect in a system that rewards those who undertreat patients.

Finally, markets only function when consumers have real choices. Dissatisfied consumers have limited options. Most employers offer employees very few health plans. For many, the choice of their health plan is simple: Take it or leave it. Freedom in the health insurance market now means quitting your job if you do not like your HMO. There is not a free market when consumers cannot switch to a different health plan.

But even if we were to put aside all these arguments and assume that health insurance was a free market, there is still a need for legislation to guard patients from abuses. The notion of consumer protections is consistent and supportive in our concept of free markets. In his book, Everything for Sale, Robert Kuttner points out the problems of imperfect markets. He says:

> Industries such as telecommunications, electric power and health care retain public purposes that free market forces cannot achieve. For example, as a society we remain committed to universal access for certain goods. Left to its own devices the free market might decide that delivering electricity and phone service to rural areas and poor city neighborhoods is just not profitable, just as the private market brands cancer patients as ''uninsurable.''

Think for a moment about buying a car. Federal laws ensure that cars have horns and brakes and headlights. Yet despite these minimum standards, we do not have a nationalized auto industry. Instead, consumers have lots of choices. But they know that whatever car they buy will meet certain minimum safety standards. You do not buy safety a la carte.

The same notion of basic protections and standards should apply to health plans. Consumer protections will not lead to socialized medicine any more than requiring seat belts has led to a nationalized auto industry. In a free market, these minimum standards set a level playing field that allows competition to flourish.

Critics of regulating managed care also complain that new regulations will drive up the costs of health insurance. In criticizing the Patient Access

to Responsible Care Act, they cite a study showing that certain provisions could increase health insurance premiums from 3 to 90 percent. Three to 90 percent. I mean, that is a joke. Such a wide range is meaningless. It must be an accountant's way of saying I do not know.

Other studies have said that costs may go up slightly, but nothing near the doomsday figures suggested by opponents of this legislation. A study by the accounting firm Muse and Associates shows that premiums will increase between seven-tenths of 1 percent and 2.6 percent if the Patient Access to Responsible Care Act is enacted.

And do not let the HMOs tell you that the rising premiums we are seeing this year are the result of Federal legislation. HMOs have been charging below cost premiums for a long time. As a result, we are now seeing premium increases long before passage of any Federal consumer protection legislation.

And keep in mind also the shareholder's philosophy of making money can come into conflict with the patient's philosophy of wanting good medical care. To save money, many plans have nonphysician reviewers to determine if callers requesting approval for care really need it. Using medical care cookbooks, they walk patients through their symptoms and then reach a medical conclusion.

These cookbooks do not have a recipe for every circumstance. Like the woman who called to complain about pain caused by the cast on her wrist. The telephone triage worker asked the woman to press down on her fingernail to see how long it took for the color to return. Unfortunately, the patient had polish on her nails.

How far can this go? Like this cartoon shows, pretty soon we could all be logging on to the Internet and using the mouse as a stethoscope.

This trend should trouble every one of us. Medicine is part science, part art. Computer operators cannot consider the subtleties of a patient's condition. Sometimes you can know the answer by reading a chart, but sometimes doctors reach their judgments by a sixth sense that this patient really is sick. There are certain things that computers just cannot comprehend.

Now doctors are expected to be professional, to adhere to standards and to undergo peer review. Most of all, they are expected to serve as advocates for their patients' needs, not to be government or insurance apologists. It is in the interests of our citizens that their doctor fights for them and not be ''the company doc.''

Like a majority of my colleagues, I am a cosponsor of H.R. 1415, the Patient Access to Responsible Care Act, otherwise known as PARCA. In an attempt to derail this legislation, the managed care community has made a number of false statements about this bill. For example, they repeatedly state that PARCA would force health plans to contract with any provider who wanted to join its network. That is clearly a false statement. In two separate places in the bill, it states that it should not be considered an ''any willing provider'' bill.

PARCA simply includes a provider nondiscrimination provision similar to what was enacted in Medicare last year. Provider nondiscrimination and ''any willing provider'' are no more the same than equal opportunity and affirmative action.

Similarly, some opponents have suggested that the bill would force health insurance to be offered on a guaranteed issue or a community rated basis. This is a nonissue. Congressman Norwood and I oppose community rating and guaranteed issue and will not support any bill coming to the floor that would result in community rating or guaranteed issue.

□ 2115

Our goals should be passage of comprehensive patient protection legislation. I am committed to seeing legislation enacted before the close of the 105th Congress. I am open to working with all interested Members, Republican, and Democrat, to develop a bipartisan patient protection bill.

In the meantime, H.R. 586, the Patient Right to Know Act, which would ban gag rules, should be brought to the floor for a vote.

Mr. Speaker, just last week, a pediatrician told me about a 6-year-old child who had nearly drowned. The child was brought to the hospital and placed on a ventilator. The child's condition was serious. It did not appear that he would survive.

As the doctors and the family prayed for signs that he would live, the hospital got a call from the boy's insurance company. Home ventilation, explained the HMO reviewer, is cheaper than in-patient care. I was wondering if you had thought about sending the boy home.

Or consider the death of Joyce Ching, a 34-year-old mother from Fremont, California. Mrs. Ching waited nearly 3 months for an HMO referral to a specialist despite her continued rectal bleeding and severe pain. She was 35 years old when she died from a delay in the diagnosis of her colon cancer.

Joyce Ching, Christy DeMeurers, Michelina Baumann, Dr. Peeno's patient, Mr. Speaker, these are not just anecdotes. These are real people who are victims of HMOs.

Let us fix this problem. The people we serve are demanding it. Let us act now to pass meaningful patient protections. Lives, Mr. Speaker, are in the balance.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GILLMOR (at the request of Mr. ARMEY) for today on account of emergency dental work.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today after 2:00 p.m. on account of personal reasons.

Mr. YATES (at the request of Mr. GEPHARDT) for today after 4:30 p.m. on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:

Ms. NORTON, for 5 minutes, today.

Ms. CARSON, for 5 minutes, today.

The following Members (at the request of Mr. NETHERCUTT) to revise and extend their remarks and include extraneous material:

Mr. COBURN, for 5 minutes, today.

Mr. HULSHOF, for 5 minutes, on March 31.

Mr. HUNTER, for 5 minutes, today.

Mr. PETERSON of Pennsylvania.

Mr. BARR of Georgia, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, on March 27.

Mr. MICA, for 5 minutes, today.

The following Member (at her own request) to revise and extend his remarks and include extraneous material:

Mrs. CLAYTON for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

The following Members (at the request of Mr. PALLONE) and to include extraneous matter:

Mr. KIND.

Mr. ALLEN.

Ms. SANCHEZ.

Mr. VISCLOSKY.

Ms. VELAZQUEZ.

Mr. FORD.

Mrs. MEEK of Florida.

Mr. KLECZKA.

Ms. MCCARTHY of Missouri.

Mr. DAVIS of Illinois.

Mr. STARK.

Mr. BORSKI.

Mr. TORRES.

Mr. VENTO.

Mr. FILNER.

The following Members (at the request of Mr. NETHERCUTT) and to include extraneous matter:

Mr. ROGERS.

Mr. DAVIS of Virginia.

Mrs. JOHNSON of Connecticut.

Mr. HORN.

Ms. ROS-LEHTINEN.

Mr. BILIRAKIS.

Mr. WICKER.

Mr. CALVERT.

Mr. EHRLICH.

Mr. WALSH.

Mr. PAPPAS.

Mr. SMITH of New Jersey.

The following Members (at the request of Mr. GANSKE) and to include extraneous matter:

Mr. PAPPAS.
Mr. ALLEN.

ADJOURNMENT

Mr. GANSKE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 17 minutes p.m.), the House adjourned until tomorrow, Friday, March 27, 1998, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

8235. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule— Specialty Crops; Import Regulations; Extension of Reporting Period for Peanuts Imported Under 1997 Import Quotas [Docket No. FV97–999–1 FIR] received March 24, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8236. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Imidacloprid; Pesticide Tolerance [OPP–300628; FRL–5778–3] (RIN: 2070–AB78) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8237. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Imidacloprid; Pesticide Tolerance [OPP–300625; FRL–5776–5] (RIN: 2070–AB78) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8238. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Colorado; Correction [FRL -5977–5] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8239. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Promulgation of Extension of Attainment Date for Ozone Nonattainment Area; Ohio; Kentucky [OH107a; KY101–9809a; FRL–5985–9] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8240. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Ohio [OH103–1a; FRL–5978–6] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8241. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Department's final rule—Retrofit/Rebuild Requirements for 1993 and Earlier Model Year Urban Buses; Additional Update of Post-Rebuild Emission Levels in 1998 [FRL–5986–2] (RIN: 2060–AH45) received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8242. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Kuwait for defense articles and services (Transmittal No. 98–29), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8243. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services (Transmittal No. 98–31), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8244. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Korea for defense articles and services (Transmittal No. 98–32), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8245. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Australia (Transmittal No. DTC–21–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8246. 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.

8247. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Closures of Specified Groundfish Fisheries in the Gulf of Alaska [Docket No. 971208297–8054–02; I.D. 031098C] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8248. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Inshore Component Pollock in the Aleutian Islands Subarea [Docket No. 971208298–8055–02; I.D. 031398A] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8249. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 and 0070 Series Airplanes [Docket No. 96–NM–269–AD; Amendment 39–10310; AD 98–03–18] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8250. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F27 Mark 050 Series Airplanes [Docket No. 97–NM–261–AD; Amendment 39–10300; AD 98–03–08] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8251. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model HS 748 Series Airplanes [Docket No. 97–NM–219–AD; Amendment 39–10309; AD 98–03–17] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8252. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Luftfahrt GmbH Models 228–100, 228–101, 228–200, and 228–201 Airplanes [Docket No. 97–CE–124–AD; Amendment 39–10391; AD 98–06–13] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8253. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0070 and Mark 0100 Series Airplanes [Docket No. 97–NM–245–AD; Amendment 39–10396; AD 98–06–18] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8254. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Mystere Falcon 900 Series Airplanes [Docket No. 97–NM–193–AD; Amendment 39–10395; AD 98–06–17] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8255. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 Series Airplanes [Docket No. 95–NM–38–AD; Amendment 39–10393; AD 98–06–15] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8256. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Construcciones Aeronauticas, S.A. (CASA) Model CN–235 Series Airplanes [Docket No. 97–NM–162–AD; Amendment 39–10392; AD 98–06–14] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8257. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328–100 Series Airplanes [Docket No. 96–NM–114–AD; Amendment 39–10394; AD 98–06–16] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8258. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB–145 Series Airplanes [Airspace Docket No. 98–NM–64–AD; Amendment 39–10397; AD 98–06–19] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8259. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; GKN Westland Helicopters Ltd., 30 Series Helicopters [Docket No. 97–SW–26–AD; Amendment 39–10383; AD 98–06–06] (RIN: 2120–AA64) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8260. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Eastland, TX [Airspace Docket No. 98–ASW–20] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8261. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Gallup, NM [Airspace Docket No. 98–ASW–19] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8262. A letter from the General Counsel, Department of Transportation, transmitting

the Department's final rule—Revocation of Class E Airspace; Wrangell, AK, and Petersburg, AK [Airspace Docket No. 97–AAL–11] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8263. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Realignment of Colored Federal Airway; AK [Airspace Docket No. 97–AAL–10] (RIN: 2120–AA66) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8264. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Wagoner, OK [Airspace Docket No. 98–ASW–03] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8265. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Pawnee, OK [Airspace Docket No. 98–ASW–02] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8266. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Coalgate, OK [Airspace Docket No. 98–ASW–01] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8267. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Miami, OK [Airspace Docket No. 98–ASW–11] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8268. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Idabel, OK [Airspace Docket No. 98–ASW–09] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8269. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Henryetta, OK [Airspace Docket No. 98–ASW–08] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8270. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; McAlester, OK [Airspace Docket No. 98–ASW–10] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8271. A letter from the Deputy Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—Revision to the NASA FAR Supplement Coverage on Alternative Dispute Resolution [48 CFR Part 1833] received March 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

8272. A letter from the Deputy Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—Contract Financing [48 CFR Parts 1832 and 1852] received March 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of the rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on National Security, H.R. 2786. A bill to authorize additional appropriations for the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East and Persian Gulf region by the development and deployment of ballistic missiles by Iran; with amendments (Rept. 105–468 Pt. 1).

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X, the Committee on International Relations discharged from further consideration. H.R. 2786 referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 2786. Referral to the Committee on International Relations extended for a period ending not later than March 26, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ARCHER:

H.R. 3558. A bill to provide that the exception for certain real estate investment trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Ways and Means.

By Mr. HYDE (for himself, Mr. INGLIS of South Carolina, Mr. HUTCHINSON, Mr. PEASE, Mr. GRAHAM, Mr. CONYERS, Mr. BOUCHER, and Mr. DELAHUNT):

H.R. 3559. A bill to modify the application of the antitrust laws with respect to obtaining video programming for multichannel distribution, and for other purposes; to the Committee on the Judiciary.

By Mr. SMITH of Michigan:

H.R. 3560. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1986 to provide for a pilot program for personalized retirement security through personal retirement savings accounts to allow for more control by individuals over their Social Security retirement income, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDREWS (for himself, Mr. SHAYS, Mr. CLAY, Mr. ROEMER, Mr. WALSH, Mr. FARR of California, Mr. NEAL of Massachusetts, Mr. DOOLEY of California, Mrs. MORELLA, Mr. QUINN, Mr. BARRETT of Wisconsin, Mr. SANDLIN, Mr. MILLER of California, Mr. MENENDEZ, Mr. KENNEDY of Massachusetts, Mr. LEWIS of Georgia, Mr. CARDIN, Mr. DINGELL, Mr. FROST, Mr. HORN, Mr. UNDERWOOD, Mr. MALONEY of Connecticut, Mr. HINCHEY, Mr. MURTHA, Mrs. KENNELLY of Connecticut, Mr. BORSKI, Mr. FAZIO of California, Mr. MARTINEZ, Mr. BALDACCI, Mr. FATTAH, Ms. WOOLSEY, Mr. KIND of Wisconsin, Ms. SANCHEZ, Ms. JACKSON-LEE, Mr. MORAN of Virginia, Mr. PETERSON of Minnesota, Mr. VENTO, Mr. FRANK of Massachusetts, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Mr. LEACH, Mr. ADAM SMITH of Washington, Mr. SABO, Mrs. LOWEY, Mr. SAWYER, Mr. DEFAZIO, Mr. ACKERMAN, Mr. HOUGHTON, Mr. HALL of Ohio, Mr. SANDERS, Mr. LANTOS, Mr. KLINK, and Mr. SCOTT):

H.R. 3561. A bill to extend for five years the authorization of appropriations for the programs under the National and Community Service Act of 1990 and the Domestic Volunteer Service Act of 1973, and for other purposes; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 3562. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax to C corporations which have substantial employee ownership and to encourage stock ownership by employees by excluding from gross income stock paid as compensation for services, and for other purposes; to the Committee on Ways and Means.

By Mr. BILIRAKIS (for himself, Mr. BROWN of Ohio, and Mr. UPTON):

H.R. 3563. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to designate that part or all of any income tax refund be paid over for use in biomedical research conducted through the National Institutes of Health; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BUNNING of Kentucky:

H.R. 3564. A bill to exclude the receipts and disbursements of the Abandoned Mine Reclamation Fund from the budget of the United States Government, and for other purposes; to the Committee on the Budget, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCCOLLUM (for himself, Mr. SCHUMER, Mr. BUYER, Mr. CHABOT, and Mr. GEKAS):

H.R. 3565. A bill to amend Part L of the Omnibus Crime Control and Safe Streets Act of 1968; to the Committee on the Judiciary.

By Mr. PAPPAS:

H.R. 3566. A bill to establish a pilot program to facilitate the protection and preservation of remaining open space and farmland in the mid-Atlantic States; to the Committee on Resources.

By Mr. PAPPAS (for himself, Mr. SMITH of New Jersey, Mr. SAXTON, and Mr. COYNE):

H.R. 3567. A bill to amend title XVIII of the Social Security Act to provide for equitable payments to home health agencies under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. ROUKEMA (for herself, Mr. DEFAZIO, Mr. WISE, Mrs. MORELLA, Mr. SHAYS, and Mr. STRICKLAND):

H.R. 3568. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to prohibit group and individual health plans from imposing treatment limitations or financial requirements on the coverage of mental health benefits

and on the coverage of substance abuse and chemical dependency benefits if similar limitations or requirements are not imposed on medical and surgical benefits; to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, 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. SMITH of Oregon:

H.R. 3569. A bill to transfer administrative jurisdiction over certain parcels of public domain land in Lake County, Oregon, to facilitate management of the land, and for other purposes; to the Committee on Resources.

By Mr. STARK (for himself, Mr. LEACH, Mr. WAXMAN, Mr. TOWNS, Mr. HILLIARD, Mr. FROST, and Mr. TORRES):

H.R. 3570. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the Medicare skilled nursing facility prospective payment system; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DAVIS of Virginia (for himself, Mr. MORAN of Virginia, Mr. SCOTT, Mr. GOODE, Mr. BOUCHER, Mr. SISISKY, Mr. BATEMAN, Mr. WOLF, Mr. BLILEY, and Mr. GOODLATTE):

H. Con. Res. 251. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to commemorate the life of George Washington and his contributions to the Nation; to the Committee on Government Reform and Oversight.

By Mrs. MALONEY of New York (for herself, Mr. BILIRAKIS, Mr. ANDREWS, Mr. BLAGOJEVICH, Mr. BONIOR, Mr. BROWN of Ohio, Mr. CUNNINGHAM, Mr. DOYLE, Mr. ENGEL, Mr. FILNER, Ms. FURSE, Mr. HORN, Mrs. KELLY, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of Rhode Island, Mr. KLINK, Mr. MCGOVERN, Mr. MCNULTY, Mr. MEEHAN, Mr. MENENDEZ, Mr. PALLONE, Mr. PAPPAS, Mr. PASCRELL, Mr. PAYNE, Mr. PORTER, Mr. SHERMAN, Mr. TIERNEY, Mr. VISCLOSKY, Mr. HINCHEY, Ms. ROS-LEHTINEN, and Mr. FRANKS of New Jersey):

H. Con. Res. 252. Concurrent resolution relating to a United States initiative to help resolve the situation in Cyprus; to the Committee on International Relations.

By Mr. REYES:

H. Con. Res. 253. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued in honor of the 150th anniversary of the presence of Fort Bliss in the El Paso, Texas, area; to the Committee on Government Reform and Oversight.

By Mr. GILMAN (for himself, Mr. BURTON of Indiana, Mr. SOUDER, Mr. MANTON, Mr. BALLENGER, and Mr. HASTERT):

H. Res. 398. A resolution urging the President to expeditiously procure and provide three UH–60L Blackhawk utility helicopters to the Colombian National Police solely for the purpose of assisting the Colombian National Police to perform their responsibilities to reduce and eliminate the production of illicit drugs in Colombia and the trafficking of such illicit drugs, including the trafficking of drugs such as heroin and cocaine to the United States; to the Committee on International Relations.

By Mr. BASS (for himself, Mr. GOODLING, Mr. GREENWOOD, Mr. RIGGS, Mr. BALLENGER, Mr. GRAHAM, Mr. BALDACCI, Mr. BATEMAN, Mr. BERRY, Mr. BILBRAY, Mr. BLUNT, Mr. BOEHLERT, Mr. CHAMBLISS, Mr. ENGLISH of Pennsylvania, Mrs. FOWLER, Mr. FRANK of Massachusetts, Mr. FRELINGHUYSEN, Mr. GANSKE, Mr. GILMAN, Mr. HILLIARD, Mrs. JOHNSON of Connecticut, Mrs. KELLY, Mr. NETHERCUTT, Mr. SNOWBARGER, and Mr. SUNUNU):

H. Res. 399. A resolution urging the Congress and the President to work to fully fund the Federal Government's obligation under the Individuals with Disabilities Education Act; to the Committee on Education and the Workforce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsor were added to public bills and resolutions as follows:

H.R. 26: Mr. WATT of North Carolina.

H.R. 44: Mr. SMITH of New Jersey, Mr. LEWIS of Kentucky, Mr. DEUTSCH, and Mr. DIAZ-BALART.

H.R. 65: Mr. DEUTSCH and Mr. WELDON of Pennsylvania.

H.R. 135: Mr. MEEKS of New York.

H.R. 192: Mr. CLYBURN.

H.R. 303: Mr. THUNE.

H.R. 372: Mr. KILDEE and Mrs. LOWEY.

H.R. 414: Mr. CLYBURN.

H.R. 457: Mr. GILLMOR.

H.R. 530: Mr. UPTON, Mr. GALLEGLY, Mr. SMITH of Michigan, Mr. SNOWBARGER, Mr. TANNER, Mr. COBLE, Mr. CHRISTENSEN, Mr. WELLER, Mr. WATKINS, Mr. PETRI, Mr. METCALF, Mr. DUNCAN, Mr. TIAHRT, Mr. WELDON of Pennsylvania, Mr. BERRY, and Mr. BLILEY.

H.R. 536: Ms. WOOLSEY.

H.R. 633: Mr. TRAFICANT.

H.R. 699: Mr. THUNE and Mrs. FOWLER.

H.R. 981: Mr. KILDEE, Mr. CONYERS, and Mr. JACKSON.

H.R. 1023: Ms. KAPTUR.

H.R. 1032: Mrs. TAUSCHER.

H.R. 1061: Mrs. JOHNSON of Connecticut.

H.R. 1151: Mr. HASTINGS of Florida, Mr. HILL, Mr. PAUL, Mr. GRAHAM, Mr. PRICE of North Carolina, and Mr. PICKETT.

H.R. 1176: Mr. CLYBURN.

H.R. 1231: Mr. HILLIARD and Mr. SANDLIN.

H.R. 1356: Mr. STEARNS and Mr. BARR of Georgia.

H.R. 1415: Mrs. CLAYTON.

H.R. 1505: Mr. SNYDER and Mr. FILNER.

H.R. 1525: Mr. CLYBURN and Mr. GANSKE.

H.R. 1577: Mr. SUNUNU.

H.R. 1737: Mr. JACKSON and Mr. SHAW.

H.R. 1951: Mr. STOKES, Mr. BECERRA, Mr. MATSUI, Mrs. CLAYTON, and Mr. FILNER.

H.R. 2009: Mr. LOBIONDO and Mr. STARK.

H.R. 2020: Mr. PETERSON of Minnesota, Mr. HAYWORTH, Mr. LEWIS of Georgia, and Mr. ADAM SMITH of Washington.

H.R. 2072: Mr. WATKINS.

H.R. 2094: Mrs. TAUSCHER and Mr. MALONEY of Connecticut.

H.R. 2103: Mr. SANDLIN.

H.R. 2120: Ms. NORTON.

H.R. 2125: Mr. FRELINGHUYSEN.

H.R. 2359: Mr. SHERMAN.

H.R. 2409: Mr. WAXMAN, Mr. MILLER of California, and Mr. ABERCROMBIE.

H.R. 2488: Mr. SESSIONS, Ms. LOFGREN, and Ms. CHRISTIAN-GREEN.

H.R. 2497: Mr. SUNUNU.

H.R. 2568: Mrs. CLAYTON and Mr. BOEHNER.

H.R. 2598: Mr. SESSIONS, Mr. SHIMKUS, and Mr. ADERHOLT.

H.R. 2670: Mr. SHAYS.

H.R. 2708: Mr. MORAN of Kansas.

H.R. 2723: Mr. GOODLING.

H.R. 2754: Mr. TOWNS.

H.R. 2804: Mr. WATT of North Carolina and Mr. HILLIARD.

H.R. 2908: Mr. DOOLEY of California, Mr. SPENCE, Mr. ADERHOLT, Mr. EDWARDS, Mr. FRELINGHUYSEN, Mr. HAYWORTH, Mr. BOSWELL, Mr. CUNNINGHAM, Mr. JENKINS, Mr. BALDACCI, and Ms. DANNER.

H.R. 2912: Mr. CAMP and Mr. OLVER.

H.R. 2921: Mr. HULSHOF, Mr. GANSKE, Mr. KLUG, and Mr. MCINTYRE.

H.R. 2923: Mr. KLUG, Mr. PASTOR, Mr. MILLER of California, Mr. ACKERMAN, Mr. BUNNING of Kentucky, Mr. SHAW, and Mr. GEJDENSON.

H.R. 2942: Mr. MICA and Mr. DIAZ-BALART.

H.R. 2963 Mrs. CLAYTON, Mr. ALLEN, Mr. MEEHAN, Mr. DOYLE, Ms. CARSON, Mr. DEFAZIO, Mr. WAXMAN, Mr. GEJDENSON, and Mr. PALLONE.

H.R. 3008: Mr. FILNER and Mrs. THURMAN.

H.R. 3048: Mr. CASTLE.

H.R. 3126: Mr. RANGEL.

H.R. 3156: Mr. DICKS, Mr. POSHARD, Mr. BARCIA of Michigan, Mr. BLILEY, Mr. STUPAK, Mr. COX of California, Mr. RAHALL, Ms. PRYCE of Ohio, Mr. GORDON, Mr. PASTOR, Mr. EHLERS, Mr. GONZALEZ, Mr. KLINK, Mr. BATEMAN, Mr. WHITFIELD, Mr. HEFNER, Mr. COOKSEY, Mr. BERRY, and Mr. SKELTON.

H.R. 3205: Mrs. MINK of Hawaii.

H.R. 3217: Mr. MCNULTY.

H.R. 3236: Mr. BOEHNER, Mr. SALMON, Mr. BLAGOJEVICH, Mr. WAXMAN, Mr. GREEN, Ms. FURSE, Mr. CLYBURN, Mr. KNOLLENBERG, Mr. BORSKI, and Mr. BILBRAY.

H.R. 3241: Mr. SALMON.

H.R. 3251: Mr. COYNE, Mr. FROST, Mr. FRANK of Massachusetts, Ms. LOFGREN, Mr. SANDERS, Mr. BALDACCI, and Mr. ENGEL.

H.R. 3265: Mr. ETHERIDGE.

H.R. 3267: Mr. ENGLISH of Pennsylvania, Mr. WOLF, Mr. EWING, Mr. JENKINS, Mr. FALEOMAVAEGA, and Mr. KING of New York.

H.R. 3269: Mr. KENNEDY of Massachusetts and Mr. TORRES.

H.R. 3270: Mr. ENGLISH of Pennsylvania.

H.R. 3284: Mr. CLYBURN.

H.R. 3298: Ms. WOOLSEY and Mr. LEWIS of Georgia.

H.R. 3310: Mr. SOUDER and Mr. CHABOT.

H.R. 3313: Mr. DOOLITTLE.

H.R. 3320: Mr. MEEKS of New York, Mrs. CLAYTON, Mr. MENENDEZ, Mr. FATTAH, Mr. CLAY, Mr. CUMMINGS, Mr. TORRES, Mr. JACKSON, Mr. MCINTYRE, Mr. FRANK of Massachusetts, Mr. ALLEN, Mr. BALDACCI, Ms. SLAUGHTER, Mr. MARTINEZ, and Mr. BARRETT of Wisconsin.

H.R. 3331: Mr. DUNCAN.

H.R. 3334: Mr. TAUZIN, Mr. GIBBONS, and Mr. COOKSEY.

H.R. 3342: Mrs. TAUSCHER, Mr. METCALF, Mr. WEXLER, Mr. BLUMENAUER, Ms. SLAUGHTER, and Mr. LAMPSON.

H.R. 3396: Mr. MICA, Mr. CUNNINGHAM, Mr. PICKETT, and Mr. KNOLLENBERG.

H.R. 3400: Mr. FALEOMAVAEGA and Mr. TORRES.

H.R. 3511: Ms. DUNN of Washington.

H.R. 3523: Ms. BROWN of Florida, Mr. MEEHAN, Mr. COSTELLO, Mr. FORBES, Ms. ROS-LEHTINEN, Mr. SHIMKUS, Mr. ENGLISH of Pennsylvania, Mr. RILEY, Mr. SKEEN, Mr. BONILLA, and Mr. PALLONE.

H.R. 3530: Mr. TURNER.

H.R. 3538: Mr. WAXMAN, Mr. HASTINGS of Florida, Mr. OLVER, Mr. FILNER, and Mr. FRANK of Massachusetts.

H.R. 3552: Mr. ISTOOK, Mrs. MYRICK, and Mr. ENGLISH of Pennsylvania.

H.R. 3555: Ms. NORTON.

H.R. 3557: Mr. BOB SCHAFFER.

H.J. Res. 108: Mr. DUNCAN.

H.J. Res. 111: Mr. BRYANT.

H. Con. Res. 52: Mr. SMITH of Texas and Mr. BAESLER.

H. Con. Res. 162: Mr. TOWNS.

H. Con. Res. 203: Mr. GEJDENSON.

H. Con. Res. 210: Mr. PETERSON of Minnesota.

H. Con. Res. 212: Mr. COMBEST, Mr. BARR of Georgia, Mr. CALVERT, Mr. EDWARDS, and Mr. WICKER.

H. Con. Res. 248: Mr. GREEN.

H. Res. 247: Mr. ADAM SMITH of Washington.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 981: Mr. BALLENGER.

H.R. 2021: Mr. NETHERCUTT.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10

OFFERED BY: MR. DREIER

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 2: Strike everything after the enacting clause and insert the following new text:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Financial Services Competitive Enhancement Act''.

TITLE I—FINANCIAL SERVICES COMPETITIVE ENHANCEMENT

SEC. 101. ANTI-AFFILIATION PROVISIONS OF ''GLASS-STEAGALL ACT'' REPEALED.

(a) SECTION 20 REPEALED.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is repealed.

(b) SECTION 32 REPEALED.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is repealed.

SEC. 102. FINANCIAL ACTIVITIES.

Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended to read as follows:

''(8) shares of any company the activities of which the Board, in accordance with subsection (l), has determined (by regulation or order) to be financial in nature or incidental to such financial activities and—

''(A) effective 90 days after the date of the enactment of the Financial Services Competitive Equality Act, it shall be financial in nature to provide insurance as principal, agent, or broker in any State, in full compliance with the laws and regulations of such State that uniformly apply to each type of insurance license or authorization in such State, except that in no event shall the company, the bank holding company, or any affiliate of the company or bank holding company be subject to any State law or regulation that restricts a bank from having an affiliate, agent, or employee in such State licensed to provide insurance as principal, agent, or broker; and

''(B) the Board shall prescribe regulations concerning insurance affiliations that provide equivalent treatment for all stock and mutual insurance companies that control or are otherwise affiliated with a bank and fully accommodate and are consistent with State law;''.

SEC. 103. INSURANCE COMPANY INVESTMENTS.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

''(k) INSURANCE COMPANY INVESTMENTS.—Notwithstanding subsection (a), a bank holding company may directly or indirectly acquire or control, whether as principal, on behalf of 1 or more entities (including any subsidiary of the holding company which is not a depository institution or subsidiary of a depository institution) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

''(1) the shares, assets, or ownership interests are not acquired or held by a depository institution or a subsidiary of a depository institution;

''(2) such shares, assets, or ownership interests are acquired and held by an insurance company that is predominantly engaged in underwriting life, accident and health, or property and casualty insurance (other than credit-related insurance);

''(3) such shares, assets, or ownership interests represent an investment made in the ordinary course of business of such insurance company in accordance with relevant State law governing such investments; and

''(4) during the period such shares, assets, or ownership interests are held, the bank holding company does not directly or indirectly participate in the day-to-day management or operation of the company or entity except insofar as necessary to achieve the objectives of paragraph (3).''.

SEC. 104. FINANCIAL IN NATURE.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by inserting after subsection (k) (as added by section 4 of this Act) the following new subsection:

''(l) ENGAGING IN ACTIVITIES FINANCIAL IN NATURE.—

''(1) IN GENERAL.—Notwithstanding section 4(a), a bank holding company may engage in any activity which the Board has determined (by regulation or order) to be financial in nature or incidental to such financial activities.

''(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to financial activities, the Board shall take into account—

''(A) the purposes of this Act and the Financial Services Competitive Enhancement Act;

''(B) changes or reasonably expected changes in the marketplace in which bank holding companies compete;

''(C) changes or reasonably expected changes in the technology for delivering financial services; and

''(D) whether such activity is necessary or appropriate to allow a bank holding company and the affiliates of a bank holding company to—

''(i) compete effectively with any company seeking to provide financial services in the United States;

''(ii) use any available or emerging technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and

''(iii) offer customers any available or emerging technological means for using financial services.

''(3) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—The following activities shall be considered to be financial in nature:

''(A) Lending, exchanging, transferring, investing for others, or safeguarding money or securities.

''(B) Insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death, or providing and issuing annuities, and acting as principal, agent, or broker for purposes of the foregoing.

''(C) Providing financial, investment, or economic advisory services, including advising an investment company (as defined in section 3 of the Investment Company Act of 1940).

''(D) Issuing or selling instruments representing interests in pools of assets permissible for a bank to hold directly.

''(E) Underwriting, dealing in, or making a market in securities.

''(F) Engaging in any activity that the Board has determined, by order or regulation that is in effect on the date of enactment of the Financial Services Competitive Enhancement Act, to be so closely related to banking or managing or controlling banks as to be a proper incident thereto (subject to the same terms and conditions contained in such order or regulation, unless modified by the Board).

''(G) Engaging, in the United States, in any activity that—

''(i) a bank holding company may engage in outside the United States; and

''(ii) the Board has determined, under regulations issued pursuant to section 4(c)(13) of this Act (as in effect on the day before the date of enactment of the Financial Services Competitive Enhancement Act) to be usual in connection with the transaction of banking or other financial operations abroad.

''(H) Directly or indirectly acquiring or controlling, whether as principal, on behalf of 1 or more entities (including entities, other than a depository institution or subsidiary of a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

''(i) the shares, assets, or ownership interests are not acquired or held by a depository institution or subsidiary of a depository institution;

''(ii) such shares, assets, or ownership interests are acquired and held by a securities affiliate or an affiliate thereof as part of a bona fide underwriting or merchant banking activity, including investment activities engaged in for the purpose of appreciation and ultimate resale or disposition of the investment;

''(iii) such shares, assets, or ownership interests, are held for such a period of time as will permit the sale or disposition thereof on a reasonable basis consistent with the nature of the activities described in clause (ii); and

''(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not actively participate in the day to day management or operation of such company or entity, except insofar as necessary to achieve the objectives of clause (ii).

''(4) ACTIONS REQUIRED.—The Board shall, by regulation or order, define, consistent with the purposes of this Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to activities which are financial in nature:

''(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

''(B) Providing any device or other instrumentality for transferring money or other financial assets;

''(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

''(5) POST CONSUMMATION NOTIFICATION.—

''(A) IN GENERAL.—A bank holding company that acquires any company, or commences any activity, pursuant to this subsection shall provide written notice to the Board describing the activity commenced or conducted by the company acquired no later than 30 calendar days after commencing the activity or consummating the acquisition.

''(B) APPROVAL NOT REQUIRED FOR CERTAIN FINANCIAL ACTIVITIES.—Except as provided in section 4(j) with regard to the acquisition of a savings association, a bank holding company may commence any activity, or acquire any company, pursuant to paragraph (3) or any regulation prescribed or order issued under paragraph (4), without prior approval of the Board.

SEC. 105. STREAMLINING BANK HOLDING COMPANY SUPERVISION.

Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)) is amended to read as follows:

''(c) REPORTS AND EXAMINATIONS.—

''(1) REPORTS.—

''(A) IN GENERAL.—The Board from time to time may require any bank holding company and any subsidiary of such company to submit reports under oath to keep the Board informed as to—

''(i) its financial condition, systems for monitoring and controlling financial and operating risks, and transactions with depository institution subsidiaries of the holding company; and

''(ii) compliance by the company or subsidiary with applicable provisions of this Act.

''(B) USE OF EXISTING REPORTS.—

''(i) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fulfillment of the Board's reporting requirements under this paragraph that a bank holding company or any subsidiary of such company has provided or been required to provide to other Federal and State supervisors or to appropriate self-regulatory organizations.

''(ii) AVAILABILITY.—A bank holding company or a subsidiary of such company shall provide to the Board, at the request of the Board, a report referred to in clause (i).

''(iii) REQUIRED USE OF PUBLICLY REPORTED INFORMATION.—The Board shall, to the fullest extent possible, accept in fulfillment of any reporting or recordkeeping requirements under this Act information that is otherwise required to be reported publicly and externally audited financial statements.

''(iv) REPORTS FILED WITH OTHER AGENCIES.—In the event the Board requires a report from a functionally regulated nondepository institution subsidiary of a bank holding company of a kind that is not required by another Federal or State regulator or appropriate self-regulatory organization, the Board shall request that the appropriate regulator or self-regulatory organization obtain such report. If the report is not made available to the Board, and the report is necessary to assess a material risk to the bank holding company or its subsidiary depository institution or compliance with this Act, the Board may require such subsidiary to provide such a report to the Board.

''(C) DEFINITION.—For purposes of this subsection, the term 'functionally regulated nondepository institution' means—

''(i) a broker or dealer registered under the Securities Exchange Act of 1934;

''(ii) an investment adviser registered under the Investment Advisers Act of 1940, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

''(iii) an insurance company subject to supervision by a State insurance commission, agency, or similar authority; and

''(iv) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.

''(2) EXAMINATIONS.—

''(A) EXAMINATION AUTHORITY.—

''(i) IN GENERAL.—The Board may make examinations of each bank holding company and each subsidiary of a bank holding company.

''(ii) FUNCTIONALLY REGULATED NONDEPOSITORY INSTITUTION SUBSIDIARIES.—Notwithstanding clause (i), the Board may make examinations of a functionally regulated nondepository institution subsidiary of a bank holding company only if—

''(I) the Board has reasonable cause to believe that such subsidiary is engaged in activities that pose a material risk to an affiliated depository institution, or

''(II) based on reports and other available information, the Board has reasonable cause to believe that a subsidiary is not in compliance with this Act or with provisions relating to transactions with an affiliated depository institution and the Board cannot make such determination through examination of the affiliated depository institution or bank holding company.

''(B) LIMITATIONS ON EXAMINATION AUTHORITY FOR BANK HOLDING COMPANIES AND SUBSIDIARIES.—Subject to subparagraph (A)(ii), the Board may make examinations under subparagraph (A)(i) of each bank holding company and each subsidiary of such holding company in order to—

''(i) inform the Board of the nature of the operations and financial condition of the holding company and such subsidiaries;

''(ii) inform the Board of—

''(I) the financial and operational risks within the holding company system that may pose a threat to the safety and soundness of any subsidiary depository institution of such holding company; and

''(II) the systems for monitoring and controlling such risks; and

''(iii) monitor compliance with the provisions of this Act and those governing transactions and relationships between any subsidiary depository institution and its affiliates.

''(C) RESTRICTED FOCUS OF EXAMINATIONS.—The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a bank holding company to—

''(i) the bank holding company; and

''(ii) any subsidiary of the holding company that, because of—

''(I) the size, condition, or activities of the subsidiary; or

''(II) the nature or size of transactions between such subsidiary and any depository institution which is also a subsidiary of such holding company,

could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

''(D) DEFERENCE TO BANK EXAMINATIONS.—The Board shall, to the fullest extent possible, use, for the purposes of this paragraph, the reports of examinations of depository institutions made by the appropriate Federal and State depository institution supervisory authority.

''(E) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, address the circumstances which might otherwise permit or require an examination by the Board by forgoing an examination and instead reviewing the reports of examination made of—

''(i) any registered broker or dealer or registered investment adviser by or on behalf of the Securities and Exchange Commission;

''(ii) any licensed insurance company by or on behalf of any state regulatory authority responsible for the supervision of insurance companies; and

''(iii) any other subsidiary that the Board finds to be comprehensively supervised by a Federal or State authority.

''(3) CAPITAL.—

''(A) IN GENERAL.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, guidelines, standards, or requirements on any subsidiary of a bank holding company that is not a depository institution and—

''(i) is in compliance with applicable capital requirements of another Federal regulatory authority (including the Securities and Exchange Commission) or State insurance authority; or

''(ii) is registered as an investment adviser under the Investment Advisers Act of 1940.

''(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to activities of a registered investment adviser other than investment advisory activities or activities incidental to investment advisory activities.

''(4) TRANSFER OF BOARD AUTHORITY TO APPROPRIATE FEDERAL BANKING AGENCY.—

''(A) IN GENERAL.—In the case of any bank holding company which is not significantly engaged in nonbanking activities, the Board, in consultation with the appropriate Federal banking agency, may designate the appropriate Federal banking agency of the lead insured depository institution subsidiary of such holding company as the appropriate Federal banking agency for the bank holding company.

''(B) AUTHORITY TRANSFERRED.—An agency designated by the Board under subparagraph (A) shall have the same authority as the Board under this Act to—

''(i) examine and require reports from the bank holding company and any affiliate of such company (other than a depository institution) under section 5;

''(ii) approve or disapprove applications or transactions under section 3;

''(iii) take actions and impose penalties under subsections (e) and (f) of section 5 and section 8; and

''(iv) take actions regarding the holding company, any affiliate of the holding company (other than a depository institution), or any institution-affiliated party of such company or affiliate under the Federal Deposit Insurance Act and any other statute which the Board may designate.

''(C) AGENCY ORDERS.—Section 9 (of this Act) and section 105 of the Bank Holding Company Act Amendments of 1970 shall apply to orders issued by an agency designated under subparagraph (A) in the same manner such sections apply to orders issued by the Board.

''(5) FUNCTIONAL REGULATION OF SECURITIES AND INSURANCE ACTIVITIES.—The Board shall defer to—

''(A) the Securities and Exchange Commission with regard to all interpretations of, and the enforcement of, applicable Federal securities laws relating to the activities, conduct, and operations of registered brokers, dealers, investment advisers, and investment companies; and

''(B) the relevant State insurance authorities with regard to all interpretations of, and the enforcement of, applicable State insurance laws relating to the activities, conduct, and operations of insurance companies and insurance agents.''.

SEC. 106. AMENDMENT TO DIVESTITURE PROCEDURES.

Section 5(e)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(e)(1)) is amended—

(1) by striking ''Financial Institutions Supervisory Act of 1966, order'' and inserting ''Financial Institutions Supervisory Act of 1966, at the election of the bank holding company—

''(A) order''; and

(2) by striking ''shareholders of the bank holding company. Such distribution'' and inserting ''shareholders of the bank holding company; or

''(B) order the bank holding company, after due notice and opportunity for hearing, and after consultation with the bank's primary supervisor, which shall be the Comptroller of the Currency in the case of a national bank, and the Federal Deposit Insurance Corporation and the appropriate State supervisor in the case of an insured nonmember bank, to terminate (within 120 days or such longer period as the Board may direct) the ownership or control of any such bank by such company.

''The distribution referred to in subparagraph (A)''.

SEC. 107. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by adding at the end the following new subsection:

''(g) AUTHORITY OF STATE INSURANCE REGULATOR AND THE SECURITIES AND EXCHANGE COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the Board which requires a bank holding company to provide funds or other assets to a subsidiary insured depository institution shall not be effective nor enforceable if—

''(A) such funds or assets are to be provided by—

''(i) a bank holding company that is an insurance company or is a broker or dealer registered under the Securities Exchange Act of 1934; or

''(ii) an affiliate of the depository institution which is an insurance company or a broker or dealer registered under such Act; and

''(B) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker or dealer, as the case may be, determines in writing sent to the holding company and the Board that the holding company shall not provide such funds or assets because such action would have a material adverse effect on the financial condition of the insurance company or the broker or dealer, as the case may be.

''(2) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the Board requires a bank holding company, or an affiliate of a bank holding company, which is an insurance company or a broker or dealer described in paragraph (1)(A) to provide funds or assets to an insured depository institution subsidiary of the holding company pursuant to any regulation, order, or other action of the Board referred to in paragraph (1), the Board shall promptly notify the State insurance authority for the insurance company or the Securities and Exchange Commission, as the case may be, of such requirement.

''(3) DIVESTITURE IN LIEU OF OTHER ACTION.—If the Board receives a notice described in paragraph (1)(B) from a State insurance authority or the Securities and Exchange Commission with regard to a bank holding company or affiliate referred to in such paragraph, the Board may order the bank holding company to divest the insured depository institution within 180 days of receiving notice or such longer period as the Board determines consistent with the safe and sound operation of the insured depository institution.

''(4) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the Board under paragraph (3) to a bank holding company and ending on the date the divestiture is completed, the Board may impose any conditions or restrictions on the holding company's ownership or operation of the insured depository institution, including restricting or prohibiting transactions between the insured depository institution and any affiliate of the institution, as are appropriate under the circumstances.''.

SEC. 108. PRUDENTIAL SAFEGUARDS.

Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by inserting after subsection (g) (as added by section 8 of this Act) the following new subsection:

''(h) PRUDENTIAL SAFEGUARDS.—

''(1) IN GENERAL.—The Board may, by regulation or order, impose restrictions or requirements on relationships or transactions between a depository institution subsidiary of a bank holding company and any affiliate of such depository institution (other than a subsidiary of such institution) which the Board finds is consistent with the public interest, the purposes of this Act, the Financial Services Competitive Enhancement Act, the Federal Reserve Act, and other Federal law applicable to depository institution subsidiaries of bank holding companies and the standards in paragraph (2).

''(2) STANDARDS.—The Board may exercise authority under paragraph (1) if the Board finds that such action will have any of the following effects:

''(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

''(B) Enhance the financial stability of bank holding companies.

''(C) Avoid conflicts of interest or other abuses.

''(D) Enhance the privacy of customers of depository institutions.

''(E) Promote the application of national treatment and equality of competitive opportunity between nonbank affiliates owned or controlled by domestic bank holding companies and nonbank affiliates owned or controlled by foreign banks operating in the United States.

''(3) REVIEW.—The Board shall regularly—

''(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

''(B) modify or eliminate any restriction or requirement the Board finds is no longer required for such purposes.''.

SEC. 109. EXAMINATION OF INVESTMENT COMPANIES.

(a) EXCLUSIVE COMMISSION AUTHORITY.—

(1) IN GENERAL.—The Commission shall be the sole Federal agency with authority to inspect and examine any registered investment company that is not a bank holding company.

(2) PROHIBITION ON BANKING AGENCIES.—A Federal banking agency may not inspect or examine any registered investment company that is not a bank holding company.

(b) EXAMINATION RESULTS AND OTHER INFORMATION.—The Commission shall provide to any Federal banking agency, upon request, the results of any examination, reports, records, or other information with respect to any registered investment company to the extent necessary for the agency to carry out its statutory responsibilities.

(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) BANK HOLDING COMPANY.—The term ''bank holding company'' has the meaning given to such term in section 2 of the Bank Holding Company Act of 1956.

(2) COMMISSION.—The term ''Commission'' means the Securities and Exchange Commission.

(3) FEDERAL BANKING AGENCY.—The term ''Federal banking agency'' has the meaning given to such term in section 3(z) of the Federal Deposit Insurance Act.

(4) REGISTERED INVESTMENT COMPANY.—The term ''registered investment company'' means an investment company which is registered with the Commission under the Investment Company Act of 1940.

SEC. 110. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by inserting after section 10 the following new section:

''SEC. 10A. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

''(a) LIMITATION ON DIRECT ACTION.—

''(1) IN GENERAL.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a regulated subsidiary of a bank holding company unless the action is necessary to prevent or redress an unsafe or unsound practice or breach of fiduciary duty by such subsidiary that poses a material risk to—

''(A) the financial safety, soundness, or stability of an affiliated depository institution; or

''(B) the domestic or international payment system.

''(2) CRITERIA FOR BOARD ACTION.—The Board shall not take action otherwise permitted under paragraph (1) unless the Board finds that it is not reasonably possible to effectively protect against the material risk at issue through action directed at or against the affiliated depository institution or against depository institutions generally.

''(b) LIMITATION ON INDIRECT ACTION.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a bank holding company where the purpose or effect of doing so would be to take action indirectly against or with respect to a regulated subsidiary that may not be taken directly against or with respect to such subsidiary in accordance with subsection (a).

''(c) ACTIONS SPECIFICALLY AUTHORIZED.—Notwithstanding subsection (a), the Board may take action under this Act or section 8 of the Federal Deposit Insurance Act to enforce compliance by a regulated subsidiary with Federal law that the Board has specific jurisdiction to enforce against such subsidiary.

''(d) REGULATED SUBSIDIARY DEFINED.—For purposes of this section, the term 'regulated subsidiary' means any company that is not a bank holding company and is—

''(1) a broker or dealer registered under the Securities Exchange Act of 1934;

''(2) an investment adviser registered under the Investment Advisers Act of 1940, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

''(3) an investment company registered under the Investment Company Act of 1940;

''(4) an insurance company or an insurance agency subject to supervision by a State insurance commission, agency, or similar authority; or

''(5) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.''.

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Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Sovereign God, maximize us by Your spirit for the demanding responsibilities and relationships of this day. We say with the Psalmist, ''God, be merciful to us and bless us, and cause Your face to shine upon us, that Your way may be known on Earth, Your salvation among the nations.''—Psalm 67:1–2.

Father, our day is filled with challenges and decisions. In the quiet of this magnificent moment of conversation with You, we dedicate this day. We want to live it to Your glory.

We praise You that it is Your desire to give Your presence, wisdom, guidance, and blessings to those who ask. You give strength and power to Your people when we seek You above all else. You guide the humble and teach them Your way. Help us to humble ourselves as we begin this day so that no self-serving agenda or self-aggrandizing attitude will block Your blessings to us or to our Nation through us. May we speak with both the tenor of Your truth and the tone of Your grace. In the name of Him who taught us that the greatest among us are those who unselfishly serve. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT of Mississippi, is recognized.

Mr. LOTT. Thank you.

SCHEDULE

Mr. LOTT. In a moment the Senate will resume consideration again of S. 1768, the emergency supplemental appropriations bill. I remind my colleagues, this is supposed to be an emergency, urgent supplemental. We began it in the winter. It is now spring, and I hope we can finish it before summer. But the Senate will resume work in its inimitable way, and eventually we will get to a conclusion. I have to wonder if Senators are serious at all about this emergency legislation. I think maybe as majority leader I have learned a lesson. I will not be able to ever plan again on the emergency supplemental taking a day or two. I think I will have to plan on a week or two.

Last night we reached a unanimous consent agreement limiting amendments to the bill. It is my hope—and I know it is the chairman's hope as well—that most amendments will not be offered that are on this list. We want to finish this important legislation early today so we can move on to other issues. Those of you that do have amendments on the list, if you are serious, I urge you to come over and offer those amendments this morning. The chairman is ready to proceed. Looking down the list and thinking about the time that will be needed, if Senators are reasonable, we should be able to complete this legislation sometime in the early afternoon, I hope, at the least.

Under the order, at 10 a.m. the Senate will resume 50 minutes of debate on the Enzi amendment regarding Indian gaming. It is my understanding that amendment may not need a rollcall vote, but we will have to clarify that momentarily. However, there are other pending amendments that will require rollcall votes. Surely there will be votes throughout the morning and the afternoon.

We are still hoping to reach an agreement on the Coverdell education savings account bill today. Senator DASCHLE and I continue to exchange suggestions. Sometimes we get very close, and then it seems to go back the other way. But we very well could have the second cloture vote sometime during the day. In addition, of course, we will consider any executive and legislative items cleared for action, including the Mexico decertification legislation which we will have to do this week. We must do that under the law before the end of the month. Sometime today, I hope under a reasonable time limit—I hope not more than 2 hours—we could complete the Mexico decertification.

I remind Senators, there will be votes on Friday morning, so they need to plan their schedules accordingly, but there will not be votes after 12 noon.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the leadership time is reserved.

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The PRESIDING OFFICER. Under the previous order, the clerk will report the supplemental appropriations bill.

The assistant legislative clerk read as follows:

A bill (S. 1768) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McConnell modified amendment No. 2100, to provide supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998.

Stevens (for Nickles) amendment No. 2120, to strike certain funding for the Health Care Financing Administration.

Enzi amendment No. 2133, to prohibit the Secretary of the Interior from promulgating certain regulations relating to Indian gaming activities.

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

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Bumpers amendment No. 2134, to express the sense of the Senate that of the rescissions, if any, which Congress makes to offset appropriations made for emergency items in the Fiscal Year 1998 supplemental appropriations bill, defense spending should be rescinded to offset increases in spending for defense programs.

Robb amendment No. 2135, to reform agricultural credit programs of the Department of Agriculture.

AMENDMENT NO. 2133

The PRESIDING OFFICER. Under the previous order, the pending business is amendment 2133, offered by the Senator from Wyoming, Mr. ENZI.

There are 50 minutes remaining for debate on the amendment; 15 minutes is under the control of the Senator from Wyoming, and 35 minutes under the control of the Senator from Hawaii, Mr. INOUYE.

Mr. STEVENS. Mr. President, I ask unanimous consent I be allowed to yield 5 minutes to the Senator from Colorado from the time of Senator INOUYE.

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

The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I rise to speak against the amendment offered by my friend and colleague from Wyoming, Senator ENZI, related to the procedures of the Secretary of the Interior in the Indian gaming statute.

I oppose this amendment first and foremost because it will make permanent changes to the Indian Gaming Regulatory Act without a single hearing on the matter. Later today I intend to introduce a freestanding bill to amend the Indian gaming statute. In fact, I was rather surprised this amendment would come forward on a bill that is designed to be an emergency supplemental for our troops in Bosnia and the gulf and to address natural disasters.

Beginning this Wednesday, our committee will conduct the first of several hearings this year dealing with difficult and complex issues involving Indian gaming tribes and Indian gaming in itself. These issues include: Should there be uniform standards governing Indian gaming? What level of regulation of tribal gaming is needed? Is the Federal Gaming Commission adequately funded? What remedies do tribes have in the wake of the Supreme Court's Seminole decision?

That is the committee of jurisdiction, and that is the forum through which the Senator from Wyoming should have addressed his concerns.

When Congress enacted the Indian Gaming Regulatory Act, the States were invited to play a significant role in the regulation of gaming activities that take place on Indian lands. In fact, the statute required tribes to have a gaming compact before the State commenced any casino-style gaming within tribal lands. Though few have come to understand how significant such a provision is, it was and is a major concession by Indian tribes and one that has worked fairly well for the last 8 years.

Congress also realized that tribes need a mechanism to encourage States to negotiate these compacts and provided for tribal lawsuits against reluctant States. Up until 1996, if a Federal court determined that a State was negotiating in bad faith, or if the State decided not to negotiate at all, the tribe had the option of filing a lawsuit to bring about good-faith negotiations.

In 1996, the Supreme Court handed down the decision in Seminole Tribe of Indians v. The State of Florida. This decision said that a State may assert its 11th amendment immunity from lawsuits and preclude tribes from suing it in order to conclude a gaming agreement. Just as I believe we should respect each State's sovereign right, it seems to me we should recognize those of tribes, too.

Next week at the committee hearing, one of the issues surely to arise again will be the matter of whether, in the absence of a State-tribal compact, the Secretary of the Interior can issue procedures to govern casino gaming on Indian lands. Senator ENZI's amendment would preempt the efforts of the committee to fully and fairly look at the issues regarding Indian gaming.

I ask unanimous consent to have printed in the RECORD a statement from the administration that opposes this amendment.

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

BUREAU: BUREAU OF INDIAN AFFAIRS

ITEM: PROPOSED BILL S. 1572, INTRODUCED BY SENATORS BRYAN, ENZI, REID, AND SESSIONS ON JANUARY 27, 1998

S. 1572 amends the Indian Gaming Regulatory Act (IGRA) and precludes the Secretary of the Interior from promulgating final regulations to deal with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

Background: The Indian Gaming Regulatory Act (IGRA) was enacted to allow Indian tribes the opportunity to pursue gaming as a means of economic development on Indian lands. Since 1988, Indian gaming, regulated under IGRA, has provided benefits to over 150 tribes and to their surrounding communities in over 24 states. As required by law, Indian gaming revenues have been directed to programs and facilities to improve the health, safety, educational opportunities and quality of life for Indian people.

Under IGRA, Tribes are only authorized to conduct casino-style gaming operations if such gaming is permitted by the state. Further, the gaming is allowed in such states only pursuant to a mutually agreed-upon Tribal-State compact; or in the alternative, pursuant to procedures issued by the Secretary if a state fails to consent to a compact arrived at through the mediation process that follows a determination by a United States District Court that the State has failed to negotiate in good faith (25 U.S.C. Section 2710(d)(7)(B)(vii). IGRA only authorizes the Secretary to issue ''procedures'' after sates have been provided with a full opportunity to negotiate compact terms.

Under IGRA, Congress intended to give tribes the right to file suits directly against states that failed to negotiate in good faith with regard to Class III gaming. The right to sue a state for failure to negotiate in good faith was seen by Congress as the best way to ensure that states deal fairly with tribes as sovereign governments. See Senate Report No. 446, 100th Congress, 2nd Session 14 (1988).

In Seminole Tribe v. State of Florida, the U.S. Supreme Court held that Congress was without authority to waive the States' immunity to suits in Federal courts ensured by the Eleventh Amendment to the Constitution. As a result of this decision, states can avoid entering into good faith negotiations with Indian tribes without concern about being subject to suit by tribes. Under these circumstances, the Secretary's authority to promulgate regulations may be the only avenue for meeting the Congressional policy of promoting tribal economic development and self sufficiency.

Effect of Proposed Legislation: The legislation would prohibit the adoption of a rule setting forth the process and standards pursuant to which Class III procedures would be adopted in specific situations where the state has asserted its Eleventh Amendment immunity. If the legislation is included as an amendment to a 1998 supplemental appropriation, the language would remain in effect through FY 1998.

Departmental Position: The Department strongly objects to any attempt to substantially interfere with its ability to administer the Indian Gaming Regulatory Act or to thwart Congress' declared policy in IGRA of promoting tribal economic development, self sufficiency and strong tribal government. The Secretary would recommend a veto of any legislation extending beyond FY 1998 that prevents the Secretary from attempting to work out a reasonable solution for dealing with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

The Secretary published proposed regulations on January 22, 1998 which would authorize the Secretary to approve Class III gaming procedures in cases where the state has asserted an Eleventh Amendment defense. The proposed rule is narrow in scope. It will allow the Secretary to move forward only (1) where a Tribe asserts that a State has not acted in good faith in negotiating a Class III gaming compact and (2) when the State asserts immunity from the lawsuit to resolve the dispute. In the 9-year history of IGRA, these situations have been very rare. Over 150 compacts have been successfully negotiated and are being implemented in more than half the states. Even where negotiations have been unsuccessful and litigation has been filed, a number of States have chosen not to assert immunity from suit. Based on experience to date, relatively few situations will arise requiring Secretarial decisions.

The publication of the proposed rule is followed by a 90-day comment period, with formal public access to and review of the proposed rule. The Department will attempt to maximize State participation and comment during the comment period, with final publication of the rule expected in FY 1998, after careful review and analysis of public comments. In particular, the Department will continue to meet with State Governors to discuss the proposed rule and to work out compromises. A provision in the FY 1998 Department of the Interior and Related Agencies Appropriations Act precludes the implementation of a final rule this fiscal year.

State law would continue to be the appropriate reference point for determining the ''scope of gaming'' permitted in any procedures proposed by the Department to resolve Indian gaming compact disputes. This policy is consistent with the Department's position that it does not authorize classes or forms of Indian gaming in any State where they are affirmatively prohibited. See Brief of the

United States as amicus curiae in the Supreme Court in Rumsey Indian Rancher of Wintun Indians v. Wilson, 64F.3d 1250 (9th Cir. 1995), as modified on denial of petition for rehearing, 99F.3d 321 (9th Cir 1996), cert denied, sub nom. Sycuan Band of Mission Indians v. Wilson, No. 96–1059, 65 U.S.L. W. 3855 (June 24, 1997).

The publication of the proposed rule follows an Advanced Notice of Public Rulemaking published in the Federal Register in May, 1996. In developing the proposed rule, the Department carefully considered over 350 comments submitted by States, Tribes, and others.

The Department opposes legislation which would in effect provide States with a veto power over Class III Indian gaming when state law permits the gaming at issue ''for any purpose by an person, organization or entity.''

In addition, the Department of the Interior strongly objects to using the appropriations process for policy amendments to the Indian Gaming Regulatory Act. Including the provision in the FY 1998 supplemental appropriations would circumvent a fair legislative process with hearings involving Indian tribes, state officials and the regulated community. Through the hearing process, all parties involved in Indian gaming are allowed to contribute testimony on how or whether IGRA should be amended.

Mr. STEVENS. I urge Members who have colloquies that they wish to enter into with myself or Senator BYRD to come over now, and we can get those done. We have two significant—maybe three significant colloquies pertaining to amendments that will not be necessary if the colloquies are properly presented.

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. INOUYE. 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. INOUYE. Mr. President, as Chairman CAMPBELL of the Committee on Indian Affairs has observed, I believe it is very important that our colleagues have a clear understanding of the context in which this amendment is being offered. I say this because one might infer that the Secretary of the Interior is pursuing a course of action that is either unwarranted or one which the Congress would never sanction, and I believe it is critically important that we understand that drawing such inferences would be wrong.

As Senator CAMPBELL has indicated, in 1988 the Indian Gaming Regulatory Act was enacted into law. It followed a ruling by the Supreme Court in 1987 in which the Court once again reaffirmed one of the fundamental principles of Federal Indian law; namely, that the civil regulatory laws of the State do not apply in Indian country. In so ruling, the Court concluded that the State of California could not regulate gaming on Indian lands.

As often happens, the Congress responded with the enactment of a law that gave to the States that which they did not have after the Court's decision—an ability to enter into a compact with a tribal government under which State laws might apply if the parties so agreed.

That law has proven to work well.

In fact, twenty-three of the twenty-eight States in which Indian reservations are located, have elected to enter into compacts with the tribal governments in their respective States.

Thus, it is clear that the law is working.

However, in 1996, the Supreme Court ruled again.

The Court found that while the Congress intended to enable the parties to go to a Federal court to resolve any outstanding questions of law relative to gaming activities permitted within each State, or relative to tribal-state compact negotiations, the Congress could not waive the States' eleventh amendment immunity to suit.

The result was that if a State refused to negotiate a tribal-state compact for the conduct of gaming, there is no Federal forum to which the parties can go to secure the assistance of the courts in reaching a resolution.

So the Secretary of the Department of the Interior—as the Federal official to whom authority has been delegated to manage matters of Indian affairs—took the next step and did what many believe was the responsible thing to do.

In the fall of 1996, the Secretary invited comments from the public as to how he should proceed.

He posed a question—''should the remaining tribal governments—those that did not have compacts before the Supreme Court's ruling—be precluded from conducting gaming on their lands if a State elects not to enter into compact negotiations?''

Taken together, the responses, I assume were that the Supreme Court and the Congress have recognized the right of tribal governments, as sovereigns, to conduct gaming activities on their lands—and that if the process set forth in the act was no longer workable, then another process ought to be put in place.

And so the Secretary proceeded to issue an advance notice of proposed rulemaking, once again inviting comments from the public.

Put another way, this whole process that the Secretary has pursued has been conducted in the full light of day, with maximum input from all interested parties. There was ample opportunity provided for everyone to weigh in and have their voices heard. And, because we have yet to enact a legislative remedy to the problem created by the Supreme Court's ruling—it was a necessary and proper action for the Secretary to take.

Nonetheless, my colleagues felt it necessary to propose an amendment to the Interior appropriations bill, last fall, that would prevent the Secretary from proceeding any further. I was opposed to that amendment, because I believe that through our passage of the Indian Gaming Regulatory Act, we have clearly sent a message to Indian country.

That message is that we recognize the right to Indian country to seek a means—other than a reliance on Federal appropriations—to foster economic growth in their communities—communities, which have historically been plagued with poverty, the highest rates of unemployment in the Nation, not to mention the sorry state of housing, health care, and education.

My colleagues' amendment seeks to send a message to those tribes that have yet to secure compacts—that if for one reason or another, you don't have a compact with a State—you will never have any other way to have gaming activities authorized on your lands. That you will be permanently foreclosed from the one activity that has proven to hold any potential for the economic well-being of Indian communities. That if your tribal economy has been devastated—if there are no jobs to be had on your reservation—that is just too bad.

Mr. President, I don't think we can—in all clear conscience—send that message to Indian country.

It isn't as though Indian reservations are located on another planet. The strength of tribal economies is every bit as important to our national economy as those of the States and local governments.

If there are no jobs on the reservations, people will be, as they have been forced to do in the past, become increasingly more dependent on Federal programs. And this just flies in the face of all good sense and sound judgment.

For the past 28 years, our national policy has been to support tribal governments in their quest to become economically self-sufficient.

My friend, the chairman of the Appropriations Committee, could give us chapter and verse as to the scarcity of Federal dollars when it comes to meeting the needs in Indian country.

For 28 years, we have been saying to the tribes—''get on your feet economically—we will do whatever we can to support you. Like you, we want to see the day when you are self-determining people who no longer need to have your lives dominated by the actions or inaction of the Federal Government.''

The adoption of this amendment will send a decidedly different message. That message is that—''we will cut off Your right, as sovereigns, to determine whether gaming is something you want to employ as an economic tool to lift your communities out of the economic devastation and despair that has plagued Indian country for so long.''

Mr. President, my colleagues know that I am not one who supports gaming. Hawaii is one of two States in the Union that criminally prohibits all forms of gaming.

But I have seen what gaming has brought to Indian country and I support gaming for Indian country because

I believe that it is one of their Rights as sovereigns within our system of government to determine how to develop the economic base of tribal communities.

So while I do not question the good intentions of my colleagues, I would suggest to them and to my other colleagues, that this simply is not a matter that has to be or should be addressed in an emergency supplemental appropriations bill.

The better course of action, in my view, would be to address this matter either in the authorizing committee or as part of the regulatory process.

I am advised that the National Governor's Association has already notified the Department that it will be requesting a 30-day extension of the rulemaking procedure—which would take us into the end of May.

Finally, the administration has sent up a statement of administration policy on this amendment which makes abundantly clear that the Department of the Interior will recommend a veto of the emergency supplemental appropriations bills, should this amendment be included in the bill.

I urge my colleagues to oppose this amendment. It does not involve an emergency situation—there are other forums in which this matter is more appropriately addressed. There is more than sufficient time to take action, if it is necessary, before the rulemaking process is complete.

Clearly, we would not be acting today if there were not victims who are desperately in need of the emergency assistance that this bill will make available.

I don't think we can responsibly tell them that the help that is so critical to them will not be forthcoming because this bill was vetoed. And we knew that it would be—simply because of an Indian gaming amendment that so obviously did not need to be treated as if it were an emergency and thereby addressed in this bill.

In conclusion, Mr. President, I would note that each of my colleagues who spoke in support of this amendment yesterday, all made one and the same assumption—the assumption that States have a right to consent to the conduct of gaming on Indian lands. However, under the Supreme Court's ruling in Cabazon, the States do not have such a right.

This is what the Court explicitly held.

It is the Indian Gaming Regulatory Act that carved out a role for the States to play in Indian gaming.

In my view, if a State elects not to avail itself of this role—either by refusing to negotiate for a compact or by asserting it's eleventh amendment immunity to suit—then the State is knowingly opting out of its prerogatives under the act.

In so doing, a State has voluntarily passed the responsibility back to the Federal Government.

All that the Interior Secretary is doing here is fulfilling his role as trustee by assuring that the action on the part of a State does not abrogate the rights of the tribal governments.

When my colleagues suggest that the statute does not envision the Secretary acting without the consent of a State—it is because the statute is premised upon a simple assumption.

In 1988, the States aggressively pursued having a role to play in Indian gaming. It was and is then natural to assume that they would act in conformance with what they said they wanted.

If a State doesn't want this role, then I would suggest that a State would be hard pressed to object to the Federal Government fulfilling its responsibilities in lieu of the State. This is simple equity.

We can always repeal this law. But let us all be clear about what the state of the law would be in the absence of this statute. Tribal governments could conduct gaming on their lands without regard to State law and without the consent of any State.

Mr. President, I don't think that is what my colleagues want.

Mr. MCCAIN. Mr. President, I join with my colleagues, Senator CAMPBELL and Senator INOUYE, in strong opposition to the amendment sponsored by Senators ENZI, REID and BRYAN to S. 1768. I regret that I was not able to participate more fully in the debate on this amendment. However, I want to make it clear that I take strong exception to this amendment, as I did last September when a similar amendment was before the Senate. If I had been able to be on the floor, I would have fought against and voted against this amendment.

The adoption of this amendment in any form disturbs the careful balance of State, Tribal and Federal interests which is embodied in the Indian Gaming law. The amendment was offered and debated without the benefit of any hearings or the consideration of the committee of jurisdiction, the Committee on Indian Affairs.

I recognize the Indian gaming law is not perfect. However, this is not the time nor the proper manner for consideration of amendments to the Act. The Committee on Indian Affairs has before it several proposals to amend the Indian Gaming Regulatory Act. As all of my colleagues know, I have proposed amendments to the Indian Gaming Regulatory Act. My colleagues from Wyoming and Nevada should follow our established procedures and introduce legislation which can be referred to the Committee for hearings and proper consideration. Fairness and a respect for our laws and the views of all concerned parties requires such deliberation.

Mr. President, I am disappointed that this body approved such an ill-advised policy which, in effect, interferes with and side-steps the on-going work of the authorizing Committee. I urge the conferees who will be appointed to finalize this supplemental appropriations bill to eliminate this provision from the final conference agreement.

Mr. JOHNSON. Mr. President, I rise today in opposition to the amendment offered by Senators ENZI and BRYAN with respect to restrictions on the activities of the Secretary of the Interior. While I appreciate the concerns of my colleagues on this issue, I do not believe that this emergency supplemental bill is the appropriate vehicle for this amendment and, I encourage my colleagues on the appropriations conference committee to carefully consider the impact that this amendment will have on the potential for progress between Indian tribes and state governments in this area.

As written, this amendment would prohibit the Secretary of the Interior from proceeding with proposed regulations to create procedures to permit class III gaming, procedures which would basically facilitate state-tribal negotiations when other avenues are exhausted. There has been a stalemate in Indian gaming compact negotiations since the 1996 Supreme Court Seminole decision. In response, the Senate included language in the FY1998 Interior Appropriations bill sending a strong message to the Secretary that gaming compacts should not be entered into without state involvement. I believe the Secretary has heeded that Congressional directive through the rulemaking process, and that states have been encouraged to participate in the comment period required in the formation of federal regulations.

Proponents of this amendment believe they are acting in the best interest of the states. However, eliminating the Secretary's ability to gather commentary and issue procedures to help facilitate dialog on Indian gaming goes against the states' interests.

We are fortunate in South Dakota to have a relatively productive relationship between the state and the tribes on gaming issues. However, this amendment, offered without committee consideration or extensive debate, directly limits the federal role in maintaining the balance of tribal, state and federal interests in the gaming negotiation process and I must oppose this step.

Federal law requires tribal governments to use gaming revenue to fund essential services such as education, law enforcement and economic development. Without due protection of the rights of tribal governments to negotiate gaming compacts, the entire foundation of tribal sovereignty and government-to-government relations is jeopardized. The uncertainty left by the Seminole case demands that the Department of the Interior and the Congress revisit existing gaming regulations and law. I will urge the Senate Indian Affairs Committee to continue moving forward on legislation to revisit the Indian Gaming Regulatory Act (IGRA).

Mr. President, I am opposed to the amendment offered by Senators ENZI

and BRYAN and encourage my colleagues to closely examine any language agreed to by the conferees to ensure that the interests of states, tribes, and the federal government are maintained in the Indian gaming regulatory process.

Mr. KENNEDY. Mr. President, I rise today to express my concern about the continuing efforts of some in Congress to undermine the rights of the first Americans—the American Indian and Alaska Native people of our country, their tribal governments, and their unique and historic government-to-government relationship with the United States. In America today, there are 557 federally recognized tribes. In hundreds of treaties signed by the President and ratified by the Senate over the years, Indian tribes have traded vast amounts of land for the right to live on their reservations and govern themselves. An honorable country keeps its promises, even those made many years ago. We must reaffirm our commitment to self-determination for tribal governments.

In the first session of this Congress, numerous proposals were introduced to limit the sovereign rights of tribal governments. One of the most objectionable of the proposals would have required tribal governments to waive all sovereign immunity against suit as a condition of receiving federal funds. It would have authorized suits against tribal governments to be heard in federal courts rather than tribal courts.

Other legislation similar in scope contains extremely broad waivers of tribal sovereign immunity, and would subject tribal governments to virtually any type of suit in both federal and state courts. Any such measure would make it nearly impossible for tribal governments to carry out basic governmental functions and would jeopardize the resources and the future of tribal governments.

Indian nations are forms of government recognized in the U.S. Constitution and hundreds of treaties, court decisions and federal laws. Tribal governments are analogous to state and local governments. They carry out basic governmental functions such as law enforcement and education on Indian lands throughout the country. Tribal governments are modern, democratic, fair and as deserving of respect by Congress just as Congress respects state and local governments.

Sovereign immunity is not an anachronism It is alive and well as legal doctrine that protects the essential functions of government from unreasonable litigation and damage claims. Like other forms of government, tribal governments are not perfect, but any changes should be based on a careful study of current needs and circumstances, and be guided by the fundamental principle that it is the federal government's role to protect tribal self-government.

In addition to challenges to their sovereign immunity, tribal governments also face constant attempts to undermine their ability to take land into trust, to impose taxes upon their revenues, and to impose ''means testing'' on their federal funding.

As the Senate deals with these issues, I urge the Senate to act responsibly. Broad generalizations and one-size-fits-all solutions may seem tempting, but they will have disastrous effects when applied to the diversity of Indian Nations in this country. A realistic review of the variety of circumstances and specific issues is far more likely to lead to workable solutions.

Many of the issues that are being raised today involve matters of purely local concern that can be resolved at the local level by the tribes and states. The role of the federal government in these cases should be to encourage local cooperation, rather than to create new legislation with broad, unintended consequences.

Above all, any solutions by Congress should be guided by the principle that it is the federal government's role to protect tribal self-government.

Tribal self-government serves the same purpose today that it has always served. It enables Indian tribes to protect their cultures and identities and provide for the needs of their people. By doing so, tribal self-government enriches American life and provides economic opportunities where few would otherwise exist.

A common misperception is the belief that most tribes are growing wealthy from gaming proceeds. Nothing is further from the truth. Indian reservations have a 31% poverty rate—the highest poverty rate in America. Indian unemployment is six times the national average. Indian health, education and income are the worst in the country. Only a very small number of tribes have been fortunate enough to have successful gaming operations.

Instead of undermining them, Congress should be doing more to help tribes create jobs, raise incomes, and develop capital for new businesses. We should also be doing more to invest in the health, the education and the skills of American Indians and Alaska Natives, as we do for all Americans, and I look forward to working with my colleagues in the Senate and House to do so.

Mr. STEVENS. I ask unanimous consent that that time be charged against the Senator's time on the time agreement.

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

Mr. STEVENS. 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. STEVENS. 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. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, if I may inquire, my understanding is that Senator ENZI controls 15 minutes on the Enzi-Bryan amendment.

The PRESIDING OFFICER. That is correct.

Mr. BRYAN. In the interest of accommodating the time of the distinguished chairman of the Appropriations Committee—I note that Senator ENZI joins us on the floor at this moment. If I might engage him in a colloquy, the chairman of the Appropriations Committee has indicated that it would be permissible for us to move forward. The distinguished Senator from Hawaii has made a statement, all of which is charged on our time. There are 15 minutes remaining. I would be happy to yield to the primary sponsor of the amendment and then take my time, if he prefers to go first.

Mr. ENZI. I will yield time to the Senator from Nevada.

Mr. BRYAN. Will the distinguished author of the amendment yield me 5 minutes?

Mr. ENZI. Yes; I yield 5 minutes.

Mr. BRYAN. It will be charged against the Senator's 15 minutes on this bill.

Mr. ENZI. Yes. I yield 5 minutes to the Senator from Nevada.

Mr. BRYAN. Mr. President, what is at issue here is whether States, through their elected Governors and State legislatures, will determine what the scope of gaming is in a particular State, or whether that decision should be made by the Secretary of the Interior. The Secretary of the Interior has proceeded with regulations that are subject to public comment and are currently being reviewed by the Office of Management and Budget that, in effect, would constitute a preemptive strike. That is, the Secretary of the Interior would determine the scope of Indian gaming. We believe that is inappropriate.

This amendment seeks to reaffirm a policy which the Congress agreed to last year; and that is that the Congress should retain the authority to make any changes in the Indian Gaming Regulatory Act. The chairman of the Committee on Indian Affairs has indicated that he intends to move forward with the piece of legislation. I assured him that we will work cooperatively with him about what the Secretary of the Interior has done. Notwithstanding the actions taken by the Congress last year, which would prevent the implementation of a regulation which would give to him the ability to establish the scope of gambling activity in a State contrary to what I believe is the clear intent of the Congress, this amendment simply says he may not go forward at this point with the processing of those regulations. So completely consistent with what we agreed to last year, no compact that currently exists between any tribe or any Governor is affected.

We in Nevada have five such compacts. Many other States have compacts as well.

What is involved here is not a question of bad faith between a Governor and a tribe. It is that several tribes, particularly in the State of California and in the State of Florida, have been pressing Governors to provide Indian tribes with the ability to conduct gaming activities that are prohibited under State law. In the State of Florida, for example, there have been three public referendums. And the public in Florida has rejected open casino gaming, as my State of Nevada has adopted. The tribes, nevertheless, pressed forward and challenged the Governor of Florida, accusing him of bad faith in not being willing to negotiate such gaming activity.

My view is that it is a province that ought to be left to the State Governors and the elected State legislatures. In California, currently 20 tribes have 14,000 illegal slot machines, contrary to State law. The Governor of California has recently negotiated a compact with the Pala Band of Indian tribes that do not permit, as some tribes want, slot machines in California. California's Governor and its State legislature ought to make the determination.

So what this amendment does is to preempt the Secretary of the Interior from making that decision and retains the authority and jurisdiction in the Congress. If there are to be changes in the Indian Gaming Regulatory Act, if there are perceived shortcomings, let us in a deliberative fashion make those changes —not the Secretary of the Interior.

As I have indicated, I look forward to working with my colleagues who serve on that committee.

I yield the floor. I reserve the remainder of the time to be allocated by the distinguished Senator from Wyoming on our side of the issue.

The PRESIDING OFFICER. Who yields time?

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Wyoming.

Mr. ENZI. Madam President, I yield myself 4 minutes. I thank Senator BRYAN for his comments.

I am pleased that we have the opportunity to talk about this. I thought we had talked about it last year. I thought that would give enough direction to the Secretary of the Interior that we would not have a problem.

I want to mention that this amendment is an emergency. That is why we are attaching it to this bill. The comment period for the rules that he has gone ahead and promulgated will run out before we have another opportunity to debate this. I do not want the Department of the Interior to be spending the money to do the process they are doing which bypasses Congress, and it bypasses States rights.

I want to read a portion of a letter that I have from the National Governors' Association.

This letter is to confirm Governors' support for the Indian gaming-related amendment offered by Senators Michael B. Enzi, Richard H. Bryan, and Harry Reid to the Senate supplemental appropriations bill. This amendment prevents the secretary of the U.S. Department of the Interior from promulgating a regulation or implementing a procedure that could result in tribal Class III gaming in the absence of a tribal-state compact, as required by law.

The nation's Governors strongly believe that no statute or court decision provides the secretary of the U.S. Department of the Interior with authority to intervene in dispute over compacts between Indian tribes and states about casino gambling on Indian lands. Such action would constitute an attempt by the Secretary of the Interior to preempt states' authority under existing laws and recent court decisions and would create an incentive for tribes to avoid negotiating gambling compacts with states.

Further, the secretary's inherent authority includes a responsibility to protect the interests of Indian tribes, making it impossible for the secretary to avoid a conflict of interest or exercise objective judgment in disputes between states and tribes.

That is from the National Governors' Association.

I see that Senator REID is on the floor. I yield 5 minutes to Senator REID.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I appreciate very much the leadership of the Senator from Wyoming on this issue. It is an important issue, and it is bipartisan.

We hear a lot in this body about States rights. But where the illustration is clearly defined is this in States rights. I was part of the Indian Affairs Committee when we drew up legislation under the Indian Control Act, and, of course, the purpose of that act was to allow Indians to do anything in a State that non-Indians could do relating to gaming.

For various reasons, the courts have interposed themselves, and now there is controversy as to really what the act stands for. But one thing we do know is that the clear intent of the Gaming Control Act was that Indians could not do more in a State related to gaming than non-Indians, and that is, in effect, what the Secretary is trying to do with the proposed rule—to have him be the arbiter of what goes on regarding gaming, no matter how the State might feel. It certainly would be unfair, and it would be in derogation of the intent of the original law.

It has already been explained here that clearly the Secretary has a conflict of interest in this regard. He is someone who has as one of his main obligations the obligation to look out for Indians in regard to the trust responsibility. How can someone who has this obligation also say that he is going to be the interpreter of whether or not the State is dealing in a fair fashion in good faith? It is clear he cannot, and that is the reason for this amendment.

Last year's Interior appropriations bill included language prohibiting the Secretary from approving Class III gaming compacts through September 30, 1998. This was done to address a problem created as the result of the Supreme Court's decision in *Seminole* v. *Florida*. Our concern was that after Seminole, tribes would immediately seek assistance from the Secretary in those situations where the tribe believed the state was not negotiating in good faith.

It is important to recognize that Indian Gaming Regulatory Act (IGRA) does not permit secretarial intervention without a finding that a State has negotiated with a tribe in bad faith. The Secretary now proposes that he make that finding himself. There is nothing in IGRA that gives the Secretary this broad authority. Indeed, this authority is vested in the Federal courts.

I state clearly and without any qualification that I would be very happy to work as closely and as quickly as possible with the chairman of the Indian Affairs Committee, the senior Senator from Colorado, and the ranking senior Senator from Hawaii, to come up with statutory authority to work out this problem. But, the way the law now stands, it is up to the courts to do this. Certainly, there would never be legislation that would give the Secretary the authority to determine whether or not the State was acting in good faith.

The consequences of permitting an appointed federal official to permit gambling on Indian lands based on tribal allegations of a State's bargaining position raises troubling federalism questions about the sovereign prerogatives of a State.

By announcing a proposed Rulemaking on this issue in January, the Secretary seeks to disregard what this body affirmatively stated last year.

This proposal makes no sense.

By inviting the tribes to seek resolution with Secretary, the states, and the Governors, are placed at a severe disadvantage.

We can not expect the Secretary of Interior to be able to arbitrate these types of contentious disputes over Indian gaming.

I repeat, as I have said earlier. The Secretary has a fiduciary and trust responsibility to the tribe and thus can not fairly arbitrate these types of disagreements.

The Secretary's decision in January to propose regulations on this issue circumvents the intent of what we sought to do on last year's Interior Bill.

Essentially, the Secretary announced his intention to do everything but promulgate a final rule on this issue.

My amendment is very simple.

It prevents the Secretary from promulgating as final regulations the proposed regulations he published on January 22, 1998 (63 Fed. Reg. 3289).

Additionally, he cannot issue a proposed rulemaking, or promulgate, any similar regulations to provide for procedures for gaming activities under IGRA in any case in which a state asserts a defense of sovereign immunity

to a lawsuit brought by an Indian tribe in Federal court to compel the State to participate in compact negotaitions for Class III gaming.

I believe any effort by Interior on this issue would be opposed by the states and the governors.

The Western Governors' Association has already weighed in in opposition to this proposed rule.

This is an issue involving states rights.

The states and the governors should be able to negotiate with the tribes without duress.

They should not be placed on an uneven playing field in these negotiations.

How can they reasonably expect to get an impartial hearing from an arbiter who has a fiduciary and trust obligation to the tribes?

With all of the problems we are now experiencing with Indian Gaming, the Secretary should not be undertaking action that will promote its expansion to the detriment of states rights.

I repeat. I would be very happy to work as a member of the Indian Affairs Committee with the chairman and the ranking member to come up with statutory authority to work up a way out of this so it doesn't have to be determined in the courts. But the courts are a better place to determine what is good or bad faith, and the Secretary is in absolute conflict of interest.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Madam President, how much time remains on this amendment?

The PRESIDING OFFICER. The Senator from Wyoming has 4 minutes 1 second. The Senator from Hawaii has 30 minutes.

Mr. STEVENS. Madam President, I have listened with great interest to the comments on both sides and state to the authors of the bill, as well as those who oppose it, that I would be prepared to accept this amendment without a vote and to take it to conference to see if we can work out something that might be acceptable and not have as much controversy between those who have spoken on the amendment. So, if that would be acceptable to all concerned, I would suggest that we have a yielding back of time and adopt the amendment on a voice vote.

The PRESIDING OFFICER. Do both Senators yield their time?

Mr. ENZI. Madam President, reserving the right to object, I want to comment on that. I hope we could be a part of working that out. We see this as only an extension of the work that was done last year, so we have no problem in agreeing to continue to extend that work and hope that would be done in a very cooperative spirit. I look forward to working with the other people. But we do anticipate that the States rights will be preserved, and that we will be a part of the process in conference.

Mr. REID. Madam President, if the Senator will yield, I will say there is no one in the body who is more concerned about States rights than the Senator from Alaska. He will be the chairman or the cochairman in conference, and I have every hope that we can work something out that would be acceptable to everyone.

Mr. ENZI. I yield the remainder of our time.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Madam President, under those circumstances, I am pleased to yield the remainder of my time.

The PRESIDING OFFICER. All time is yielded.

Mr. INOUYE. Madam President, before I do, I ask unanimous consent to have printed in the RECORD the policy of the administration on this matter.

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

BUREAU: BUREAU OF INDIAN AFFAIRS

ITEM: PROPOSED BILL S. 1572, INTRODUCED BY SENATORS BRYAN, ENZI, REID, AND SESSIONS ON JANUARY 27, 1998

S. 1572 amends the Indian Gaming Regulatory Act (IGRA) and precludes the Secretary of the Interior from promulgating final regulations to deal with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

Background: The Indian Gaming Regulatory Act (IGRA) was enacted to allow Indian tribes the opportunity to pursue gaming as a means of economic development on Indian lands. Since 1988, Indian gaming, regulate under IGRA, has provided benefits to over 150 tribes and to their surrounding communities in over 24 states. As required by law, Indian gaming revenues have been directed to programs and facilities to improve the health, safety, educational opportunities and quality of life for Indian people.

Under IGRA, Tribes are only authorized to conduct casino-style gaming operations if such gaming is permitted by the state. Further, the gaming is allowed in such states only pursuant to a mutually agreed-upon Tribal-State compact; or in the alternative, pursuant to procedures issued by the Secretary if a state fails to consent to a compact arrived at through the medication process that follows a determination by a United States District Court that the State has failed to negotiate in good faith (25 U.S.C. Section 2710(d)(7)(B)(vii). IGRA only authorizes the Secretary to issue ''procedures'' after states have been provided with a full opportunity to negotiate compact terms.

Under IGRA, Congress intended to give tribes the right to file suits directly against states that failed to negotiate in good faith with regard to Class III gaming. The right to sue a state for failure to negotiate in good faith was seen by Congress as the best way to ensure that states deal fairly with tribes as sovereign governments. *See Senate Report No. 446, 100th Congress, 2nd Session 14 (1988).*

In *Seminole Tribe* v. *State of Florida*, the U.S. Supreme Court held that Congress was without authority to waive the States' immunity to suits in Federal courts ensured by the Eleventh Amendment to the Constitution. As a result of this decision, states can avoid entering into good faith negotiations with Indian tribes without concern about being subject to suit by tribes. Under these circumstances, the Secretary's authority to promulgate regulations may be the only avenue for meeting the Congressional policy of promoting tribal economic development and self sufficiency.

Effect of Proposed Legislation: The legislation would prohibit the adoption of a rule setting forth the process and standards pursuant to which Class III procedures would be adopted in specific situations where the state has asserted its Eleventh Amendment immunity. If the legislation is included as an amendment to a 1998 supplemental appropriation, the language would remain in effect through FY 1998.

Departmental Position: The Department strongly objects to any attempt to substantially interfere with its ability to administer the Indian Gaming Regulatory Act or to thwart Congress' declared policy in IGRA of promoting tribal economic development, self sufficiency and strong tribal governments. The Secretary would recommend a veto of any legislation extending beyond FY 1998 that prevents the Secretary from attempting to work out a reasonable solution for dealing with Indian gaming compact negotiations between states and Tribes when Tribes have exhausted federal judicial remedies.

The Secretary published proposed regulation on January 22, 1998 which would authorize the Secretary to approve Class III gaming procedures in cases where the state has asserted an Eleventh Amendment defense. The proposed rule is narrow in scope. It will allow the Secretary to move forward only 1) where a Tribe asserts that a State has not acted in good faith in negotiating a Class III gaming compact and 2) when the State asserts immunity from the lawsuit to resolve the dispute. In the 9-year history of IGRA, these situations have been very rare. Over 150 compacts have been successfully negotiated and are being implemented in more than half the states. Even where negotiations have been unsuccessful and litigation has been filed, a number of States have chosen not to assert immunity from suit. Based on experience to date, relatively few situations will arise requiring Secretarial decisions.

The publication of the proposed rule is followed by a 90-day comment period, with formal public access to and review of the proposed rule. The Department will attempt to maximize State participation and comment during the comment period, with final publication of the rule expected in FY 1998, after careful review and analysis of public comments. In particular, the Department will continue to meet with State Governors to discuss the proposed rule and to work out compromises. A provision in the FY 1998 Department of the Interior and Related Agencies Appropriations Act precludes the implementation of a final rule this fiscal year.

State law would continue to be the appropriate reference point for determining the ''scope of gaming'' permitted in any procedures proposed by the Department to resolve Indian gaming compact disputes. This policy is consistent with the Department's position that it does not authorize classes or forms of Indian gaming in any State where they are affirmatively prohibited. See Brief of the United States as *amicus curiae* in the Supreme Court in *Rumsey Indian Rancheria of Wintun Indians v. Wilson*, 64F.3d 1250 (9th Cir. 1995), *as modified on denial of petition for rehearing*, 99F.3d 321 (9th Cir 1996), *cert. denied, sub nom. Sycuan Band of Mission Indians v. Wilson*, No. 96–1059, 65 U.S.L. W. 3855 (June 24, 1997).

The publication of the proposed rule follows an Advanced Notice of Public Rulemaking, published in the Federal Register in May, 1996. In developing the proposed rule, the Department carefully considered over 350 comments submitted by States, Tribes, and others.

The Department opposes legislation which would in effect provide States with a veto

power over Class III Indian gaming when state law permits the gaming at issue ''for any purpose by any person, organization or entity.''

In addition, the Department of the Interior strongly objects to using the appropriations process for policy amendments to the Indian Gaming Regulatory Act. Including the provision in the FY 1998 supplemental appropriations would circumvent a fair legislative process with hearings involving Indian tribes, state officials and the regulated community. Through the hearing process, all parties involved in Indian gaming are allowed to contribute testimony on how or whether IGRA should be amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment (No. 2133) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. STEVENS. Madam President, there are several amendments that are on what we call the finite list here. My staff and I believe they are amendments that we could accept, maybe with some change to make sure we do not have budget problems. So I request the staffs of Senator BOXER, Senator CLELAND, Senator GRAMM, Senator HUTCHISON, and Senator MURKOWSKI to see us as soon as possible concerning those amendments so we might see what we might be able to work out.

I will state to the Senate that there are a series of amendments that we have already worked out. We will offer them very quickly as the managers' package. We still have pending before the Senate the Nickles and McConnell amendments. In addition to that, 24 other amendments, Madam President. I invite any Senator to come present his or her amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

AMENDMENTS NOS. 2136 THROUGH 2151, EN BLOC

Mr. STEVENS. Madam President, I am pleased to announce that the first portion of the managers' package has been cleared. I would like to read to the Senate what these are and then send this portion of the package to the Chair so we can consider these amendments en bloc.

The first amendment is on behalf of Senator MCCAIN to clarify that adult unmarried children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program. I would like to have his statement printed in the RECORD before the adoption of that amendment.

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

Mr. STEVENS. There is an amendment on behalf of Senator MURKOWSKI, which I have cosponsored, to make technical corrections to the Michigan Indian Land Claims Settlement Act to provide certain health care services for Alaska Natives;

an amendment on behalf of Senator MURKOWSKI and myself to make technical corrections to the fiscal year 1998 Department of Interior appropriations bill;

an amendment on behalf of Senator BOND and myself to provide emergency funds available for the purchase of certain F/A–18 aircraft;

an amendment on behalf of Senator CHAFEE to modify the Energy and Water Development section of the bill. I am also sending a statement to the desk on behalf of Senator CHAFEE and ask it be printed in the RECORD.

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

Mr. STEVENS. An amendment on behalf of Senator WYDEN to eliminate secrecy in international financial trade organizations;

an amendment on behalf of Senator BOND to make technical corrections to the Economic Development Grant Program funded in 1992 as part of the Empowerment Zone Act;

an amendment in behalf of Senator CRAIG to make technical corrections to section 405 of the bill regarding the Forest Service transportation system moratorium;

an amendment on behalf of Senators COCHRAN and BUMPERS to make a technical correction to the Livestock Disaster Assistance Program;

an amendment on behalf of Senators WELLSTONE, CONRAD, and DORGAN dealing with Farm Operating and Emergency Loans;

an amendment on behalf of Senators JEFFORDS and LEAHY dealing with the Mackville Dam in Hardwick, VT;

an amendment on behalf of Senator LOTT making a technical correction to the McConnell amendment, which is amendment No. 2100;

an amendment on behalf of Senator DASCHLE to provide funds for humanitarian demining activity in Bosnia and Herzegovina;

an amendment on behalf of Senator GREGG to make a technical correction to the Patent and Trademark section of the bill;

an amendment on behalf of Senator LEVIN to the McConnell amendment numbered 2100 dealing with consultation by the Secretary of Treasury;

an amendment on behalf of Senator GRASSLEY and myself regarding a U.S. Customs Service P–3 aircraft hangar.

Madam President, I send those amendments to the desk and ask for their consideration en bloc.

The PRESIDING OFFICER. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 2136 through 2151, en bloc.

The amendments are as follows:

AMENDMENT NO. 2136

(Purpose: To clarify that unmarried adult children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program)

At the appropriate place in Title II, insert the following:

SEC. ___. ELIGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–171) is amended—

(1) in subsection (a)—

(A) by striking ''For purposes'' and inserting ''Notwithstanding any other provision of law, for purposes''; and

(B) by striking ''fiscal year 1997'' and inserting ''fiscal years 1998 and 1999''; and

(2) by amending subsection (b) to read as follows:

''(b) ALIENS COVERED.—

''(1) IN GENERAL.— An alien described in this subsection is an alien who—

''(A) is the son or daughter of a qualified national;

''(B) is 21 years of age or older; and

''(C) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

''(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term 'qualified national' means a national of Vietnam who—

''(A)(i) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

''(ii) is the widow or widower of an individual described in clause (i); and

''(B)(i) qualified for refugee processing under the reeducation camp internees subprogram of the Orderly Departure Program; and

''(ii) on or after April 1, 1995, is accepted—

''(I) for resettlement as a refugee; or

''(II) for admission as an immigrant under the Orderly Departure Program.''.

Mr. MCCAIN. Madam President, I offer an amendment that is basically a technical correction to language that I had included in the Fiscal Year 1997 Omnibus Consolidated Appropriations Act. That language, and the amendment I offer today, are designed to make humanitarian exceptions for the unmarried adult children of former reeducation camp detainees seeking to emigrate to the United States under the Orderly Departure Program. Despite what I considered to have been pretty unambiguous legislation in both word and intent, the Immigration and Naturalization Service and Department of State interpreted my amendment to the 1997 bill so as to exclude the very people to whom the provision was targeted. This amendment was accepted as part of the State Department Authorization bill for fiscal year 1998, which has not passed into law. It is, therefore, necessary to include this language in the Emergency Supplemental in order to permit the State Department to begin to process the backlog of cases that accumulated since the program's expiration last year.

Prior to April 1995, the adult unmarried children of former Vietnamese reeducation camp prisoners were granted derivative refugee status and were permitted to accompany their parents to the United States under a sub-program of the Orderly Departure Program (ODP).

This policy changed in April 1995. My amendment to FY1997 Foreign Operations Appropriations Bill, which comprises part of the Omnibus Appropriations Act, was intended to restore the status quo ante regarding the adult unmarried children of former prisoners. My comments in the CONGRESSIONAL RECORD from July 25, 1996, clearly spelled this out.

Unfortunately, certain categories of children who, prior to April 1995 had received derivative refugee status and whom Congress intended to be covered by last year's amendment, are now considered ineligible to benefit from that legislation.

First, prior to April 1995, the widows of prisoners who died in re-education camps were permitted to be resettled in the U.S. under this sub-program of the ODP, and their unmarried adult children were allowed to accompany them. These children are now considered ineligible to benefit from last year's legislation.

To ask these widows to come to the United States without their children is equal to denying them entry under the program. Many of these women are elderly and in poor health, and the presence of their children is essential to providing the semblance of a family unit with the care that includes.

The second problem stemming from INS and the State Department's interpretation of the 1997 language involves the roughly 20% of former Vietnamese re-education camp prisoners resettled in the United States who were processed as immigrants, at the convenience of the U.S. Government.

Their unmarried adult children, prior to April 1995, were still given derivative refugee status, however, the position of INS and State is that these children are now ineligible because the language in the FY1997 bill included the phrase ''processed as refugees for resettlement in the United States.''

That phrase was intended to identify the children of former prisoners being brought to the United States under the sub-program of the ODP and eligible to be processed as a refugee—which all clearly were—as distinct from the children of former prisoners who were not being processed for resettlement in the United States.

The fact that a former prisoner, eligible to be processed as a refugee under the ODP sub-program, was processed as an immigrant had no effect prior to April 1995, and their children were granted refugee status. The intention of the 1996 legislation was to restore the status quo ante, including for the unmarried adult children of former prisoners eligible for and included in this sub-program but resettled as migrants. This amendment will correct the problem once and for all, and I urge its support.

AMENDMENT NO. 2137

(Purpose: To make technical corrections to Sec. 203(a) of the Michigan Indian Land Claims Settlement Act (Public Law 105–143, 111 Stat. 2666))

SEC. . PROVISION OF CERTAIN HEALTH CARE SERVICES FOR ALASKA NATIVES.

Section 203(a) of the Michigan Indian Land Claims Settlement Act (Public Law 105–143, 111 Stat. 2666) is amended—

(1) by inserting ''other than community based alcohol services,'' after ''Ketchikan Gateway Borough,''; and

(2) by inserting at the end the following new sentence: ''Notwithstanding any other provision of law, such contract or compact shall provide services to all Indian Alaska Native beneficiaries of the Indian Health Service in the Ketchikan Gateway Borough without the need for resolutions of support from any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).''.

AMENDMENT NO. 2138

(Purpose: To make technical corrections to Sec. 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105–83, 111 Stat. 1543))

On page 38, following line 18, insert the following new section:

SEC. . Section 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105–83, 111 Stat. 1543) is amended by striking ''with any Alaska Native village or Alaska Native village corporation'' and inserting ''to any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))''.

AMENDMENT NO. 2139

(Purpose: To provide contingent emergency funds for the purchase of F/A–18 aircraft)

On page 15, after line 21, add the following:

SEC. 205. In addition to the amounts provided in Public Law 105–56, $272,500,000 is appropriated under the heading ''Aircraft Procurement, Navy'': *Provided*, That the additional amount shall be made available only for the procurement of eight F/A–18 aircraft for the United States Marine Corps: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $272,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

AMENDMENT NO. 2140

On page 17, beginning on line 10, strike ''to be conducted at full Federal expense''.

AMENDMENT ON. 2141

(Purpose: To eliminate secrecy in international financial trade organizations)

At the appropriate place in the bill in Title II, insert the following new section:

SEC. . ELIMINATION OF SECRECY IN INTERNATIONAL TRADE ORGANIZATIONS.

The President shall instruct the United States Representatives to the World Trade Organization to seek the adoption of procedures that will ensure broader application of the principles of transparency and openness in the activities of the organization, including by urging the World Trade Organization General Council to—

(1) permit appropriate meetings of the Council, the Ministerial Conference, dispute settlement panels, and the Appellate Body to be made open to the public; and

(2) provide for timely public summaries of the matters discussed and decisions made in any closed meeting of the Conference or Council.

AMENDMENT NO. 2142

(Purpose: Technical Correction to Economic Development Grant funded in 1992 as part of Empowerment Zone)

On page 46, after line 25, Insert:

GENERAL PROVISION

SEC. 1001. Section 206 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105–65; October 27, 1997) is amended by inserting the following before the period: '', and for loans and grants for economic development in and around 18th and Vine''.

AMENDMENT NO. 2143

Beginning on line 10 on page 35, strike all through line 18 on page 38 and insert in lieu thereof the following new section:

''SEC. 405. TRANSPORTATION SYSTEM MORATORIUM.

(a)(1) The Chief of the Forest Service, Department of Agriculture, in his sole discretion, may offer any timber sales that were previously scheduled to be offered in fiscal year 1998 or fiscal year 1999 even if such sales would have been delayed or halted as a result of, any moratorium on construction of roads in roadless areas within the National Forest System adopted as policy or by regulation that would otherwise be applicable to such sales.

(2) Any sales authorized pursuant to subsection (a)(1) shall—

(A) comply with all applicable laws and regulations and be consistent with applicable land and resource management plans. except any regulations or plan amendments which establish or implement the moratorium referred to in subsection (a)(1); and

(B) be subject to administrative appeals pursuant to Part 215 of title 36 of the Code of Federal Regulation and to judicial review.

(b)(1) For any previously scheduled sales that are not offered pursuant to, subsection (a)(1), the Chief may, to the extent practicable, offer substitute sales within the same state in fiscal year 1998 or fiscal year 1999. Such substitute sales shall be subject to the requirements of subsection (a)(2).

(2)(A) The Chief shall pay as soon as practicable after fiscal year 1998 and fiscal year 1999 to any State in which sales previously scheduled to be offered that are referred to in, but not offered pursuant to, subsection (a)(1) would have occurred, 25 percentum of any receipts from such sales that—

(i) were anticipated from fiscal year 1998 or fiscal year 1999 sales in the absence of any moratorium referred to in subsection (b)(1).

(ii) are not offset by revenues received in such fiscal years from substitute projects authorized pursuant to subsection (b)(1).

(B) After reporting the amount of funds required to make any payments required by subsection (b)(2)(A), and the source from which such funds are to be derived, to the Committees on Appropriations of the House of Representatives and the Senate, the Chief shall make any payments required by subsection (b)(2)(A) from—

(i) the $2,000,000 appropriated for the purposes of this section in Chapter 4 of this Act; or

(ii) in the event that the amount referred to in subsection (b)(2)(B)(i) is not sufficient to cover the payments required under subsection (b)(2), from any funds appropriated to the Forest Service in fiscal year 1998 or fiscal year 1999, as the case may be, that are not specifically earmarked for another purpose by the applicable appropriation act or a committee or conference report thereon.

(C) Any State which receives payments required by subsection (b)(2)(A) shall expend such funds only in the manner, and for the purposes, prescribed in section 500 of title 16 of the United States Code.

(c)(1) During the term of the moratorium referred to in subsection (a)(1), the Chief shall prepare, and submit to the Committees on Appropriations of the House of Representatives and the Senate a report on, each of the following:

(A) a study of whether standards and guidelines in existing land and resource management plans compel or encourage entry into roadless areas within the National Forest System for the purpose of constructing roads or undertaking any other ground-disturbing activities;

(B) an inventory of all roads within the National Forest System and the uses which they serve, in a format that will inform and facilitate the development of a long-term Forest Service transportation policy; and

(C) a comprehensive and detailed analysis of the economic and social effects of the moratorium referred to in subsection (a)(1) on county, State, and regional levels.

(2) The Chief shall fund the study, inventory and analysis required by subsection (c)(1) in fiscal year 1998 from funds appropriated for Forest Research in such fiscal year that are not specifically earmarked for another purpose in the applicable appropriation act or a committee or conference report thereon.''

AMENDMENT NO. 2144

(Purpose: To make a technical correction in the language of the Livestock Disaster Assistant program)

On page 5, line 10, strike ''that had been produced but not marketed''.

AMENDMENT NO. 2145

(Purpose: To subsidize the cost of additional farm operating and emergency loans)

On page 3, line 6, beginning with ''emer-'', strike all down through and including ''insured,'' on line 7 and insert ''direct and guaranteed''.

On page 3, line 11, following ''disasters'' insert: ''as follows: operating loans, $8,600,000, of which $5,400,000 shall be for subsidized guaranteed loans; emergency insured loans''.

On page 3, line 14, strike ''$21,000,000'' and insert in lieu thereof the following: ''$29,600,000''.

AMENDMENT NO. 2146

(Purpose: To appropriate funds for emergency construction to repair the Machville Dam in Hardwick, Vermont)

On page 18, between lines 5 and 6, insert the following:

An additional amount for emergency construction to repair the Machville Dam in Hardwick, Vermont: $500,000, to remain available until expended: *Provided,* That the Secretary of the Army may obligate and expend the funds appropriated for repair of the Mackville Dam if the Secretary of the Army certifies that the repair is necessary to provide flood control benefits: *Provided further,* That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement, or rehabilitation of the project: *Provided further,* That the entire amount shall be available only to the extent that an official budget request of $500,000 that includes designation of the entire amount of the request as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)) is transmitted by the President to Congress: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act.

AMENDMENT NO. 2147 TO AMENDMENT NO. 2100

On page 8 line 14 and 18 of amendment 2100 after the word ''automobile,'' insert the following ''shipbuilding.''.

AMENDMENT NO. 2148

(Purpose: To provide $35,000,000 for humanitarian demining activities in Bosnia and Herzegovina)

At the appropriate place in Title II, insert the following:

SEC. In addition to the amounts provided in Public Law 105–56, $35,000,000 is appropriated and shall be available for deposit in the International Trust Fund of the Republic of Solvenia for Demining, Minc Clearance, and Assistance to Mine Victims in Bosnia and Herzegovina: *Provided,* That such amount may be deposited in that Fund only if the President determines that such amount could be used effectively and for objectives consistent with on-going multilateral efforts to remove landmines in Bosnia and Herzegovina: *Provided further,* That such amount may be deposited in that Fund only to the extent of deposits of matching amounts in that Fund by other government, entities, or persons: *Provided further,* That the amount of such amount deposited by the United States in that Fund may be expended by the Republic of Slovenia only in consultation with the United States Government: *Provided further,* That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes a designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted to Congress by the President: *Provided further,* That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

AMENDMENT NO. 2149

On page 51, line 8, strike the word ''design,'' and on line 13, strike the words ''federal construction,''.

AMENDMENT NO. 2150 TO AMENDMENT 2100

At the appropriate place in the IMF title of the bill, insert the following:

SEC. . The Secretary of the Treasury shall consult with the office of the United States Trade Representative regarding prospective IMF borrower countries, including their status with respect to title III of the Trade Act of 1974 or any executive order issued pursuant to the aforementioned title, and shall take these consultations into account before instructing the United States Executive Director of the IMF on the United States position regarding loans or credits to such borrowing countries.

In the section of the bill entitled ''SEC. .REPORTS.'' after the first word ''account,'' insert the following:

''(i) of outcomes related to the requirements of section (described above); and (ii).''

AMENDMENT NO. 2151

On page 46, after line 16, insert:

UNITED STATES CUSTOMS SERVICE

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

In addition to the amounts made available for the United States Customs Service in Public Law 105–61, $5,512,000, to remain available until September 30, 2000: *Provided,* That this amount may be made available for construction of a P3–AEW hangar in Corpus Christi, Texas: *Provided further,* That the funds appropriated under this heading may only be obligated 30 days after the Commissioner of the Customs Service certifies to the House and Senate Committees on Appropriations that the construction of this facility is necessary for the operation of the P–3 aircraft for the counternarcotics mission.

On page 50, after line 14, insert:

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

(RESCISSION)

Of the funds made available under this heading in Public Law 102–393, $4,470,000 and Public Law 103–123, $1,041,754 are rescinded.

Mr. STEVENS. I ask for the adoption of the amendments en bloc.

THE PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments (Nos. 2136 through 2151) were agreed to.

Mr. STEVENS. I ask unanimous consent to reconsider that action and to lay my motion on the table, en bloc.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2140

Mr. CHAFEE. Madam President, I want to comment very briefly on an amendment of mine that has been accepted by the managers. My amendment deals with cost-sharing for a levee and waterway project included in the Supplemental Appropriations bill for Elba and Geneva, Alabama. Specifically, the amendment strikes the phrase, ''to be conducted at full Federal expense'' as found on page 17, lines 10 and 11 of the bill.

By striking this phrase, the appropriate, lawful cost-sharing ratio would be applied. It would be my strong preference, Mr. President, that we not include any authorization for this or other water projects in the Supplemental bill. These are matters more appropriately dealt with in the Water Resources Development Act, which we plan to take up this summer.

However, recognizing the urgency of the situation in these Alabama communities, I am willing to go forward with the expedited process provided here; as long as the cost-sharing is consistent with current water resources law. My amendment ensures that the levee repair and associated work in Elba and Geneva will be cost-shared. I want to thank Senator SHELBY and the bill's managers for working with me today to favorably resolve this matter.

AMENDMENT NO. 2145

Mr. WELLSTONE. Madam President, I thank the managers of the bill, as well as the Chairman and Ranking Member of the Agriculture Appropriations Subcommittee, for accepting my amendment. I offered it on behalf of

myself and Senators CONRAD, DORGAN and DASCHLE to address a shortfall in funding during the current fiscal year of USDA farm credit programs in our states and across the country as a result of disastrous weather and economic conditions.

The amendment is simple. It adds $8.6 million in appropriation to this emergency supplemental spending bill for Farm Service Agency operating loans, both guaranteed and direct. The amendment adds $3.2 million in appropriation for direct farm operating loans, which allows lending authority of $52 million nationwide. This is in addition to the $3.1 million of appropriation and approximately $48 million in lending authority that already was in the bill, bringing the total amount of lending authority for FSA direct operating loans in the bill to approximately $100 million. The amendment also adds $5.4 million in appropriation for guaranteed subsidized interest loans, allowing lending authority of approximately $56 million for that existing FSA program. Previously there was no money in the bill for this type of credit.

I will include in the RECORD a letter from my state's Farm Service Agency office, signed by the state director and FSA state committee members from Minnesota. The letter not only documents the dire need for additional funding in this bill for these two important programs, but explains what has become a farm crisis in parts of Minnesota. I don't use the word crisis lightly. It causes me some pain to observe that it is an accurate word. I attended a meeting in Crookston, Minnesota a number of weekends ago, called for the purpose of addressing the increasingly disturbing economic conditions, especially in the Northwestern part of the state, as well as in North Dakota. There was a sign on the building that announced, ''Farm crisis meeting.'' I attended far too many farm crisis meetings in Minnesota during the 1980s, and it was with some dismay that I read that sign as I entered the meeting in Crookston. But I must note that from what farmers and bankers in these communities are telling me, from what I saw and heard in Crookston, we have a grave situation.

I will also include in the RECORD an article from the Star Tribune, Minnesota's largest-circulation newspaper, titled, ''Red River Valley farmers tell of sorrow that is fallout of 5 hard years.'' I am sure that colleagues will recall pictures and descriptions of hardship and travail in the Red River Valley following last year's calamitous floods. But I am hearing disturbing news that farmers elsewhere in the state also are struggling, in many cases due to low prices.

Madam President, my Dakota colleagues and I do not imagine that the additional farm credit that we are including in this emergency bill will solve the very difficult economic problems in portions of our states' farm economy. It will, however, allow a number of farmers to stay in business this year, to keep operating and, hopefully, to get past immediate difficulty in a way that allows them to maintain an operation that is viable into the future. Each of us also supports legislative proposals aimed at improving federal farm policy. I believe current policy is on a wrong track, that the so-called Freedom to Farm legislation enacted in 1996 was a mistake, and that we should act to raise loan rates for a targeted amount of production on each farm. I also believe that the repayment period for marketing loans should be extended and that crop insurance should be repaired so that affordable coverage can do a better job of covering losses. Further, I intend to push very hard this year for an increase in research to find a means to eradicate a very damaging disease known as scab which is affecting wheat in our region.

Still, without the additional loan money we are including, serious need for credit would go unmet in our states. In the letter I have included in the RECORD, Minnesota FSA officials note that the shortfall this year in funds for these two types of operating loans will be $24 million.

The letter from the state FSA officials points out that some experts believe that as many as one in five farm families in Northwestern Minnesota may be on the brink of failure. It correctly observes that for much of Minnesota agriculture 1997 was a year ''wrought with disaster.'' I appreciate the help of my colleagues in including this urgently needed assistance. I am very pleased that if we can hold this amount in the bill's conference, we will be coming through for farm families in Minnesota and around the country.

Madam President, I ask unanimous consent that the letter and article be printed in the RECORD.

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

USDA FARM SERVICE AGENCY,
MINNESOTA STATE OFFICE,
St. Paul, MN, March 18, 1998.

Hon. PAUL D. WELLSTONE,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR WELLSTONE: The purpose of this letter is to provide an update to concerns previously expressed to you in regard to the utilization of Farm Service Agency Loan Programs to meet the needs of Minnesota farmers this coming year. An update on additional funding needs is also included.

As you are aware, the 1997 year in Minnesota was wrought with disaster. The winter brought record snows and livestock deaths. The spring brought record flooding, property damage and slow drying fields. The summer brought late planting and prime conditions for scab in the wheat as well as midge in the sunflowers. The fall brought a harvest of diminished yields and low prices.

The severest economic problems are being experienced in a nine county area in northwestern Minnesota. While financial/economic problems plague all parts of Minnesota, the northwest part of the State has experienced the most severe devastation due to the disasters noted above.

Contacts with producers, lenders and employees (including County Committee members) leads us to believe that the financial/economic conditions has deteriorated to the lowest levels since the mid-1980's. Some experts believe that as many as one in five farmers are on the brink of failure in northwest Minnesota and will be unable to continue their framing operations.

Two public forums were held on Saturday, March 7, 1998 in Crookston, MN and Hallock, MN to discuss the economic plight of rural businesses and farms. Approximately 400 people attended each of these forums including members of the Minnesota congressional delegation and State legislators.

During FY 97 Minnesota Farm Service Agency extended $126,000,000 in loan funds to approximately 1350 farm families. The supplemental appropriations bill passed last spring enabled us to meet the needs of many farm families. Minnesota received approximately $26,000,000 from this supplemental appropriation.

We cannot stress enough the importance of the federal government providing sufficient assistance in a timely manner to avoid an economic collapse. We believe the government has a responsibility to do everything possible to help these farm families that so desperately need assistance due to events that are beyond their control.

We have estimated the shortfall in State loan allocations for Farm Loan Programs as follows:

DIRECT OPERATING

During FY 97, Minnesota obligated approximately $30,000,000 in loan funds. Our FY 98 allocation is $26,400,000. We will likely exhaust our State allocation by mid-April.

An additional $12,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

GUARANTEED OPERATING LOANS WITH INTEREST ASSISTANCE

During FY 97, Minnesota obligated approximately $27,200,000 in loan funds. Our FY 98 allocation is $17,300,000. We will likely exhaust our State allocation by the first part of April.

An additional $12,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

GUARANTEED FARM OWNERSHIP

During FY 97, Minnesota obligated approximately $22,700,000 in loan funds. Our FY 98 allocation is $15,400,000. We will likely exhaust our allocation by the middle of May. (Usage of guaranteed farm ownership funds usually trails other programs by a couple of months as lenders focus on farm operating needs ahead of real estate needs.)

An additional $10,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

Any additional loan funding assistance that can be obtained would be greatly appreciated.

The attached news articles portray the severity of the problems people are facing and accurately provide insight into the human side of the dire straits that families are experiencing.

Please do no hesitate to contract us if you have any questions or suggestions on what more we can do to provide additional help or games support for additional assistance.

Your continued support and interest in the Farm Service Agency Farm Loan Programs is greatly appreciated.

Sincerely,

WALLY SPARBY,
State Executive Director.
KENT KANTEN,
State Committee Member.
HARLAN BEAULIEU,

State Committee Member, Minority Advisory.

CLARENCE BERTRAM,
State Committee Members.

DAVID HAUGO,
Chairman, State Committee.

MARY DONKERS,
State Committee Member.

CARL JOHNSON,
State Committee Member.

[From the Star Tribune, Mar. 8, 1998]

RED RIVER VALLEY FARMERS TELL OF SORROW THAT IS FALLOUT OF 5 HARD YEARS

(By Chuck Haga)

CROOKSTON, MINN.—After meeting Saturday with hundreds of northwestern Minnesota farmers humbled by five years of adverse weather, crop diseases and low crop prices, legislative leaders promised they'd get right to work on a relief program.

But there's a limit to what the state can do, they warned the farmers, many of whom indicated they're close to failing.

''We'll have a bill in Monday morning to make a difference,'' said Rep. Steve Wenzel, DFL-Little Falls, chairman of the Minnesota House Agriculture Committee.

Wenzel said he'll seek to have some of the state's current budget surplus earmarked for special tax relief. The state also could shore up federal crop insurance programs, which many farmers said don't come close to covering their losses.

''We've got some other things we can reach back and dust off from the old farm crisis [of the 1980s],'' Wenzel said.

Sen. Paul Wellstone, D-Minn., who helped organize farm protests in the 1980s, winced when he saw a sign that read ''Farm crisis meeting'' outside the auditorium at the University of Minnesota at Crookston.

''I didn't want to see another sign like that,'' he said. ''But you can see it in people's faces here: This is not good.''

Saturday's meetings in Crookston and Hallock, Minn., were organized by U.S. Rep. Collin Peterson, D-Minn., and state Rep. Jim Tunheim, DFL-Kennedy, to call attention to ''a silent crisis'' that threatens family farming in the upper Red River Valley.

''We are a little pocket of the country,'' Peterson said. ''The rest of the country doesn't notice, because the rest of the country is doing pretty well.''

Others attending included state Attorney General Hubert Humphrey III; Senate Majority Leader Roger Moe, DFL-Erskine; House Speaker Phil Carruthers, DFL-Brooklyn Center, and Senate Tax Chairman Doug Johnson, DFL-Tower.

''Some of the ideas the farmers shared are kind of interesting,'' Moe said, such as a state funding pool for credit backup and supplements for crop insurance.

''We'll look at some changes in the property tax,'' he said. ''We'll probably put some additional money into research, but that's a longer-term solution.''

Bob Bergland, a retired farmer from Roseau, Minn., who represented northwestern Minnesota in Congress and was President Jimmy Carter's secretary of agriculture, said state researchers are working to find wheat and barley varieties resistant to scab, a fungus that thrives in wet years and cuts grain yields and quality.

''So far, we've found no miracle solution,'' he said.

A SILENT SORROW

Larry Smith, superintendent of the Northwest Experiment Station at Crookston, held up a regional farm publication with seven pages of farm auctions.

''These are farmers I grew up with in northwestern Minnesota,'' he said. ''The most prosperous business in northwestern Minnesota now is the auction business.''

Tim Dufault, president of the Minnesota Wheat Growers Association, said scab has cost Minnesota farmers $1.5 billion and North Dakota farmers $1 billion since the current wet cycle started five years ago. And those losses are sending farmers packing.

Rod Nelson, president of First American Bank in Crookston, said that 20 of the farmers financed by his bank are quitting or significantly downsizing this year, ''and many more are thinking about next year or the year after.''

And the bank has main-street business customers drowning in accounts receivable that can't be collected, he said.

''That's just our bank,'' Nelson said, ''and that's just the start of what's going to happen if we don't get relief.''

The Rev. Greg Isaacson, pastor at Grace Lutheran Church in Ada, Minn., noted similarities between last spring's flood disaster and the regional farm crisis. In both cases, people felt that they had lost control, he said.

''But in this silent crisis, there are no groups coming in to help like during the flood,'' he said. ''There isn't the media coverage. Our people have not felt the compassion and understanding coming their way.

''They have a sense of failure, and that changes the way a community lives and operates. It changes not only the economy, but also the character of the community.''

ONE FARMER'S STORY

When the politicians and other featured speakers finished, people from the audience spoke.

Don Fredrickson started telling his story slowly, softly, as if he were talking with a few friends at a coffee shop, not addressing 350 fellow farmers, a dozen legislators, two members of Congress and the attorney general.

By the time he finished, he had gone through many emotions and seemed close to tears. So did more than a few of the people listening.

''I started farming when I was 4, milking cows,'' said the 79-year-old potato farmer from Bagley, Minn. ''At 5, I remember my dad putting me on the binder with four horses.''

When he was 10, his grandfather lost the family farm. It was the Depression. A few years later, with Franklin Roosevelt's help, ''we got it back,'' he said.

He was married at 21; his wife was 17. After their honeymoon, they returned to the farm. They had $5 and a dream, he said, and through the next decades, the dream came true as they built a large, profitable farming operation.

''It's been a great life,'' Fredrickson said. ''But now, after working hard all my life, I daresay that if I sold out today, I wouldn't have $5 in my pocket.''

''Our 1996 crop was the best crop we've ever had,'' he said. ''But there was no price. We gave it away.''

Last year, he lost his crop when 15 inches of rain fell from late June to mid-July. ''We are not going to be able to farm this year because we lost that crop,'' he said.

''I've got two sons who should be farming. How am I going to tell them, 'You take over this debt'? I can't sleep nights thinking about it.

''I'm tired. I'm depressed. I'm crabby. You spend all your life raising food that's essential, and . . .''

His voice trailed off. He smiled at the politicians and thanked them for listening, and he sat down.

Everybody else stood, and sent him to his seat with a thundering ovation because he had said what they were feeling.

MODIFICATION TO AMENDMENT NO. 2062

Mr. STEVENS. Madam President, I ask unanimous consent, on behalf of Senator BYRD, to make technical modifications to amendment 2062, which was agreed to yesterday. That has been cleared by both sides.

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

The modification is as follows:

On page 15, line 11 shall read as follows:

''The Administrator of the General Services Administration shall''.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2062), as modified, was agreed to.

Mr. STEVENS. I ask unanimous consent to reconsider that action and to lay my motion on the table.

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

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

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

AMENDMENTS NOS. 2152, 2153, AND 2154 EN BLOC

Mr. STEVENS. Madam President, I do report success on some of the matters I earlier mentioned. I send to the desk an amendment offered by Senator HUTCHISON which deals with damage repairs, an amendment offered by Senator BOXER which deals with issues in the Department of the Interior section of the bill, and an amendment offered by Senator DORGAN which pertains to Indian reservations. They have been cleared on both sides. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 2152, 2153 and 2154 en bloc.

The amendments are as follows:

AMENDMENT NO. 2152

On page 26, after line 11, insert the following:

For an additional amount for ''Wildland and Fire Management'' for wildland and fire management operations to be carried out to rectify damages caused by the windstorms in Texas on February 10, 1998, $2,000,000, to remain available until expended: *Provided*, that the entire amount shall be available only at the discretion of the Chief of the National Forest: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $2,000,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985,

as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AMENDMENT NO. 2153

On page 21, line 20, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On page 21, line 23, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On page 22, line 11, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 13, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 25, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 23, line 3, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 24, insert a new section:

BUREAU OF LAND MANAGEMENT

CONSTRUCTION

For an additional amount for 'Construction', $1,837,000, to remain available until expended, to repair damage caused by floods and other natural disasters: *Provided*, That the entire amount shall be available only to the extent that an official budget request for $1,837,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget And Emergency Deficit Control Act of 1985 as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

On page 24, insert a new section:

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

For an additional amount for 'Construction', $700,000, to remain available until expended, to repair damage caused by floods and other natural disasters: *Provided*, That the entire amount shall be available only to the extent that an official budget request for $700,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AMENDMENT NO. 2154

(Purpose: To fund emergency PCB remediation in schools and other facilities at the Standing Rock Sioux Reservation)

On page 24, after line 17, insert the following:

CONSTRUCTION

For an additional amount for ''Construction, Bureau of Indian Affairs,'' $365,000 to remain available until expended, for replacement of fixtures and testing for and remediation of Polylchlorinated biphenyls (PCBs) in BIA schools and administrative facilities, *Provided* that the entire amount shall be available only to the extent that an official budget request for $365,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Mr. STEVENS. Madam President, I ask for their adoption en bloc.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (Nos. 2152, 2153, and 2154) were agreed to en bloc.

Mr. STEVENS. I move to reconsider the vote by which the amendments were agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2154

Mr. DORGAN. Madam President, I am pleased that the committee included my amendment, numbered 2154, to provide $365,000 for replacement of electrical fixtures and testing for and remediation of Polychlorinated biphenyls (PCBs) at schools and Bureau of Indian Affairs facilities located at the Standing Rock Sioux Reservation in North Dakota. These funds will remain available until expended.

The amendment provides direct funding to the Bureau of Indian Affairs so that the agency may replenish funds depleted by past activities related to the PCB emergency and provides for future remediation and testing activities and replacement of electric fixtures.

Students at two Standing Rock Sioux schools and employees at a Bureau of Indian Affairs administrative building in my State have been exposed to leaking fixtures containing dangerous PCBs. In an effort to protect students and Federal employees from contamination, parts of three buildings have been evacuated, disrupting classes and vital agency functions. While testing, remediation activities and fixture replacement are already underway, further work by the Bureau of Indian Affairs and its contractors remains unfinished. I commend the committee for providing the funds to insure the safety of those who work and study on the Standing Rock Reservation.

Mr. STEVENS. Madam President, if the Chair will address the list we prepared last evening, I will indicate that the Boxer amendment is now off the list, the Daschle amendment is now off the list—the first Daschle amendment—the Dorgan amendment is now off the list, the Feingold amendment is off the list, the Hatch amendment is off the list, the Hutchison amendment is off the list, the Levin IMF amendment is off the list, a portion of the managers' package is off the list, and the Wyden amendment is off the list.

I urge Senators, again, to come work with me and my staff to determine if we can handle some of these matters.

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. LEVIN. Madam 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. 2150

Mr. LEVIN. Madam President, I thank the managers of the bill for accepting my amendment which requires the Secretary of the Treasury to consult with the Office of the Trade Representative regarding prospective IMF borrowing countries, including their status with respect to our trade laws, and to take these consultations with our Trade Representative into account before the U.S. Executive Director of the IMF is given instructions on the U.S. position regarding approving loans to those countries.

I have had some difficulty supporting IMF reauthorization in the absence of requiring countries who are benefiting from an IMF funding bailout to remove restrictive trade practices and barriers that discriminate against American goods and American services. This amendment would put our trading partners on notice that the United States is going to take into consideration a country's discriminatory trade barriers to American goods and services as part of the process of determining American support for IMF loans.

Title III of the Trade Act of 1974 includes both section 301 and super 301 trade laws. These are some of our strongest trade tools in the arsenal to fight unfair and discriminatory trade practices.

If a foreign country is identified under these trade laws, it means that some of the most egregious discriminatory trade barriers are being kept in place to keep out American goods and services, and we have to use our trade laws to try to knock down barriers to our goods. We face discriminatory trade barriers too often. Trade is too often a one-way street, and where that is true with countries that are being considered for IMF loans, we should have the U.S. Executive Director of the IMF take into account those barriers and try to negotiate them away before approving the loan.

That is the point of this amendment—to make sure that those discussions and considerations take place before IMF loans are approved. Countries that discriminate against our goods and our services should not benefit from these loans until they have taken steps to remove the barriers. I hope that this provision will send a strong message to any country in question that has these barriers and is seeking IMF loans; that it must take significant steps to remove trade barriers if it wants to be assured of U.S. approval of those IMF loans.

Again, I thank the managers for accepting this amendment. I very much appreciate it. Those of us representing States that have industries and services that face these barriers in countries that are being considered for IMF

loans very much want this kind of action to be taken. They want our trade laws to be enforced, and want any discriminatory barriers that continue to exist that are maintained by these countries to be removed, to be negotiated away before we decide what to do on the request for the IMF loan.

I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Madam 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—AMENDMENT NO. 2100

Mr. STEVENS. Madam President, this has been cleared on both sides. I ask unanimous consent that amendment No. 2100, which has been held at the desk, be placed before the Senate for a vote at 11:45 a.m.

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

Mr. STEVENS. I ask unanimous consent that it be in order for me to order the yeas and nays.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The yeas and nays were already ordered.

Mr. STEVENS. I ask unanimous consent that no further amendments to amendment 2100 be in order.

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

Mr. STEVENS. I am authorized to state to the Chair that Senator HOLLINGS has agreed to remove his proposed amendment from the list. I do not think it is at the desk. I state that it has been removed from the list.

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. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. STEVENS. Madam President, I wish to make a statement to the Senate. We have a finite list now, and we are going to go through it today until we finish. I think it is very advisable for Senators to come over here and raise their amendments or work them out with us. It will be a lot better than doing it tonight at midnight.

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

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

Mr. BUMPERS. What is the parliamentary situation? Let me rephrase that. Is an amendment pending?

The PRESIDING OFFICER. There is no amendment pending.

AMENDMENT NO. 2134

Mr. BUMPERS. Madam President, I have an amendment at the desk, but I think the chairman of the Appropriations Committee and I have a pretty good understanding about the amendment and its intent. And I am not saying that he agrees with every jot and tittle of it, but I think that he feels pretty much the way I do about it.

Let me just say for the Record that here is what I am trying to accomplish with the amendment. As you know, an emergency appropriation does not require an offset. An appropriation in this bill which is not an emergency does require an offset. And under the Budget Act, spending that is not an emergency and nondefense discretionary spending must be offset with nondefense discretionary spending and defense spending that is not an emergency must be offset by defense spending cuts—offsets.

And the House has done something—the thing that really sort of got me interested in this—the House has done something which is really very strange and, frankly, I consider to be a violation of the Budget Act. What they have said is, we are declaring these items—for example, assistance to Bosnia and the Iraqi operation—as emergencies. And, as I said, under the law they do not require offsets if they are emergencies, but the House has chosen to offset them anyway. And they have offset them totally from nondefense discretionary spending, such as housing, AmeriCorps, and other things that may not be popular to some people but they are fairly popular with me.

So what I want to do is emphasize that the Senate is proceeding exactly the way we should and in accordance with the Budget Act. We have declared these things emergencies. The ones that have not been declared emergencies we have offsets for. And when we go to conference with the House, we are going to be in a strange position. They are going to be saying this is an emergency, but we are going to offset it anyway.

I think that the chairman agrees with me that if the conference does, in fact, have any offsets—and particularly offsets of emergency matters—that we will comply with the requirement of the Budget Act; and that is, defense spending increases for emergency purposes will be offset by defense funds, and the same way with nondefense discretionary spending.

And I would like, if I could, to get the chairman of the committee to comment on what I have just said.

Mr. STEVENS. Madam President, as the Senator from Arkansas is aware, the bill now before the Senate does contain emergency appropriations for both defense and domestic emergencies. As such, those appropriations have not been offset. I agree with the Senator's understanding that when offsets are required, the defense accounts must pay for defense appropriations, the nondefense must pay for nondefense appropriations. And that would comply with the so-called walls that exist between defense and nondefense spending.

As I understand the situation, should we bring back a bill that has defense appropriations which are offset with reductions in nondefense accounts, the Budget Act would treat the defense funds to be over the cap that exists for 1998 and would not allow the treatment of the nondefense offsets to reduce that amount down below the cap.

I call attention to the fact that our committee is the only committee that is subject to the point of order under the Budget Act. The House can propose whatever it wants to propose, but should we bring such a bill back to the Senate floor, it would be subject to a point of order, and it would certainly not be my intention to do that.

Furthermore, as the Senator knows, it has already been indicated that the budget, the account for defense, has already been rescored and is $22 million over the cap now, which we will have to deal with later. But this bill is not over the cap. The defense account is over the cap before this bill. And we have a real problem with dealing with any funds that might attempt to be appropriated for defense on a nonemergency basis because they would automatically be subject to a point of order.

So the Senator's amendment No. 2134, as I stated to him yesterday, in this Senator's opinion—and I checked with Senator BYRD yesterday—we believe that the Senator's amendment states the interpretation of the Budget Act as it applies to the Senate now and therefore is unnecessary.

Mr. BUMPERS. Madam President, I just want to thank the chairman for his remarks. And with that understanding, my amendment was a sense-of-the-Senate resolution, and, quite frankly, I would rather have the chairman's word.

Mr. STEVENS. I stand corrected by the staff director. It is the total spending that is over the caps. The defense right now is under the cap, although before the year is over it will be right up to the cap.

Mr. BUMPERS. Fine. As I was saying, Madam President, the Senator from Alaska will be presiding as chairman on the Senate side in the conference committee. He and I have a deep reverence for the law as we understand it. And, as I say, I think I would rather have his word on this than to have my amendment adopted. So with that, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 2134) was withdrawn.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

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

Mr. STEVENS. Will the Senator withhold that request?

Mr. BUMPERS. Yes.

Mr. STEVENS. There is some question as to amendment 2100, Madam President. It is the IMF amendment. It is Senator MCCONNELL's amendment, which now has been amended by two amendments which were adopted this morning. No further amendments are in order. But I was informed that some Senators do wish to speak on the McConnell amendment before it is voted on. And it will be voted on at 11:45.

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. STEVENS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. STEVENS. Madam President, I announce that Senator GRAHAM will not offer his amendment.

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

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

Mr. BUMPERS. Madam President, I ask unanimous consent that I be permitted to speak for 2 minutes as if in morning business.

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

THE JONESBORO SHOOTINGS

Mr. BUMPERS. Madam President, I simply want to call to the body's attention—indeed, to the American people's attention—an editorial in the Washington Post this morning called ''Trigger Happy.''

As you know, my home State is Arkansas, and we have just experienced one of the gravest tragedies in the history of our State. People all over the State—not just those in Jonesboro—are grieving over the loss of four children 11 years old, and one 32-year-old pregnant schoolteacher, a catastrophic happening that no one can even begin to explain.

But the Post this morning certainly points out one of the serious problems facing this country, and one with which we have never even come close to coming to grips with, and I don't in the foreseeable future see us coming to grips with it. But here it is: In 1992, handguns killed 33 people in Great Britain; 36 in Sweden; 97 in Switzerland; 60 in Japan; 13 in Australia; 128 in Canada; and, 13,200 in the United States.

There was a study completed by the Violence Policy Center. And as the Post points out—they can't put it all in here. But listen to this:

> For every case in which an individual used a firearm kept in the home in a self-defense homicide, there were 1.3 unintentional deaths, 4.6 criminal homicides, and 26 suicides involving firearms.
>
> The overall firearm-related death rate among U.S. children aged less than 15 was nearly 12 times higher than among children in the other 25 industrialized countries combined.
>
> From 1968 to 1991, moter-vehicle-related deaths declined by 21 percent, while firearm-related deaths increased by 60 percent. It is estimated that by the year 2003, firearm-related deaths will surpass deaths from motor-vehicle-related injuries. In 1991 this was already the case in seven States.

Madam President, those figures are so shocking to me. I have studied this issue for some time and have lamented the increasing violence from the Postal Service. And now it seems that it is becoming endemic in the schoolyards in America.

When in the name of God is this country going to wake up to what is going on in the country and the easy accessibility to guns?

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2100

Mr. STEVENS. Madam President, there are now 20 minutes left for further debate.

I ask unanimous consent that time be divided between the majority and minority.

Does the Senator wish any time?

Mr. HAGEL. Two minutes.

Mr. STEVENS. I yield on the majority side 2 minutes to the Senator from Nebraska.

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

Mr. HAGEL. Madam President, I rise with about 20 minutes remaining before the vote on the IMF package.

I wish to first thank the distinguished chairman of the Senate Appropriations Committee, Senator STEVENS, for his leadership in this area. This is a tough issue. It is an important issue. It is an issue that has come to the floor with much heated debate and exchange. But I wish in just a minute to try to put some perspective on what we are doing here.

First, our economy is connected to all economies of the world. When Asian markets go down and currencies are devalued, that means very simply that we in the United States cannot sell our products in Asia. Asia has represented over the last few years the most important new export opportunity for all of the United States—not just commodities and agriculture, but all exports. What we are doing today is connected to all parts of the world. We understand something very fundamental about markets and that is that markets respond to confidence. We in the United States—because it is, in fact, in our best interests to participate and lead, not to bail people out, not the IMF bailing anybody out, but what we are doing through a very deliberate businesslike approach, an approach through the IMF established 50 years ago—are participating in a loan process where this country has never lost $1. We ourselves have used this.

So today all those colleagues of mine who have been so helpful, so involved, I wish to thank and wish also, in these final minutes, to encourage all my colleagues to take a look at this, understand the perspective, ramifications, the consequences, and the importance of what we doing here with this IMF support.

Madam President, I yield the floor.

Mr. LEAHY. Madam President, we are about to complete action on the supplemental appropriation for the International Monetary Fund. I want to thank the chairman of the Foreign Operations Subcommittee, Senator MCCONNELL, and Senator HAGEL, who have worked hard to reach agreement on compromise IMF language that the Treasury Department can support.

The amendment we are about to vote on provides the full amount requested by the President for the IMF, including $3.4 billion for the New Arrangements to Borrow, and $14.5 billion for the quota increase. None of this money costs the U.S. Treasury. It is repaid with interest. In the event of a default, it is backed up by IMF gold reserves.

This amendment is not perfect. Few are. It does not directly address certain issues I am concerned about, including workers' rights, military spending, and the environment. Neither the IMF nor the Treasury Department have worked aggressively enough to ensure that IMF loans do not promote exploitation of workers, subsidize excessive military spending, or result in environmental harm. I would have strongly preferred conditional language on those issues similar to the economic and trade conditions that are in the bill. However, that was explicitly rejected by the Republican side. I am encouraged, however, that language on these issues is included in the House bill, and will be discussed in the conference. I also want to credit Senator WELLSTONE, whose amendment addresses these concerns.

I should also mention that the McConnell-Hagel amendment does require further progress on information disclosure by the IMF, an area that I have worked on for many years as it relates to all the international financial institutions. The World Bank has

made considerable progress on this, but the IMF has lagged behind. In some instances there are legitimate reasons for protecting the confidentiality of IMF documents. But the presumption should favor disclosure. Secretary Rubin has indicated that he intends to press the IMF harder to expand public access to IMF documents. That should be a priority, because that is how we will ultimately deal most effectively with the other types of concerns I have mentioned. A process that is open to public scrutiny tends to result in better decisions.

Mr. President, the IMF has a reputation for being an arrogant, secretive organization that has too often bailed out corrupt governments. There is some truth to that. But I am also convinced that as the world's leading economic power the United States has a multitude of interests in a strong IMF. Millions of American jobs depend on exports. The IMF plays an important role in limiting the adverse impact of major financial crises. This amendment, for the first time that I am aware of, seeks to address some of the concerns that the IMF has been too eager to bail out corrupt governments, or governments whose trade policies have discriminated against American companies. Given the difficulty the Treasury Department encountered in getting this IMF funding passed in a form that Treasury could accept, it is clear that unless the IMF follows through on the reforms the Congress is insisting on US support for the IMF will soon evaporate.

Finally, I want to mention one other issue that has concerned me for some time, and which has also been a problem at the World Bank and the other international financial institutions. That is the lack of significant numbers of women in IMF managerial positions, and the lack of adequate grievance procedures to effectively respond to cases of harassment, retaliation, and gender discrimination. The IMF is particularly at fault in these areas. The statistics show that women have been systematically denied advancement at the IMF. The grievance process, while perhaps measuring up to a standard of years gone by, today fails to afford the due process that is necessary to deter abuse of power, particularly at an institution that is immune from the court system. This is an urgent problem which affects morale and the quality of IMF operations, and should be treated as a priority by IMF management as well as the Treasury Department. The Appropriations Committee first called attention to the problem of gender discrimination at the IMF in 1992, and there has been far too little progress since then.

Having said that, I will support this compromise and want to again thank Chairman MCCONNELL and Senator HAGEL for the considerable time and effort they gave to finding an agreement that a majority of senators could accept.

Madam President, the IMF funding has been attached to S. 1768, the Bosnia, Iraq and Domestic Disaster Relief supplemental bill, because a majority of senators believe, as Senator STEVENS, the Chairman of the Appropriations Committee has urged, that the IMF funding should be sent to the President on whichever supplemental bill the Congress completes action on first. We have agreed that if the House sends us a separate IMF supplemental bill we can choose to go to conference on that. But there is no requirement that we do so. Our primary concern is that the Congress complete action on the IMF as soon as possible and send it to the President for signature.

Mr. ABRAHAM. Madam President, I rise to discuss the recent vote the Senate conducted on the provision of U.S. funding to the International Monetary Fund. With that vote, this chamber approved the appropriation of over $18 billion with a single vote. Given the size of this appropriation, I believe it is critical to spell out exactly why Senators voted as they did.

I opposed this amendment for several reasons. First and foremost, the IMF has a very poor track record in its promotion of economic growth. According to Johns Hopkins University economist Steve Hanke, Few nations graduate from IMF emergency loans. Most stay on the IMF dole for years on end.'' Indeed, one study of IMF lending practices in 137 mostly developing countries from 1965 to 1995 found less than one-third have graduated from IMF loan programs. In fact, the IMF often encourages loan recipient nations to implement policies that further reduce economic growth. These policy recommendations have included raising tax rates, devaluing currencies, delaying regulatory reforms, and a host of additional austerity measures that compound nations' economic distress. Unless the IMF changes these counterproductive policies, I see no reason to put more American taxpayer dollars at risk.

Second, this IMF bailout for Asia is entirely unprecedented. All previous IMF bailouts, including that of Mexico, have been of the governments and central banks to stabilize their macroeconomic conditions. This bailout, in contrast, is a microeconomic bailout to restore the solvency of clearly insolvent financial institutions. Furthermore, the next largest bailout the IMF ever conducted was of Mexico at $17 billion. The Indonesian bailout package currently being negotiated tops $30 billion, while the Korean package comes in at over $57 billion.

Third, the IMF bailout is simply not needed. The Asian financial crisis is essentially over. As usual, markets have responded more quickly than any government. The fact of the matter is, the South Koreans had a current account surplus last year, and will continue to do so for the foreseeable future. Investors are starting to differentiate among Asian countries for degree of risk, and stock prices are rising, in Korea by over 30%. Further, the potential impact of the Asian economic situation on U.S. economic growth must be put in perspective: the 5 most afflicted Asian nations—Korea, Indonesia, Malaysia, Thailand, and Singapore—account for only 8 percent of U.S. exports and imports.

And it is clearly not the case that the IMF will go bankrupt without these replenishment funds from the American taxpayer. The IMF has plenty of funds to cover these loans and many to come. Even after the distribution of the current bailout packages, the IMF will hold $30 billion in gold reserves, and have access to $25 billion in unused General Agreement to Borrow credits. By providing these replenishment funds, we are simply empowering the IMF to impose its counterproductive economic policies on yet more desperate countries.

Fourth, this bailout will be counterproductive because it will perpetuate a ''moral hazard'' problem within the banking industry, a problem it will take years to overcome. Without doubt, this bailout package is being pushed in order to restore confidence in the Asian banking system (and the bad loans made by Western banks at unsound rates), a system that probably shouldn't be restored in the first place because of its inherent flaws—flaws that the IMF bailout does not address at all.

The provision of these funds will therefore perpetuate and intensify the moral hazard for private banking started by the Mexican bailout. Arguing that the Mexicans repaid their debt misses the point—if credit card companies and finance houses had been forced to eat their losses in Mexico, they would have exercised better elementary judgment regarding the over-investment policies of Asia that led to this crisis.

The IMF is essentially a huge bureaucracy populated by the last remaining socialists in the world. The reforms to IMF lending practices that are needed to address economic problems in Asia and elsewhere would require the IMF to support economic policies that are anathema to its Directors and to its fundamental philosophy—cutting tax rates, promoting sound monetary policies, cutting government regulation, allowing banks and firms to fail, and requiring private investors to eat their losses. Unless we reform the IMF as we know it, increasing funds to IMF will do little to help the distressed economies of the world.

Mr. STEVENS. Madam President, I state to the Senators there is 10 minutes available on their side. As far as I know they can allocate it as they wish.

Mr. ROBB. Madam President, I request about 2 minutes from the time allocated to the minority side to talk about an amendment pending that I hope to have cleared in just a few moments.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, a couple of days ago I introduced formally the Agriculture Credit Restoration Act of 1998. This has now been presented in the form of an amendment to the emergency supplemental, amendment 2135. The purpose is very simple. In the 1996 farm bill a provision was added in conference that was not considered by the full Senate or by the House but was added in the conference that, in effect, precluded anybody who had a write-down or loan forgiveness from ever being eligible for a loan that was made available by the U.S. Department of Agriculture.

The U.S. Department of Agriculture is the lender of last resort. They don't lend under any circumstances where at least three private lenders have not already denied credit and they do not lend to noncreditworthy applicants. In this particular bill we have $48 million that is set aside to increase the direct operating loan fund, which is presumably being made available to those who are most in need. But the provision that is currently in the law that this particular amendment would change precludes anyone who has had a write-down or had credit forgiveness or whatever the case may be.

In a number of instances, that occurred precisely because the U.S. Department of Agriculture discriminated against those individuals. So it is a Catch-22. The Agriculture Department acknowledges that there was past discrimination. The current Secretary of Agriculture has acknowledged this. They are very much supportive of this bill—this amendment. It would, in effect, correct the inequity of precluding those who, by virtue of a natural disaster, a major family illness, or discrimination, from being eligible—not necessarily getting a loan but simply being eligible—for a loan of last resort under the Direct Operating Loan Fund.

It has created problems for many of those who had previously sought loans when they thought the money was available. We put money in last year, and most of the people who then sought the money ran into this particular roadblock. It has been approved by all Senators on the majority side, and only one Senator has yet to see the particular legislation. I hope to have that approval very shortly.

But I wanted to explain that this does not create any requirement that the U.S. Department of Agriculture grant credit to any noncreditworthy applicant. Indeed, they have to have already attempted to get credit from three private insurers. But it does correct the inequity where they were previously denied credit because of specific discrimination. We certainly do not want to be perpetuating that.

With that, Madam President, I will await the affirmation that it has been cleared on both sides. I thank the chairman of the full committee for his time. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 2100

Mr. WELLSTONE. Madam President, I quote from Joseph Stiglitz, World Bank chief economist and senior vice president, in which he called for an end to ''misguided policies imposed from Washington.''

The World Bank senior vice president and chief economist is scathing in what he calls the ''Washington Consensus'' of U.S. economic officials, the International Monetary Fund and the World Bank.

He talks about a Washington consensus that seeks to increase measured GDP, whereas we should seek increases of living standards, including improved health and education.

We seek equitable development which ensures that all groups in society enjoy the fruits of development, not just the few at the top. And we seek democratic development.

That is what he proposes as an alternative to the Washington consensus.

I ask unanimous consent to have this piece, ''World Bank Chief Economist Stiglitz: IMF Policies Are Fundamentally Wrong,'' printed in the RECORD.

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

[From Debt Update, March 1998]

WORLD BANK CHIEF ECONOMIST STIGLITZ: IMF POLICIES ARE FUNDAMENTALLY WRONG

BANK ADMITS HIPC CONDITIONS WRONG

'Greater humility' is needed, admitted the World Bank's chief economist and senior vice president Joseph Stiglitz, in a speech in which he called for an end to 'misguided' policies imposed from Washington.

Joseph Stiglitz's wide-ranging condemnation of the 'Washington Consensus' and the conditions imposed on poor countries must raise fundamental questions about the entire debt relief process now being coordinated by the IMF and World Bank. Debt relief under the HIPC (Heavily Indebted Poor Countries) initiative is conditional on six years of faithfully obeying demands from the Fund and Bank which Stiglitz now calls 'misguided'.

The World Bank's senior vice president and chief economist is scathing about what he calls the '''Washington Consensus'' of U.S. economic officials, the International Monetary Fund (IMF), and the World Bank'. He says that 'the set of policies which underlay the Washington Consensus are neither necessary nor sufficient, either for macro-stability or longer-term development.' They are 'sometimes misguided', 'neglect . . . fundamental issues', are 'sometimes even misleading, and do 'not even address . . . vital questions'.

'Had this advice been followed [in the United States], the remarkable expansion of the U.S. economy . . . would have been thwarted.' Russia followed the Washington Consensus line while China did not, Stiglitz notes, and 'real incomes and consumption have fallen in the former Soviet empire, and real incomes and consumption have risen remarkably rapidly in China.'

The Washington Consensus only sought to achieve increases in measured GDP, whereas 'we seek increases in living standards including improved health and education. . . . We seek equitable development which ensures that all groups in society enjoy the fruits of development, not just the few at the top. And we seek democratic development.'

Joseph Stiglitz made his speech in Helsinki, Finland, on 7 January 1998, and so far it has been little reported. Perhaps he needed to be as far away from Washington as possible, because he undermined virtually every pillar of the structural adjustment and stabilization policies that serve as necessary conditions under HIPC. He asserts:

Moderate inflation is not harmful. Hyperinflation is costly, but below 40% inflation per year, 'there is no evidence that inflation is costly'. Furthermore, there is no evidence of a 'slippery slope' there is no evidence that one increase in inflation causes further increases. Thus 'the focus on inflation . . . has led to macroeconomic policies which may not be the most conducive for long-term economic growth.'

Budget deficits can be OK, 'given the high returns to government investment in such crucial areas as primary education and physical infrastructure (especially roads and energy).' Thus 'it may make sense for the government to treat foreign aid as a legitimate source of revenue, just like taxes, and balance the budget inclusive of foreign aid.'

Macro-economic stability is the wrong target. 'Ironically, macroeconomic stability, as seen by the Washington Consensus, typically down-plays the most fundamental sense of stability: stabilizing output or unemployment. Minimizing or avoiding major economic contractions should be one of the most important goals of policy. In the short run, large-scale involuntary unemployment is clearly inefficient in purely economic terms it represents idle resources that could be used more productively.'

The advocates of privatization overestimated the benefits of privatization and underestimated the costs.' And the gains occur prior to privatization, through a process of 'corporation' which involves creating proper incentives. China 'eschewed a strategy of outright privatization'.

Competition, not ownership, is key. Private monopolies can lead to excess profits and inefficiency. Government must intervene to create competition.

Markets are not automatically better. 'The unspoken premise [of the Washington Consensus] is that governments are presumed to be worse than markets. . . . I do not believe [that]'. Stiglitz notes, in particular, that 'left to itself, the market will tend to under provide human capital' and technology. 'Without government action there will be too little investment in the production and adoption of new technology.'

The dogma of liberalization has become an end in itself and not a means to a better financial system. Financial markets do not do a good job of selecting the most productive recipients of funds or of monitoring the use of funds, and must be controlled. Deregulation led to the crisis in Thailand the 'notorious Savings and Loan debacle in the United States.'

Perhaps the key problem is that Washington Consensus 'political recommendations could be administered by economists using little more than simple accounting frameworks.' This led to 'cases where economists would fly into a country, look at and attempt to verify these data, and make macroeconomic recommendations for policy reforms, all in the space of a couple of weeks.'

Stiglitz calls for a new 'post-Washington Consensus' which, he says, 'cannot be based on Washington'. And, he adds, one 'one principle of the emerging consensus is a greater degree of humility, the frank acknowledgment that we do not have all the answers.'

Mr. WELLSTONE. ''United Auto Workers International Executive Board Resolution on U.S. Contributions to the International Monetary Fund.'' I will quote one section:

To achieve [an] increase in exports, the IMF insists on austerity measures that include slashing public spending, jacking up

interest rates to exorbitant levels, deregulating markets, devaluing currencies, and reducing existing labor protections. The impact on workers and their families is devastating. Workers face massive layoffs and wage cuts, while the prices of basics such as food, housing, energy and transportation skyrocket.

I ask unanimous consent this be printed in the RECORD, as well as a ''Dear Colleague'' letter from Representative KUCINICH.

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

UNITED AUTO WORKERS INTERNATIONAL EXECUTIVE BOARD RESOLUTION ON U.S. CONTRIBUTIONS TO THE INTERNATIONAL MONETARY FUND

International Monetary Fund (IMF) involvement in the recent financial crisis in Asia, and the 1994–95 crisis in Mexico, dramatizes the tremendous burden that Imposed austerity measures place on working people around the world. The purpose of IMF involvement has been to bail out international banks and Investors whose pursuit of excessive profits led them to make questionable, high-risk loans.

IMF-dictated austerity measures worsen U.S. trade deficits, leading to the loss of solid family-supporting manufacturing jobs in auto and other industries, while driving down the already abysmally low wages of workers living in developing nations.

Governmens in South Korea, Thailand, Indonesia and Mexico and other developing nations are being told that an infusion of capital from the IMP requires them to pay down foreign loans by lowering the living standard of their citizens. The IMF's prescription calls for a increase in low-wage exports from these countries. The dollars so raised are then used to pay down loans owed to international banks and inventors. As a result, our trade deficit is expected to climb by approximately $100 billion this year alone, causing the loss of an estimated 1 million U.S. jobs.

To achieve this increase in exports, the IMF insists on austerity measures that include slashing public spending, Jacking up interest rates to exorbitant lovely, deregulating markets, devaluing currencies, and reducing existing labor protections. The impact on workers and their families is devastating. Workers face massive layoffs and wage cuts, while prices of basics such as food, housing, energy and transportation skyrocket.

Many of the governments receiving IMF funds fail to respect Internationally recognized workers, rights, and the IMF has not required them to do otherwise, despite the high price that workers are forced to pay. In Indonesia, independent union leader Muchtar Pakpahan remains on trial for his life for his union activity. Yet the IMF has made no effort to use of its leverage to free him.

The UAW believes that the International Monetary Fund is fully aware of the impact that its austerity measures have on working people. Yet the IMF has failed to move toward reforms of its own policies that would ensure equitable solutions to crises in financial markets. The UAW therefore opposes providing the additional funding of $18 billion that the IMF has requested from U.S. citizens. We believe that international organizations can and must play necessary and useful roles in world affairs. Our vision of their role, however, is one that places the interests of working people at least equal to those of finance and capital.

U.S. CONGRESS,
HOUSE OF REPRESENTATIVES,
Washington, DC.

REASONS TO REJECT THE IMF SUPPLEMENTAL APPROPRIATION

DEAR COLLEAGUE: As you formulate your position, I ask that you consider the following reasons to say No to the IMF supplemental appropriation.

(1) The supplemental appropriation is not needed for the Asian bailout. The bailout of Asian borrowers has already taken place. The funds for the bailout came from existing IMF funds.

(2) The IMF has ample funds right now at its disposal. Even after the loans to Thailand, Indonesia and South Korea, the IMF has $45 billion in liquid resources. It also has a credit line of $25 billion through the General Arrangements to Borrow. Furthermore, it has about $37 billion in gold reserves. And lastly, it can borrow funds from the private capital market.

(3) The IMF often makes matters worse. The IMF has a record of making matters worse even as it carries out a bailout. According to the New York Times, ''[The] I.M.F. now admits tactics in Indonesia deepened the crisis . . . political paralysis in Indonesia was compounded by misjudgment at the I.M.F.'s Washington headquarters. The Wall Street Journal's assessment was more damning. ''Far from stopping the damage, IMF rescue attempts have become part of the problem. Along with handing out funds, the IMF keeps peddling bad advice and sending the markets warped signals that set the stage for—guess what?—more bailouts.

(4) The IMF imposes impoverishing conditions of foreign workers. In exchange for a bailout, the governments of developing countries must submit to a harsh regimen that impoverishes workers. In Haiti, for example, the IMF has pressured the Haitian government to abolish its minimum wage, which is only about $0.20 per hour.

(5) The IMF imposes environment-destroying prescriptions. In exchange for a bailout, the government of Guyana was forced to defund its environmental law enforcement, and accelerate deforestation. Why? To export more logs and earn foreign exchange, with which to pay back the IMF.

(6) The IMF only listens to a tough Congress. If you want to change the way the IMF does business, this supplemental appropriation would be a setback. The IMF is resistant to change. In both 1989 and 1992, the IMF ignored the comprehensive reforms passed by Congress because the appropriation was not conditioned on IMF reform. Only when Congress made an appropriation payable only on certain reforms did the IMF make changes. This supplemental appropriation projects a weak Congress and will not produce any meaningful reform at the trouble-ridden IMF.

Sincerely,

DENNIS KUCINICH,
Member of Congress.

Mr. WELLSTONE. Madam President, I say to colleagues, I rise to speak against this Washington consensus. This IMF provision may pass with an overwhelming vote, but I want to just be crystal clear. We are, I think most of us, internationalists. I believe that what happens in these countries, in Asia, Indonesia, Thailand and other countries, will dramatically affect our country. I have no disagreement with that. But the IMF over and over and over again has imposed austerity measures, has depressed the wages and living conditions of people in these countries, has been in violation of statutes that are supposed to govern the IMF in relation to human rights, labor, in relation to respect for indigenous peoples, in relation to environmental protection.

What is going to happen is that these IMF measures are not going to help these countries or help our country. Countries following these IMF prescriptions are going to be forced either to import even less from our country because they do not have consumers because the people are poor—and the people become poor because of IMF austerity measures imposed on these countries. Or these countries—and this is another effect of IMF programs—are going to be forced into devaluing currencies and trying to buy their way out of trouble through cheap exports, which will again end up competing against, and hurting, working families in our country.

I understand my colleague, Senator SARBANES, is on the floor. I ask him, is he on the floor to speak against this amendment on IMF or on a different subject?

Mr. SARBANES. No, I am here to speak in support of the amendment, very strongly in support.

Mr. WELLSTONE. Then I wanted to use my full time.

Mr. STEVENS. We divide the time between the majority and minority. I have one person who wishes to speak in opposition and one to speak for the amendment. If the Senator wants any time he will have to get it from your time.

Mr. WELLSTONE. Madam President, yesterday I asked unanimous consent that I would have 10 minutes to speak before the final vote. I do not think it has anything to do with this other time. That, I think, is part of the RECORD. I had asked unanimous consent, and it was granted, that I would have 10 minutes to speak. I do not want

to take time away from my other colleagues. That was the only reason I asked my colleague from Maryland.

The PRESIDING OFFICER. The Parliamentarian advises me there is an agreement to vote at 11:45. It would take unanimous consent to amend that agreement.

Mr. STEVENS. Madam President, I understand what the Chair is saying, but I do remember the Senator did withhold his comments. We did agree before there was a vote on IMF he would have 10 minutes. How much time has the Senator used?

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. STEVENS. Then I ask unanimous consent the vote take place at 11:50 and the Senator have the remainder of his 5 minutes.

Mr. SARBANES. I will respect the time limit. I think we should go to the vote. I do not want to be constantly delaying the votes.

Mr. STEVENS. The Senator will have 10 minutes, the Senator from Kansas would have 2 minutes, the Senator from Florida would have 2 minutes, and I would have 1 minute to close, and that would make it 11:50.

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

Mr. WELLSTONE. I thank the Senator from Alaska.

Madam President, yesterday we did adopt an amendment I offered which I think will be helpful. It essentially says that the Secretary of the Treasury will set up an advisory committee with members from labor, the human rights community, the social justice community and the environmental community. I think eight members will meet with him—or her—twice a year in the future, twice a year, to monitor whether or not the IMF is living up to its own statutory mandates. Let me just simply say that Muchtar Pakpahan is a labor leader in Indonesia. He is imprisoned; he is in jail.

He is in jail because he was organizing workers for a higher minimum wage. I went through all the statutes yesterday that apply to the IMF, that are a part of the law. There is supposed to be full respect for human rights; there is supposed to be respect for internationally recognized labor rights; there is supposed to be respect for basic environmental protection provisions, and the IMF is not in compliance.

Over and over and over again, the IMF turns its gaze away from these conditions in these countries. Over and over and over again, apparently our country, this administration, turns its gaze away. I simply want to say one more time, to quote Joe Stiglitz, World Bank chief economist—I think he is right that this Washington consensus is profoundly mistaken. I think he is right when he says the IMF goes in the opposite direction of raising wage levels, focusing on education, focusing on making sure that citizens in these countries are able to benefit from the infusion of capital, that it ought not to be just about the investors and the bankers. It ought to be about improving the living standards of people in these countries.

I think he is right to suggest that what is going to happen as a result of austerity measures imposed on these countries, as has been done in the past, there will be fewer people in these countries to consume our products. And these countries will be exporting cheaper and cheaper products into our country, again, hurting working families.

We have missed a tremendous opportunity. The United States of America and the U.S. Senate, on this vote, which I think will be an overwhelming vote in favor of this, will have missed a tremendous opportunity to be on the side of internationally recognized labor standards, to be on the side of human rights, to be on the side of environmental protection, to be on the side of improving the living standards of people in these countries. We have missed this opportunity. And I believe that this infusion of capital into the IMF, if the IMF's flawed programs are imposed on these countries, will, in fact, end up not only hurting these countries, but also hurt severely the people in our own country as well.

I think it is a tragic mistake on our part not to have used this moment, not to have used our leverage to change the flawed policies of the International Monetary Fund.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, I request that amendment No. 2135 be called up for immediate consideration.

Mr. STEVENS. We have no objection as to its immediate consideration. We are willing to accept it.

Mr. ROBB. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2135) was agreed to.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. ROBB. I thank the Chair, and I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 2100, AS MODIFIED

Mr. SARBANES. Madam President, I yield briefly to the Senator from Delaware.

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. BIDEN. Madam President, I rise this morning to support the addition of urgently needed funds for the IMF to this supplemental appropriations bill.

Despite the clear need, despite the strong statements of concern by Federal Reserve Chairman Greenspan, and by Treasury Secretary Rubin, some of our colleagues continue to miss the point. As the biggest, most open economy in the world, as the leader of the world economy and the only global superpower, the United States has a special role to play in, and a special need for, international institutions to maintain the stability and openness of the world's financial system.

The problems now brought to light in Asia—the increasing billions in international investments that flow around the globe with the stroke of a computer key, the uneven development of banking systems in newly industrializing nations—are very real challenges to our own well-being that require serious analysis and a truly international response. They are not an annoyance that we can blissfully ignore. And they are not to be dismissed with a few ideological platitudes.

As the distinguished chairman of the Appropriations Committee stated so clearly and forcefully just yesterday, the Asian financial crisis is an ''economic El Nino'' that directly affects American sales overseas and jobs here at home. Our contributions to the IMF are made to protect us from the shock waves of that crisis in the Pacific, Madam President, and by denying or delaying those contributions we would only hurt ourselves.

Certainly, the IMF could well use a breath of fresh air—more openness to develop more public understanding and trust. And it is clear that we have a long way to go to establish a sound international financial system, with the clear reporting standards and accurate data that will allow markets to operate efficiently.

Those of us who share those concerns understand the need to provide the IMF with the resources it needs right now to maintain its role as lender of last resort in the kinds of currency crises that can have truly global consequences. If we do not, weaknesses in the world's financial system will only deepen and persist. And, I must add, so will the burdens carried by those people in the affected countries that are least able to deal with them, who too often pay the price for the financial follies of others.

So congratulations are due to those who worked so hard to make sure that the funding becomes part of this bill today. I know that Senator HAGEL, my colleague from the Foreign Relations and Chairman of our International Economic Affairs Subcommittee, has played a key role. And a great deal of credit must go to Senator STEVENS, Chairman of the Appropriations Committee, for his indispensable leadership.

I know that there are more hurdles to clear in this process, Madam President, but I am pleased to see that this

amendment has become part of the emergency appropriations bill. Just last week, when our IMF contributions seemed in real trouble, I expressed my confidence that the Senate would work quickly and responsibly to make this funding available. Today, the Senate has rewarded that confidence.

I pay special tribute to Senator HAGEL for his hard work on this and Senator STEVENS for promoting and providing the means to do this and my friend from Maryland for being such a strong voice. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I just want to say, I don't really have a basic quarrel with my good friend from Minnesota. I want to be on the side of environmental protection and on the side of workers' rights and on the side of human rights. The Secretary of the Treasury has committed himself to undertake a serious review of the international financial architecture. I have a lot of confidence in the Secretary of the Treasury. In fact, I think we have the best finance minister in the world in Secretary Rubin. I place great credibility in his proposals.

But you cannot remodel the emergency room at the very time the patients are being brought in to be dealt with. That is the issue that is involved in this IMF replenishment. The distinguished chairman of the committee said on yesterday that the Asian flu is the El Nino of economics, and he warned that unless we understand that, we are liable to make a big mistake. I think the distinguished Senator from Alaska was absolutely right on that point.

These countries got into trouble because of, in many respects, mismanagement of their economy. The IMF wasn't there to begin with. The IMF came in in order to try to help them out.

Now, we can argue about its programs, and I have been critical of them in the past and, indeed, even critical of them in the current context. But nevertheless, we have to do this replenishment because, if the IMF is perceived as having inadequate resources to deal with any crisis that might now emerge, it makes it more likely that the crisis will happen. If the IMF is perceived as having adequate resources, it makes it less likely that a crisis will happen because there will be an increase in confidence.

So I urge my colleagues to support the McConnell amendment; otherwise, we may be headed for very big trouble, as the distinguished chairman of the committee said on yesterday.

Mr. STEVENS. I yield to the Senator from Kansas 3 minutes and the Senator from Florida 2 minutes.

Mr. ROBERTS addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Madam President, I rise today to applaud and thank my colleagues for finally taking decisive action that will provide full funding for the International Monetary Fund while requiring strict conditions on receiving IMF assistance.

In particular, I am pleased that this agreement insists that efforts to remove illegal trade barriers to American products be a required item in any IMF program. It is entirely appropriate that we are doing that.

I am especially pleased that this body has rejected efforts to include requirements and conditions that would have gone too far. While the recipient countries should be required to comply with tough, fundamental changes in their economies in order to receive the assistance, the bar must not be raised so high that any hope for reaching the conditions is lost. If excessive conditions had been included—and some Members in this body had been promoting those conditions—why, the United States would have no leverage to insist on reforms that would lower trade barriers to American goods and end unfair subsidies for foreign businesses. That would hurt both the country in trouble and the United States as well.

In this regard, Mr. President, I wish to thank the distinguished Chairman of the Appropriations Committee, Senator STEVENS, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge.

I also wish to pay special thanks to Senator HAGEL and to Senator GRAMS for their efforts in helping to craft language that I believe will certainly enable us to achieve both funding and the needed reforms. In particular, I wish to thank my good friend from Nebraska, who has worked tirelessly on this issue and deserves much, if not most, of the credit for enabling us to achieve real progress on this bill. Our neighboring States are particularly dependent on this country's implementing a consistent export policy and for the United States to provide continued leadership in stabilizing the world economy. In this regard, our farmers and ranchers and the many segments of our economy who depend on exports owe Senator HAGEL a debt of gratitude.

Mr. MACK addressed the Chair.

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

Mr. MACK. Thank you, Madam President. I want to begin my comments by also recognizing those individuals who have worked so hard on trying to come up with language that can be accepted by all of us. But, frankly, I am one of those individuals who believes that we have not gone far enough.

With all due respect to my colleague from Maryland, I think this is exactly the time we should be requiring change in the IMF. We were told back during the Mexico crisis that once we got that problem solved, we would do what was necessary to address the problems in international financial institutions. We have not done that, and I make the case again. As my colleague said, he has been critical of the IMF in the past. My conclusion is the only time we can ever get action is, in fact, when there is a crisis at hand, and that is why I have felt so strongly that we needed to put conditions on that could be carried out and would be carried out.

What we are being told now, in essence, is, ''We will make our best effort.'' The implication also is that the United States and those of us who want to put conditions on the IMF, that the United States is the only one that is interested in doing that. I disagree with that. I think there are other nations and members of the G–7 that want to see changes made.

I think we ought to insist on this. I think the first $3.5 billion was sufficient to take care of the problems; the other $14.5 billion could be made available later after changes have been made. But I am convinced now that, frankly, we didn't have the votes to go as far as I would like to go. I understand that.

I appreciate the efforts that have been made on both sides of this issue, but I feel compelled, Madam President, to cast a vote against this proposal. I thank you and yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, I saw the report that the Dow is about ready to hit 9,000. If we do not act, as has been proposed in the IMF, the country better get ready for a slide. This is a very serious matter where I come from, and I urge the Senate to approve this amendment.

The yeas and nays have been ordered, Madam President.

The PRESIDING OFFICER (Mr. DEWINE). The question is on agreeing to the McConnell amendment No. 2100, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—84

Akaka	Durbin	Landrieu
Baucus	Enzi	Lautenberg
Bennett	Feinstein	Leahy
Biden	Ford	Levin
Bingaman	Frist	Lieberman
Bond	Glenn	Lott
Boxer	Gorton	Lugar
Breaux	Graham	McCain
Brownback	Gramm	McConnell
Bryan	Grams	Mikulski
Bumpers	Grassley	Moseley-Braun
Burns	Gregg	Moynihan
Byrd	Hagel	Murkowski
Chafee	Harkin	Murray
Cleland	Hatch	Reed
Coats	Hollings	Reid
Cochran	Hutchinson	Robb
Collins	Hutchison	Roberts
Conrad	Inouye	Rockefeller
Craig	Jeffords	Roth
D'Amato	Johnson	Santorum
Daschle	Kempthorne	Sarbanes
DeWine	Kennedy	Shelby
Dodd	Kerrey	Smith (OR)
Domenici	Kerry	Snowe
Dorgan	Kohl	Specter

Stevens	Thurmond	Warner
Thomas	Torricelli	Wyden

NAYS—16

Abraham	Feingold	Sessions
Allard	Helms	Smith (NH)
Ashcroft	Inhofe	Thompson
Campbell	Kyl	Wellstone
Coverdell	Mack	
Faircloth	Nickles	

The amendment (No. 2100), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

UNANIMOUS CONSENT AGREEMENT

Mr. STEVENS. Mr. President, we have seven to eight amendments to deal with, and there is a very serious matter that needs to come up. Let me make a series of unanimous consent requests. On the BAUCUS amendment, I ask unanimous consent that there be 30 minutes equally divided, with no second-degree amendments.

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

Mr. STEVENS. I ask unanimous consent for 20 minutes equally divided on the Murkowski amendment, with no second-degree amendments.

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

Mr. STEVENS. I ask unanimous consent for 20 minutes on the Torricelli amendment, equally divided, with no second-degree amendments.

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

AMENDMENT NO. 2155

(Purpose: To express the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer)

Mr. TORRICELLI. I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI], for himself and Mr. LAUTENBERG, proposes an amendment numbered 2155.

The amendment is as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . SENSE OF THE SENATE REGARDING SETTLEMENT OF PROCEEDINGS TO RECOVER COSTS.

It is the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

Mr. TORRICELLI. Mr. President, I asked that this amendment be read in its entirety so that its simplicity is clear to the Senate. The totality of what is being asked is that the Justice Department, in negotiating with the W.R. Grace Corporation about a contaminated Superfund site in Wayne, NJ, seek fair reimbursement. We make no demands. We change no law. We cite no number. We ask that there be a fair reimbursement.

I have done this because the story of W.R. Grace and its contamination in Wayne, NJ, is a story of everything that has been wrong about environmental cleanups in our country. Since 1995 the Federal Government, has been in negotiations with W.R. Grace for reimbursements. This is a site that a private company operated for 23 years. They operated it at a profit. The Government owned no share of the land or the company. When the land was no longer useful because it was contaminated, they abandoned it and left. In the ensuing years, they have given the U.S. Government $800,000, although the U.S. taxpayers have already spent $50 million cleaning the site. It is estimated by the Army Corps of Engineers it could cost another $55 million.

Members of the Senate need to know the American taxpayers are being held accountable for $100 million in cleaning this contaminated site by the W.R. Grace Corporation and that corporation has paid only $800,000. The American taxpayers are paying this freight although they have absolutely no liability whatever as a matter of law.

For 24 months, there have been negotiations. There had been reports that there would be $50 million in reimbursements from W.R. Grace. Then it was $40 million. Last week it was $20 million. There was going to be an agreement by December. And then it was January. And then it was March.

There is no agreement. There is no reimbursement. But the people of this country are going to subsidize the environmental abuses of the W.R. Grace Corporation to the tune of $100 million. It is a disgrace.

For 18 months, the Attorney General of the United States does not have time to reach an agreement. A Member of Congress from the district, Mr. PASCRELL, Senator LAUTENBERG, and I have urged the Attorney General to proceed to litigation. She has not done so. She did not have time to litigate or to protect the taxpayers. But within 5 minutes of the filing of this amendment, she can send a letter to Senator GREGG that this is an interference with her prerogatives.

Mr. President, if the Attorney General were protecting her prerogatives and protecting the liability of the U.S. Government and the taxpayers of this country, this amendment would not be necessary. I have a great admiration for Attorney General Reno. I like to believe and assume she has no knowledge of this affair, that members of her staff have done an enormous disservice to her, to the Justice Department, and to the taxpayers of this country. As it stands, if suit is not filed, if negotiators are not emboldened, the taxpayers of this country will subsidize a private corporation for $100 million of unnecessary expenditures.

I understand that, ironically, members of the majority party will rise to the defense of the Attorney General and her prerogatives, which in this Congress is indeed a historic turn of events, to defend the Attorney General in this instance, that she should be allowed to pursue this without our interference or oversight.

Mr. President, the Attorney General has her responsibility and we have ours. It is her judgment whether to file a suit and to conduct the negotiations. But when those negotiations are concluded, it is this Congress that must appropriate the money to meet the settlement.

All that I have done is offer a sense of the Senate—not a law, a sense of the Senate—that we would like the Attorney General to vigorously pursue these negotiations and protect the interests of the taxpayers. That is all I have asked. I do not know how the request could have been more modest. I intend to reserve the balance of my time, because it is my interest to hear the distinguished chairman respond to this request, but I want simply to say before we hear his comments that I am personally offended at the Attorney General's correspondence and deeply disappointed at its tone, its lack of cooperation, and the failure to meet the responsibilities to defend the interests of this Government in this litigation.

I reserve the remainder of my time.

Mr. LAUTENBERG. Madam President, I rise to join in offering this amendment to address a serious problem in my state.

This amendment is very timely. This week, I have been working with my colleagues on the Environment and Public Works Committee on Superfund reauthorization.

I strongly believe that the Superfund reauthorization bill before the Committee will severely undermine the concept that the polluter should pay for the waste it created, which is what this amendment before us now is all about.

The Federal government is long overdue in reaching an adequate resolution of claims against W.R. Grace & Co., for the cleanup of the Wayne Superfund Site in New Jersey. There seems to be no end to the headaches experienced by the residents of Wayne Township over this site and over the lack of any settlement.

Between 1955 and 1971, the W.R. Grace & Company owned and operated a thorium extraction operation in Wayne Township.

In 1984, because of the threat to the public's health from potential groundwater contamination, the site was placed on the Superfund National Priorities List and is now being managed by the Corps of Engineers under the Formerly Utilized Sites Remedial Action Program (FUSRAP).

That same year, 1984, W.R. Grace provided a payment of $800,000 and signed an agreement with the Federal government. This agreement stated that the

government can still pursue legal action against the company under applicable laws, which would include Superfund. In the meantime, cleanup costs for this site continued to escalate, costing the taxpayers millions of dollars.

As the costs continued to mount, I became convinced that the government had not done all it could to help alleviate this burden on the taxpayers. Since 1995, I have worked to get the government to bring this company to the negotiating table. In September of that year I wrote to then-Secretary of Energy Hazel O'Leary requesting that DOE consider pursuing additional funds for cleanup from private parties. At my urging, in November 1995, the Departments of Energy and Justice finally brought W.R. Grace, the former owner and operator of this site, to the table to discuss a settlement. I ask unanimous consent to have printed in the RECORD a copy of a letter I received from DOE in November 1995 which showed its commitment to get W.R. Grace to come to the table.

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

DEPARTMENT OF ENERGY,
Washington, DC, November 24, 1995.

Hon. FRANK R. LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: In my September 29, 1995, letter, I advised you that the Department of Energy would look into the matter of seeking cost recovery against potentially responsible parties for cleanup of the Wayne, New Jersey, site.

After consulting with the Office of the General Counsel, my office has initiated discussion with W. R. Grace and Company to assess their willingness to contribute to the cleanup of the Wayne site. If these discussions are successful, W. R. Grace's cooperation could enable the Department to expedite the overall cleanup schedule for the site.

If possible, we would prefer to avoid time-consuming and costly litigation so that available resources are focused on cleaning up the site. If discussions with W. R. Grace are unsuccessful, we will consider other options including requesting the Department of Justice to initiate formal cost-recovery actions.

We share your goal of pursuing opportunities to expedite the cleanup activities at Wayne. As one example, the Department began removal of the contaminated material in the Wayne pile through an innovative total service contract with Envirocare of Utah. We want to thank you for the enormous support that you have provided over the years to bring this project to fruition.

If you have further questions, please contact me, or have a member of your staff contact Anita Gonzales, Office of Congressional and Intergovernmental Affairs, at (202) 586–7946.

Sincerely,

THOMAS P. GRUMBLY,
Assistant Secretary for Environmental Management.

Mr. LAUTENBERG. We continually hear from the Administration that they are making progress and that a final resolution of the Wayne settlement is imminent.

Today, I rise to reiterate my strong opposition to a final settlement that would permit W. R. Grace to escape appropriate responsibility for its share of the pollution. This amendment reminds the Attorney General that we not only want to see progress, but that we demand a settlement that adequately reimburses the taxpayers.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, this would be, in our judgment, a very bad precedent. It would allow litigants involved in a case against the United States to come to the Senate, through their Senator, and try to obtain passage of a sense-of-the-Senate resolution that would assist them in their negotiations with the U.S. Government. Although the amendment would not be binding, it could be used in a court of law to argue the merits of the case.

I do not know much about this case other than I have discussed it with the distinguished Senator from New Jersey, but as I informed him, we have a letter from the Attorney General—and it is signed by the Attorney General personally—written to the chairman and ranking member of the State, Justice Commerce Subcommittee. I understand that the distinguished chairman is here. I yield to him for the balance of the time to explain further why we are opposed to the amendment.

Mr. GREGG. Well, I don't rise in opposition to the substance of what the Senator from New Jersey has said. I think he has made the argument for his case very effectively. Certainly, this is a major issue for him and his State—cleaning up of this superfund site.

What we are dealing with here, however, is the fact that we have been contacted by the Attorney General. Obviously, I am not the spokesman for the administration, and I would not put myself in the position of the other party, but I believe we have an obligation when we are contacted by the Attorney General. She has expressed her strong opposition to having this sense of the Senate passed during the pendency of the negotiation and litigation of this case. I think she has a very legitimate procedural position.

Now, again, I am not arguing the equities of this or the substance of the question. I am arguing that it would be inappropriate, as she represents, for the Congress to express the sense of the Senate, which would then put the administration—specifically, the Attorney General—in the difficult position of having the Congress interject itself in the middle of what are ongoing negotiations relative to the settlement in this case.

Let me read briefly from her letter:

The Department of Justice opposes this amendment, which is intended to influence the department in its conduct of the pending litigation.

That is essentially a summary of the letter. It goes on to explain why the Department thinks that this will affect the litigation as it goes forward. So I rise with significant reservation about this because I recognize that the Senator from New Jersey has a very strong feeling and is trying to put forward his constituents' feelings. I believe we would be setting a very difficult, very inappropriate precedent as a Congress if we start interjecting ourselves into issues of negotiation in active litigation, where we have been advised by the Attorney General of the United States that that would negatively or inappropriately impact that litigation.

From that standpoint, I have to rise in opposition to this sense of the Senate, with all due respect to the Senator from New Jersey, who I think clearly has made his case well. In light of the letter from the Attorney General, I believe it would be inappropriate to proceed at this time.

Mr. TORRICELLI. Mr. President, recognizing the views of my friend, the Senator from Alaska, the distinguished chairman of the committee, and the Senator from New Hampshire, I will not insist upon the amendment.

Let me conclude the debate by simply suggesting this: I think it would be regrettable if this Senate ever allows itself to be silenced in simply expressing its intentions or desires because the executive branch may have conflicting views or believe an issue is its prerogative. Ultimately, the expenditures of this Government are our responsibility.

So I want the Attorney General to be clear on this. I will shortly ask that this amendment not proceed. But this should be clear as negotiations proceed with the W.R. Grace Corporation. If it is the intention of the Justice Department to reach a settlement, whereby the taxpayers of the United States are left with this $100 million expenditure and a private corporation, which has profited by these operations, and the resulting environmental abuse, is left without making a significant contribution, I most assuredly will return to the floor of the Senate with an amendment on an appropriations bill that would cover the payment of those expenditures, and I will insist on a vote, and I will fight. I do not believe the taxpayers of this country should be subsidizing polluters. I will not stand for it. Nevertheless, in deference to my friends and colleagues from Alaska and New Hampshire, in recognition of their views, at this time I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. STEVENS. Mr. President, I thank the Senator from New Jersey for his courtesy in withdrawing the amendment. I have to notify other Senators to come. We thought there might be a vote.

AMENDMENT NO. 2156

(Purpose: To make an amendment to housing opportunities for persons with AIDS)

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LAUTENBERG, proposes an amendment numbered 2156.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Notwithstanding any other provision of law, with respect to the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any succeeding fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA-NJ Primary Metropolitan Statistical Area (in this section referred to as the ''metropolitan area''), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amounts by allocating to the State of New Jersey the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to thank the managers of this bill, Chairman STEVENS and Ranking Member BYRD, as well as Senators BOND and MIKULSKI, for agreeing to a provision of critical importance to southern New Jersey's AIDS afflicted community. This provision allows for the administration of Housing for Persons with AIDS (HOPWA) funding for four southern New Jersey counties by the State of New Jersey.

New Jersey's AIDS community has raised concerns about the current administration of HOPWA funding to four southern New Jersey counties: Camden, Gloucester, Salem, and Burlington. In order to better serve the needs of southern New Jersey's AIDS community, this provision gives the Department of Housing and Urban Development (HUD) the statutory authority to delegate the administration of southern New Jersey's HOPWA funding to the State of New Jersey.

This provision will help improve the implementation of housing services for southern New Jersey's AIDS afflicted, and I am pleased that the managers of the fiscal year 1998 supplemental appropriations bill have agreed to include this change. Again, I thank them for their work on this matter.

Mr. STEVENS. Mr. President, this amendment will require the Department of Housing and Urban Development to adjust, in a manner consistent with the need, the allocation of the funding under the Housing Opportunities for Persons with AIDS Program, the problems that occur in certain areas of New Jersey and Pennsylvania under that act.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2156) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and to lay that on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. 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. TORRICELLI. 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. TORRICELLI. Mr. President, I ask that I be able to address the Senate for 5 minutes as in morning business.

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

ADVERTISING IN POLITICAL CAMPAIGNS

Mr. TORRICELLI. Mr. President, as Senators rise to address things that have been added to the supplemental appropriations bill, I, quite the contrary, rise in recognition of something significant that has not been added to the supplemental appropriations bill. It is one of those few instances where there is a genuine achievement by the Senate in failing to act.

It had earlier been suggested that an amendment might be offered to prohibit the FCC from using its powers to order a reduction in the cost of television advertising in political campaigns. This legislation does not contain that provision. In my judgment, it affords the FCC an extraordinary opportunity to take the lead in campaign finance reform.

Mr. President, on 117 occasions in this decade, the U.S. Senate has considered, voted, and failed to implement fundamental campaign finance reform. This Senate has continued that unfortunate tradition. But now the Senate has an opportunity to help the process of political reform in the United States and to renew confidence in the institutions of Government and the political process itself by doing something for which it should be fully capable. They need do nothing.

Yesterday, the new and very able chairman of the FCC, Chairman Kennard, announced that he would commence a notice of inquiry, which is an information-gathering process, to lead to a ruling on free air time. This could be the most significant achievement for campaign finance reform in the United States in 25 years, because fundamental to the problem of campaign fundraising in the United States is the cost of campaign television advertising. President Clinton and Senator Dole, in the last Presidential campaign, spent two-thirds of all the money they raised to purchase television advertising time from the commercial networks. Some U.S. Senate campaigns, including my own, spent over 80 percent of their resources on television advertising.

Mr. President, it makes no sense that candidates for Federal office in the United States spend so much of their time traveling around the country meeting with contributors, raising money, instead of meeting with voters, addressing real concerns in their States, because they need to raise millions of dollars to purchase federally licensed air time that belongs to the people of this country. This air.

Time does not belong to the networks; it belongs to us, the people of this country. It is only licensed and it is given on condition. One of those conditions should be to be responsible in aiding the public debate.

I supported the McCain-Feingold legislation, and I know some of my colleagues, like Senator MCCONNELL, did not. But, rightfully, Senator MCCONNELL did note something with which I strongly agreed—that the United States does not need less political debate; it needs more political debate to address our serious problems, to discuss our differences. This is the one means by which we can reduce the cost of running for political office and this threshold price of inquiry, of entering into the political process, and still enhance and expand political debate.

Mr. President, it is a considerable achievement that this supplemental appropriations bill does not prohibit the FCC from acting in this instance. I hope that continues to be the stance of this Congress and that Chairman Kennard moves beyond this level of inquiry, genuinely adjusting and changing permanently the cost of television advertising. It is not too late for this Congress to move beyond the complaining, the infighting, the inquiries of the last Federal election and institute genuine reform. It is not too late, but it is getting late. And this may be the last opportunity.

I am very pleased, Mr. President, that this legislation has remained silent on this issue and that this last lingering hope of reform remains alive.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Oklahoma is recognized.

Mr. NICKLES. I thank the Chair.

(The remarks of Mr. NICKLES pertaining to the introduction of S. 1868 are located in today's RECORD under

''Statements on Introduced Bills and Joint Resolutions.'')

Mr. NICKLES. 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. DEWINE. 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. DEWINE. Mr. President, I ask unanimous consent to proceed in morning business for the next 12 minutes.

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

Mr. DEWINE. I thank the Chair.

(The remarks of Mr. DEWINE pertaining to the introduction of S. 1866 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DEWINE. I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2157

(Purpose: To cancel the sale of oil from the Strategic Petroleum Reserve)

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 2157.

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

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

The amendment is as follows:

On page 26, after line 11, insert the following new section: ''Department of Energy Strategic Petroleum Reserve

''SEC. . STRATEGIC PETROLEUM RESERVE.

''For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $207,500,000, to remain available until expended, and the sale of oil from the Strategic Petroleum Reserve required by Public law 105–83 shall be prohibited: *Provided,* That the entire amount shall be available and the oil sale prohibited only to the extent that an official budget request for $207,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.''.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, the amendment before the body that I have proposed addresses a genuine emergency. Indeed, it belongs on the supplemental appropriations bill, and, as a consequence of its emergency status, no offset is needed.

The amendment allows the President to stop the sale of oil from the Strategic Petroleum Reserve that was ordered in the 1998 Interior appropriations bill.

Perhaps a little history is in order. Some of us in this body and this Nation remember that in 1973–1974 we had an energy crisis. The oil embargo from the Arab world resulted in a shortage. There were lines blocks long in front of gas stations, and the American public was indignant that their oil supply should be interrupted. They had not seen such a curtailment since gas rationing in the Second World War. But it was very real.

I find it rather disquieting that many people today do not remember what I am talking about and the fact that this occurred. But there was great concern in this body in 1973 and 1974 as a consequence of that outcry from the public over the shortage of gasoline. So Congress wisely created the Strategic Petroleum Reserve.

The Strategic Petroleum Reserve is located in Texas and Louisiana in salt caverns, and the idea was that we would never be held in a position where we could be, in effect, a hostage to our increased dependence on imported oil. The important thing to note is that at the time we created the Strategic Petroleum Reserve, we were about 37 percent dependent on imported oil. The idea was to have a 90-day supply at all times. The oil could be lifted in case of national emergency. At one time, we had a 118-day supply.

The irony associated with this amendment today is that we are now selling oil out of the Strategic Petroleum Reserve for the purpose of generating a cash-flow sufficient to manage and run the Strategic Petroleum Reserve, which is estimated to cost $207 million in 1998.

The irony is that, today we are 52 percent dependent on imported oil. So if there was any logic at all to the decision back in 1975 to create the Strategic Petroleum Reserve because we were 37 percent dependent, it is completely illogical that today we are selling it when we are 52 percent dependent on imported oil. This suggests the right hand does not know what the left hand is doing, which is not necessarily uncommon around here.

In the 1998 Interior appropriations bill, the order is for the sale of $207 million worth of oil from the SPR.

I think this is where the bear goes through the buckwheat. We are selling this oil at $9 to $12 a barrel, and we paid $33 a barrel for it when we put it in. We would have to sell 23.1 million barrels of oil, that we paid an average of $33 a barrel for, for somewhere around $9, $10, $11, $12. It is poor-quality oil. That is how we are going to raise the $207 million to pay for the operation of the SPR.

Again, the oil cost $33 a barrel. The American taxpayer is going to lose $550 million on this deal. This is an emergency because we are about to lose a half a billion dollars of taxpayer money. Buying high and selling low certainly never made sense to me, but there is an old joke out there about the guy who is buying high and selling low and claims he is going to make it up in the volume.

Maybe that is the logic here; I don't know. But if this sale from the SPR goes through, these sales will have cost the American taxpayer, over 3 past years, roughly $1 billion, because we have been selling the oil at a price that is substantially lower than what we paid for it.

As we look at where we are on this issue, I think we have to recognize a couple of pertinent points.

The Secretary of Energy indicated in an Associated Press article that this is the worst time to be selling oil out of the Strategic Petroleum Reserve. He says that the Congress has given him no choice. This is unfortunate, because I have fought, and my colleagues on the Energy and Natural Resources Committee have fought, to ensure that we discontinue selling oil out of that Strategic Petroleum Reserve, particularly at a price that is substantially lower than we paid for it.

The Secretary says that Congress has given him no choice. Today, we have a choice. We can choose to pay over a half a billion dollars for the privilege of throwing away some of our energy security, or we can save the taxpayer half a billion dollars and have this valuable resource when we need it the most.

Again, we are 52 percent dependent on imported oil. Some may argue we should require an offset to the amendment. But let me make it clear again, this amendment saves the American taxpayer money. The American taxpayer understands clearly, if you bought it at $33, you don't sell it at $9. Selling $33-a-barrel oil for $9 and calling it income is a budget gimmick, make no mistake about it, and the taxpayer does not understand those kinds of gimmicks.

Further, we are not offsetting funds for Bosnia because of its supposed national security importance. The importance of the SPR is significant to our national security. It could not be more clear. The health of our economy and the ability to defend ourselves is significant.

Furthermore, we should look back at a couple of significant events in the history of this matter. Senator BINGAMAN from New Mexico, my good friend on the committee, and I, cosponsored a successful amendment to stop the sale on the Interior Appropriations bill. It was dropped in conference. Why? Well, a lot of things are dropped in conference.

Selling oil from the SPR is a budget gimmick that, again, costs the taxpayer real money. Stopping the sale will save the taxpayer over half a billion dollars and our Nation's energy insurance policy. This is an emergency, and it should be part of the emergency supplemental.

Let me conclude by saying Webster defines an ''emergency'' as a sudden, unexpected occurrence demanding immediate action. This amendment certainly addresses such an issue, and I think the amendment certainly qualifies for the Emergency Supplemental.

Again, the fiscal year 1998 Interior appropriations bill orders the sale of $207 million worth of oil from the SPR to operate the SPR. As a consequence, that would cost the American taxpayer roughly $500 million, because we are proposing to sell that oil at $9 to $12 a barrel, when we paid in excess of $33 a barrel for the oil. That is the issue, Mr. President.

I hope the managers of the bill will consider this on the merits of what it would save the American taxpayer. If anybody can explain the extraordinary accounting mechanism that would justify this as a good deal for the American taxpayer, the Senator from Alaska would certainly like to hear it.

I thank the Chair and urge the floor managers to consider the merits of this amendment.

Mr. BINGAMAN. Mr. President, I am pleased to be a cosponsor of this amendment. Anyone familiar with New Mexico, which has an economy which is heavily dependent on production of oil from marginal wells, knows that the recent historic lows for the price of oil have posed an economic threat to families and communities as dire as any natural disaster. In this context, the concept of having the Federal government dumping nearly 20 million barrels of oil onto the market, equivalent to selling nearly 100,000 barrels per day for the remainder of the fiscal year, is ludicrous. Senator MURKOWSKI and I worked hard to prevent the Interior Appropriations bill from selling oil from the Strategic Petroleum Reserve in the first place. We found an offset that would have worked, and that the Senate accepted, but which was dropped in conference. Today, we have a second chance to end this unwise and economically devastating sale. I fully support the amendment and urge my colleagues to vote for it.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, my colleague has stated the problem. Actually, if we do not adopt his amendment, the budget is more out of balance than it is if we do, because the sale of this oil at a time when the market is so low, which is the current mandate, would cause revenue to be so low that there would be a loss, as I said, to the overall budget process and it would be greater than this emergency amendment which provides the money for the SPR without selling the oil.

I have had no objection to this amendment. I think we may face a substantial battle in the other body to justify this, but I believe we should accept it. And I know of no problem on the other side of the aisle, either. So I am prepared to yield back the remainder of my time and urge the adoption of the amendment.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment (No. 2157) was agreed to.

Mr. MURKOWSKI. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. MURKOWSKI. I thank my colleague and good friend, the senior Senator from Alaska, for his acknowledgment of the importance of this amendment, with my hopes that it will survive the conference.

I thank the Chair.

Mr. STEVENS. I thank the Senator very much.

Mr. MURKOWSKI. Mr. President, I was derelict in not thanking the senior Senator from West Virginia, my good friend, Senator BYRD, as well, who just came on the floor. I appreciate his understanding. I know we have a great deal in common with regard to energy issues in our States.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. STEVENS. 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. CLELAND. 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. CLELAND. Thank you very much, Mr. President.

I thank the distinguished Senator from Alaska for this opportunity to speak.

AMENDMENT NO. 2158

(Purpose: To authorize the establishment of a disaster mitigation pilot program in the Small Business Administration)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. CLELAND], for himself, Mr. COVERDELL, Mr. HARKIN, Mr. KERRY and Mr. HOLLINGS, proposes an amendment numbered 2158.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. DISASTER MITIGATION PILOT PROGRAM.

(a) IN GENERAL.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding ''and'' at the end; and

(2) by adding at the end the following:

''(C) during fiscal years 1999 through 2003, to establish a pre-disaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to install mitigation devices or to take preventive measures to protect against disasters, in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee shall be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

''(f) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

''(1) $15,000,000 for fiscal year 1999.

''(2) $15,000,000 for fiscal year 2000.

''(3) $15,000,000 for fiscal year 2001.

''(4) $15,000,000 for fiscal year 2002.

''(5) $15,000,000 for fiscal year 2003.''.

Mr. CLELAND. Mr. President, this amendment would permit SBA to use up to $15 million of existing disaster funds to establish a pilot program to provide small businesses with low-interest, long-term disaster loans to finance preventive measures before a disaster hits.

I just got back from Georgia where we had an incredible tornado that came through and killed 14 Georgians. It is obvious to me we need to prevent people from becoming disaster victims, especially small business people. We cannot prevent disasters, but we can prevent, in many ways, disaster victims.

In response to the problem of the increasing costs and personal devastation caused by disasters, the administration has launched an approach to emergency management that moves away from the current reliance on response and recovery to one that emphasizes preparedness and prevention. The Federal Emergency Management Agency has established its Project Impact Program to assist disaster-prone communities in developing strategies to avoid the crippling effects of natural disasters.

This amendment supports this approach by allowing the SBA to begin a pilot program that would be limited to small businesses within those communities that will be eligible to receive disaster loans after a disaster has been declared.

Currently, SBA disaster loans may only be used to repair or replace existing protective devices that are destroyed or damaged by a disaster. This pilot program would allow funds to also be used to install new mitigation devices that will prevent future damage.

New legislation is necessary to authorize the SBA to establish this pilot program. I believe that my legislation

would address two areas of need for small businesses—reducing the costs of recovery from a disaster and reducing the costs of future disasters.

Furthermore, by cutting those future costs, it presents an excellent investment for taxpayers by decreasing the Federal and State funding required to meet future disaster relief costs. The ability of the small business to borrow money through the Disaster Loan Program to help them make their facility disaster resistant could mean the difference as to whether that small business owner is able to reopen or forced to go out of business altogether after a disaster hits.

I urge my colleagues to support this effort to facilitate disaster prevention measures so that when nature strikes in the future, the costs in terms of property and lives, and taxpayer dollars, will be reduced. However, in the interest of time, and with a commitment by the chairman of the Small Business Committee, the distinguished Senator from Missouri, to have our committee expeditiously consider this proposal, I ask unanimous consent to withdraw my amendment.

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

The amendment (No. 2158) was withdrawn.

Mr. CLELAND. Thank you, Mr. President. I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the Senator from Georgia for his consideration of this situation here today and for the process that he is starting. We welcome that approach to this problem. That was the Cleland amendment that was listed on the list.

We now are ready for two other Senators who, I believe, will come soon to present their amendments. We still believe we will have a vote sometime around 2 o'clock.

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. STEVENS. I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 2159

(Purpose: To provide assistance to employees of the Farm Service Agency of the Department of Agriculture)

Mr. STEVENS. I do have an amendment authored by my distinguished colleague, Senator BYRD from West Virginia, which I send this to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BYRD, proposes an amendment numbered 2159.

Mr. STEVENS. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill add the following General Provision:

''SEC. . Notwithstanding any other provision of law, permanent employees of county committees employed during fiscal year 1998 pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be considered as having Federal Civil Service status only for the purpose of applying for USDA Civil Service vacancies.''

Mr. BYRD. Mr. President, I am offering an amendment to S. 1768, the Emergency Supplemental Appropriations Bill, to address the inequitable treatment of the U.S. Department of Agriculture (USDA) Farm Service Agency's (FSA) federal and non-federal county committee employees when separated from their jobs as a result of a reduction in force (RIF).

FSA RIFs are occurring nationwide and are a result of comprehensive changes in the agency's mission mandated in the USDA Reorganization Act of 1994 and the 1996 Farm Bill. Complicating the impact of the FSA downsizing is the fact that the FSA is currently operating an unusual personnel system that contains two classes of employees, one federal and one non-federal. This was a result of the reorganizing legislation that combined the former Agricultural Stabilization and Conservation Service (ASCS) and the Farmers Home Administration (FmHA) into the FSA. ASCS employees were paid through the FSA budget but were hired by a county committee. Therefore, ASCS employees were non-federal. FmHA staff were regular federal employees. Although now in one agency, this two-class system continues.

My amendment would place RIFed federal and non-federal FSA employees on equal footing when competing for another USDA job. Currently, the RIFed non-federal employees are not on equal footing with their FSA federal employee counterparts for USDA job vacancies due to a preference only available to RIFed federal employees. Current law gives priority to any former federal employee when applying for another federal job. Thus, if all other qualifications remained equal, the former FSA federal employee would automatically get the job over the former FSA non-federal employee. My amendment would grant the RIFed non-federal employees the same priority as currently enjoyed by the RIFed federal employee when applying for another USDA job.

Again, my amendment would simply provide equitable and fair treatment for all FSA employees, and I urge my colleagues to support it.

Mr. STEVENS. This is the Byrd relevant amendment that has been cleared on both sides, dealing with a provision of the Soil Conservation and Domestic Allotment Act. It is approved on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2159) was agreed to.

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

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER (Mr. HUTCHINSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. 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. BINGAMAN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

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

AMENDMENT NO. 2160

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself and Mr. HOLLINGS, proposes an amendment numbered 2160.

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

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

The amendment is as follows:

At the appropriate place insert the following:

SECTION 1. SCHOOL SECURITY.

(a) SHORT TITLE.—This section may be cited as the ''Safe Schools Security Act of 1998''.

(b) PURPOSE.—The purpose of this section is to provide for school security training and technology, and for local school security programs.

(c) SCHOOL SECURITY TECHNOLOGY CENTER.—

(1) ESTABLISHMENT.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratories in partnership with the National Law Enforcement And Corrections Technology Center—Southeast of a center to be known as the ''School Security Technology Center''. The School Security Technology Center shall be administered by the Attorney General.

(2) FUNCTIONS.—The School Security Technology Center shall be a resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $2,250,000 for each of the fiscal years 1999, 2000, and 2001.

(d) LOCAL SCHOOL SECURITY PROGRAMS.—Subpart 1 of part A of title IV of the Elementary and Secondary Education Act of 1965 (20

U.S.C. 7111 et seq.) Is amended by adding at the end the following:

"SEC. 4119. LOCAL SCHOOL SECURITY PROGRAMS.

''(a) IN GENERAL.—From amounts appropriated under subsection (c), the Secretary of Education shall award grants on a competitive basis to local educational agencies to enable the agencies to acquire security technology, or carry out activities related to improving security at the middle and high schools served by the agencies, including obtaining school security assessments, and technical assistance for the development of a comprehensive school security plan from the School Security Technology Center. The Secretary shall give priority to local educational agencies showing the highest security needs as reported by the agency to the Secretary in application for funding made available under this section.

''(b) APPLICABILITY.—The provisions of this part shall not apply to this section.

''(c) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section $10,000,000 for each of the fiscal years 1999, 2000, and 2001.''.

(d) SAFE AND SECURE SCHOOL ADVISORY PANEL.—

(1) ESTABLISHMENT.—There shall be established a panel comprised of the Secretary of Education, the Attorney General, and the Secretary of Energy, or their designees to develop a proposal to further improve school security. Such proposal shall be submitted to the Congress within 18 months of the date of enactment of this Act.

Mr. BINGAMAN. Mr. President, this amendment tries to deal, at least in part—and clearly it is only in part—with a very serious problem that has been brought to our attention, tragically, in the last few days, and that is the problem of violence in our schools.

The occupant of the chair is painfully aware of this, as we all are, by virtue of the fact that this latest tragedy occurred in his home State of Arkansas. What we have tried to do is take provisions I have been working on in the nature of a ''safe schools security act'' and put those in amendment form to add to this legislation pending here today. I believe it is going to be acceptable to all Senators for us to go ahead in this manner.

Let me explain the problem, as all of us know the problem exists. Obviously, there is no way to teach a student if a student feels threatened or if there is an unsafe condition in the school. Unfortunately, we have unsafe conditions and threatening conditions in too many of our schools today. The Department of Education recently released a study that tried to look at the incidence of school violence and school crime. The study shows that 10 percent of schools surveyed had at least one serious violent crime occur in that school during the 1996–97 school year.

In the case of violent crimes—obviously, I am talking about murder, rape, sexual battery, suicide, physical attacks with a weapon, or robbery of a student or adult—these are the types of crimes that we know are committed throughout our society, but, clearly, we need to provide special attention to see that these crimes are not committed in our schools.

The study went on to point out that approximately 4,000 incidents of rape and other types of sexual battery occurred in our public schools across the country during the 1996–97 school year. There were 11,000 incidents of physical attacks or fights in which weapons were used and approximately 7,000 robberies that occurred in schools in that same year.

These statistics are frightening. They underscore a problem that I think we all know exists. One part of the solution, Mr. President—again, I emphasize that this is only part—is to make better use in our schools of security technology. We have tremendous expertise in this country on the issue of technology to improve security.

In our own National Laboratories in New Mexico, we have spent a great deal of time and resources working on this issue. I know other institutions around the country have as well. They have learned a great deal about how to maintain security, how to reduce the possibility of crime or illegal activity in a facility. And some of those lessons—not all—can be used effectively in our schools. We need to use this expertise to try to improve the way our schools function, to try to make available to our schools the new technology that has been developed.

Already, Sandia National Laboratory in my State has an initiative in this regard. Two years ago, Sandia began a pilot project in the Belen High School in New Mexico whereby the security experts at Sandia implemented a security regimen and installed a variety of security technology in that high school. Sandia is the first to admit that they know very little about how to run a public school, and Belen was ready to admit they lacked expertise in the subject of security. Nevertheless, the two institutions got together. Sandia and Belen High School officials changed the way the school functioned by utilizing a comprehensive security design and technology.

The results have been impressive. Since this pilot project was implemented at the school, on-campus violence is down 75 percent; truancy is down 30 percent; theft of vehicles parked in the school parking lot is down 80 percent; vandalism is down 75 percent. These statistics, I think, make the point that there is information here and there are lessons here that can be learned and can be put to valuable use in our schools.

This technology is not cheap. Our schools are already strapped for adequate resources in a variety of ways. But I believe, with the right kind of technical assistance and technology, we can help the schools to help themselves to provide safer environments for our children.

That is the purpose of the amendment that we are offering today. I hope very much that this is accepted. We need to take advantage of the lessons we have learned in other areas to try to assist our schools as well. Mr. President, I hope that over the remainder of this Congress we can identify other initiatives that we can take to improve security in our schools in addition to this. But this is one concrete step we can take. I hope very much that my colleagues will agree to this amendment and that it can be added to this legislation.

I yield the floor.

Mr. HOLLLINGS. Mr. President, I rise today as the proud cosponsor of the Safe Schools Security Act of 1998. Over the last three days the nation's attention has been riveted by the terrible school shootings in Jonesboro, Arkansas. In this time of sorrow, Americans have extended their hearts to the people of Jonesboro, particularly the families of the murdered and wounded children—once again demonstrating this country's incredible well-spring of sympathy and compassion. As we all struggle to explain how such a tragedy could occur, I have heard people offer different explanations. I have also heard people propose ways to combat the violence that has beset so many of our children's schools.

I am convinced there is no simple solution. There is no easy way to staunch the violence in our schools. But complexity is never a solution for inaction. I am certain we in government must seek new ways to assist local school officials to combat the wave of violent crime in their schools. If we fail to act, school violence will grow to epidemic proportions, claiming more and more lives and injecting constant fear into the very institutions that once were a safe haven for our children.

The legislation Senator BINGAMAN and I propose today, the Safe Schools Security Act, is an important first step in providing federal assistance to local school officials to help them combat violence. Local officials know their schools and communities best; it is crucial that we remember this. But some federal agencies possess unique expertise and practical experience in combating violence and protecting vital assets—and what greater asset is there than our children?—that we can provide to local school officials to help prevent acts of terror and violence such as those in Jonesboro.

The Safe Schools Security Act is uncomplicated. It would create a school security technology center as a joint venture between the Departments of Justice and Energy. This center would be charged with creating a model or blueprint for school security programs and technologies. To realize this goal, the center will enlist the technological expertise of the Department of Energy—expertise gained by protecting our nation's most closely guarded nuclear secrets for over fifty years.

Of course, technology works only if applied in the appropriate and most effective manner. In order to create a comprehensive plan for school security and ensure the most effective use of the Department of Energy's technological resources, we propose to couple them with the expertise found at the

National Law Enforcement and Corrections Technology Center in my hometown of Charleston.

Senator BINGAMAN and I hope this combination of technological expertise and real-world experience will produce a blueprint for a comprehensive security plan which can be used in any school in the nation. The center will be—and here I quote from the amendment—'' resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security.''

Additionally, our legislation authorizes the Department of Education to begin a competitive grant program to provide funds to local school districts to implement a school security plan, with a preference for schools most at risk of violence.

Again, the Safe Schools Security Act is not a panacea; it will not eradicate all the violence in our schools. But it is an important step in the right direction. The Act will use the expertise the Departments of Justice, Energy, and Education possess to help prevent tragedies like the one that befell Jonesboro. Developing a security model and assisting local schools to implement comprehensive school security plans is the right thing for us to do. I urge my colleagues to adopt this amendment, and I thank my cosponsor from New Mexico, Senator BINGAMAN, for his hard work and great assistance.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the amendment authorizes grants to be made on a competitive basis to try to establish security technology systems and other devices and programs to help deal with this problem.

The amendment has been reviewed on this side of the aisle, and we have no objection to having a voice vote.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 2160) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

AMENDMENT NO. 2161

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

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 2161.

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

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

The amendment is as follows:

On amendment No. 2118, on page 1 after line 13 insert ''shipbuilding''.

On page 3 line 7 Of amendment No. 2100, change the word ''requirement'' to ''requiring''.

Mr. COCHRAN. Mr. President, this is a technical amendment that corrects language in amendments previously adopted by the Senate on this bill. The amendment has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2161) was agreed to.

Mr. COCHRAN. 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. 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.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak for 6 minutes as if in morning business.

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

GUN LEGISLATION

Mr. DORGAN. Mr. President, this morning I heard a brief statement by the Senator from Arkansas, Senator BUMPERS, about the tragedy that occurred in his State in the last 48 hours. This tragedy happened apparently when a couple of young children, 11- and 13-year-old children, allegedly stole some weapons and then, on a schoolyard in that small town in Arkansas, murdered five other children and a teacher.

I watched the reports on television and listened on the radio. My children asked me about what they were hearing on those television news reports this morning. It is hard for a parent to explain to a child a news story about children allegedly murdering other children, at a schoolyard. It is hard for me to understand what all of that means or what causes that kind of behavior. I don't think any of us know. We do know that in this country there always needs to be an understanding by everyone—parents, children, and all Americans—that guns and schools don't mix, and that there never ought to be a circumstance in which a child brings a gun to school.

The reason I mention this on the floor today is I want to put this in the context of a piece of legislation that is now law and another piece of legislation that I want to make law. The piece that is now law is a bill I offered a couple of years ago here in the Senate saying that there ought to be a uniform zero tolerance policy in every school district in this country. If a child brings a gun to school, that child will be expelled for a year. No questions, no excuses.

People need to understand that you cannot bring a gun to school. But if you do, you are going to be expelled for a year. I am pleased to say that the Gun Free Schools Act is now law, and every school district in the country is required to have that policy in place in exchange for access to Federal funds.

To those who opposed it—and there were some—I asked the question: ''Why would you oppose that? Do you believe that in any school district in this country it is appropriate for a child to bring a gun to school?'' They didn't think so. ''Do you disagree with the penalty? Should we as a country say to every child and to every adult that they cannot bring a gun to a school?'' That led me to the second question. And that is the piece of legislation that I would like to get passed here in this Congress.

A few years ago, a 16-year-old young man walked down the corridors of a school in New York. He had on a leather jacket, and there was a bulge on the side of his leather jacket. The security guard at the school stopped this young boy because he was suspicious of the bulge, and, in the waistband of that boy's pants underneath that leather jacket, he found a loaded pistol. The kid was kicked out of school for a year, and he was also charged with criminal weapons violations.

A New York court stood common sense on its head when it ruled in this young boy's case that the gun could not be allowed as evidence in his dismissal action from school because the security guard did not have reasonable suspicion to search him.

Fortunately, that court decision was overturned later by another court. But can you imagine a court saying that? A young boy with a loaded pistol at age 16 walks down the corridor of a school. Because a security guard noticed the bulge in the boy's jacket and takes the loaded pistol from him, the court said the kid's rights were violated. You can't go to the airport and get on an airplane without going through a metal detector. If you have a gun, they will take it away from you immediately and you are not going anywhere. Why should you be able to take a gun into a school?

As I said, that decision was overturned by a higher court.

But the legislation I have introduced, the Safer Schools Act, will make it clear that a gun seized from a student in school can and will be used as evidence in a school disciplinary hearing. No court ever ought to make the same mistake as the earlier court by applying the exclusionary rule even to an internal school hearing. A student doesn't have any right under any condition to carry a loaded gun in the hallways in our schools in this country. Under no condition should that be acceptable. That is why I will offer this

piece of legislation as an amendment at an appropriate time. I hope the Congress will agree at that time that we ought not ever again have a court decision that says a student caught with a gun in school cannot be expelled because the student's rights were abridged when the security guard noticed the bulge in his jacket and searched the student. What an outrageous piece of judgment by a judge who apparently didn't have any judgment.

Ending where I began, my heart breaks for those families, those children, that teacher, and for all of those who suffered that tragedy in Arkansas. I don't know what the cause of all of this is. It is the third such tragedy on schoolyards or in our schools in not too long a period of time. I hope as a country we can think through and find ways to prevent other tragedies from occurring.

But I do know this. As a country we ought to have one voice saying in every circumstance all around this country that it is never appropriate to bring a gun to school; that doing so imposes on you a certain sanction in every school district in this country, and that is a 1-year expulsion. That is now law. And I hope the next law will come from the amendment I will offer in this Senate at a later time saying, if you bring a gun to school, the school authorities have a right not only to search you and withdraw the gun but also to expel you without being afraid they have somehow abridged some one's rights. No student has a right to bring a gun to school.

Mr. President, I yield the floor and make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2162

(Purpose: To authorize the Secretary of Agriculture to extend the term of marketing assistance loans)

Mr. BAUCUS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside, and the clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS), for himself and Mr. BURNS, proposes an amendment numbered 2162.

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

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

The amendment is as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Transition Act (7 U.S.C. 7233) is amended by striking subsection (c) and inserting the following:

''(c) EXTENSION.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998.''.

Mr. BAUCUS. Mr. President, might I inquire, is there a time agreement on this amendment?

The PRESIDING OFFICER. There are 30 minutes evenly divided.

Mr. BAUCUS. I thank the Chair.

Mr. President, this amendment is very simple. It is to give the Secretary of Agriculture the authority to extend the marketing assisting loans until September 30 of this year.

Why are we doing this? Why am I offering this amendment? It is very simple. The northern tier U.S. farmers are suffering dire economic consequences for a lot of reasons. No. 1, the price of grain, particularly wheat and barley, is very low. We have had very depressed prices for a lot of years. Second, a lot of grain from Canada is shipped down to northern tier States. More grain trucks are coming, it is anticipated, and I believe, frankly, that Canada is beginning to fudge on an agreement it reached with the United States several years ago. Prior to that time, Canada shipped about 2.5 million metric tons of wheat to the United States. We brought the Canadians to the negotiating table, and Canada agreed to limit its shipment to the United States to 1.5 metric tons. That was several years ago. It is clear to me that Canada is at least fudging that agreement and is increasing shipments of grain to the United States.

After that, with the problems we have in dealing with Canada with respect to trade in agriculture, we lost one of the main levers. We had section 22 to say to Canada, ''You are disrupting our markets.'' That was the purpose of section 22 of the Agriculture Price Stabilization Act, not too many years ago. But we negotiated that away in the last GATT round. In return, all countries promised to reduce their subsidies, particularly their export subsidies. But Canada still retained the Canadian Wheat Board. Not only Canada but other countries—Australia—have their wheat boards, which is a monopolistic control over that country's billing and selling of grain, particularly wheat.

After that, Americans placed limits on exports that other countries don't have. For example, I cite the various countries. The total amount is about 10 percent. Our exports are limited by the sanctions that we imposed preventing exports to certain countries. Canada doesn't have those sanctions, Argentina doesn't, the European Community doesn't. We are limiting our farmers.

A couple of years ago, we passed the Freedom to Farm Act. You recall under that act we basically decoupled agricultural price support payments from production. From that point on, farmers had more freedom in the production of their crops, the crops they could choose.

At that time, too, the price of wheat was very high. As I recall, it was around $6 a bushel, almost as high as $7 a bushel. Now it is down, in many cases, below $3 a bushel. At that time, farmers realized that they had a bit of a Hobson's choice here: On the one hand, support Freedom to Farm—at that time, corn was high and the price support payments were decoupled but were quite high at the time even though they had been coming down gradually—so now it is not much less. Farmers could either vote for that—support Freedom to Farm—or keep the present program. Most farmers decided they would gamble on Freedom to Farm, basically because prices were good at the time.

But in exchange, American farmers expected—in fact, they were promised—that the United States would fight vigorously to open up foreign markets—fight vigorously to open up foreign markets. I might say, I do not think anybody in this Chamber thinks the U.S. has fought very vigorously to open up foreign markets to the sale of wheat and other grains. We have talked about it. There has been a lot of talk about it but not a lot of action.

So all I am saying is, in exchange for the U.S. Government's failure to fight to open up markets for American products, particularly wheat now—exports of wheat—at the very least, we can extend the loan provisions of the current law 5 months, to September 30, 1998.

It just seems to me, because the farmers now are suffering so severely, bankers are starting to call in loans, bankers are not giving farmers additional operating capital—at the very least, we can extend the marketing assistance loan period for 5 more months to the end of 1998, to give farmers a chance, a little longer into 1998, before their loan is called and they have to pay back their loan at the current loan rate.

What you are going to hear is this. You are going to hear: ''Oh, gosh, there we go. We are opening up the Farm Act, Freedom to Farm.'' That is not true. In no way does this amendment open up or revisit the Freedom to Farm Act.

We are also going to hear this sets a bad precedent—here we are, after passing Freedom to Farm, where the Government is coming in.

But I say that, first, our goal here is not to be rigidly consistent and mechanically steel-trap logical and just rigidly sticking to something. Rather, our charge here, our obligation, is to do what is right. I think it is right just merely to extend marketing assistance loans to the end of the year. We are not going back from Freedom to Farm; not any other change.

I might say, too, it has absolutely zero effect on the budget, and that is because it is not scored. It is not scored because the loan is extended only to the end of September of this year. So this has no budget effect. It helps farmers by letting them decide when they want to sell their grain. If they have held it so far, they can sell at a later date.

In addition, we are handcuffing farmers because of the limitations we have placed on the export of a lot of our products; that is, 10 percent of our exports are sanctioned; we cannot go to various countries. And on top of that, our Government has not fought vigorously enough to open up markets in other countries.

One example is China. China does not take any Pacific Northwest wheat—none, not one kernel—because they have come up with this phony argument that it has a fungus. It is a phony argument. Anybody who looks at the question knows it is phony, yet they do not buy any. How hard has our Government worked to say, ''Hey, you have to play fair. President Jiang Zemin came to the United States. The least you can do is open up your markets a little bit.'' Our Government has not worked nearly as hard as I think it should.

Let me just finish by saying it is a very small matter in terms of what we are doing here on the supplemental appropriations bill. We are not opening up Freedom to Farm. It has zero budget effect. We are just saying give farmers, particularly northern tier farmers, a little bit of a break for the next several months. And the break is only a longer period within which they have to decide whether to sell their grain on the market or not. That is all it is.

I think it is a very fair amendment and should be adopted.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, we are operating on a time agreement, I think, and it is 30 minutes equally divided.

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. Mr. President, 15 minutes is under the control of the manager of the bill, is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. COCHRAN. I am prepared to yield such time as he may consume to the chairman of the Agriculture Committee, who I know is on the floor, and he is here to discuss the amendment—such time as he may wish to the distinguished Senator from Indiana.

Mr. LUGAR. Mr. President, I thank the distinguished manager.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I rise today in opposition to the amendment of the Senator from Montana, Senator BAUCUS. I do so because 2 years ago the Freedom to Farm legislation that the Senator mentioned was passed. That bill has offered, in my judgment, a great deal of opportunity to farmers manage their own land, to make their own marketing decisions.

But the Senator is correct: There are rules of the game that were negotiated at that time. This amendment reopens the farm bill and is primarily aimed at helping one crop, wheat, and the various States in the country's northern tier.

The issue before Senators is marketing assistance loans. They allow a farmer to use the year's crop of grain or cotton as collateral for a loan from the Federal Government. The term of the loan is 9 months. At the end of that period, the farmer can either repay the loan or, if the market price of the crop is less than the amount owed on the loan, he can repay the loan at the lower price or forfeit the commodity. Because the loan is a nonrecourse loan, the Government cannot seek any further payment on the loan.

Simply stated, a wheat farmer at the time of harvest could have sold the grain for the market price at that time. He could have priced the grain before the time of harvest, and in this particular case, if the farmer in Montana had done so, he would have done well. The futures price was high. Even the price at the time of harvest was higher than it is presently.

In any event, farmers could place the grain under loan—that is, they store it and they take out a loan. If they have good luck within that 9-month period and the price goes up, they can take the higher price. If the price goes down or does not show any appreciation, they can simply take the loan money and the Government is out that money. That is the nature of this business. The loan is a marketing tool.

I do not want to overemphasize the gravity of this particular instance. The Senator from Montana has pointed out correctly, this is not going to break the bank, and, as a matter of fact, scoring for the amendment shows its effect is estimated at zero. But, in fact, the amendment as I see it does not do a great deal for a wheat farmer in Montana or any other State at this point. Each one of us here can estimate what the price of wheat may be between now and the end of September, but as a new crop comes on, it is unlikely that that price is going to show great appreciation. In short, extending the period of difficulty by a few more months probably does not make a whole lot of difference in the price farmers will ultimately receive.

It does make a difference, I believe, in setting a precedent with regard to the Freedom to Farm Act. The precedent is that, under other circumstances, other Senators from other States with other crops will come in and point out that things have not gone well for them. They may claim it was a foreign country, or the weather, or whatever, but, in any event, they will ask for a change in the loan or some other policy in the farm bill. In essence, they will attempt disaster relief under the guise of technical changes in the farm bill. In my judgment, that is not a good way to proceed.

In fairness to Senators from all States, all crops have come together for some rules of the game that are working well. It seems to me very important we work together to make certain that they work better. In due course, we may discuss other remedies that may be more effective. I would like to suggest, for example, to the distinguished Senator from Montana that it is important to all Senators that wheat exports from this country grow. As a matter of fact, it is important that corn exports and soybean exports and rice and cotton and a number of other crops all increase.

I suggest that we might work with the President on fast-track authority. That would be very, very helpful. I suggest we work with the President to think through our World Trade Organization stance for next year, when multilateral reductions in tariff and nontariff barriers might occur and should occur, and that the emphasis we place on agriculture in negotiations now with the European Union be enhanced substantially, and that the President's pledge in the Miami summit to move toward free trade in the hemisphere be given a boost as the President prepares to travel to the South American continent.

In short, there are a lot of things we must do as a country to boost our exports. But specifically regarding the problem in wheat—and it is a substantial one for the States that have been stressed, as the Senator from Montana has pointed out—we could work with the President in terms of allocations for Public Law 480. That is an act which is on the books. We can work to increase export credit guarantees for overseas purchases of U.S. wheat. We can work together with the President, the Secretary of Agriculture, and Senators who are engaged in this, and I would like to be one of them, because I believe an increase in wheat exports is tremendously important and it is timely that we do it now as opposed to hereafter.

I suggest USDA comply with the FAIR Act's requirements that high-value U.S. products such as wheat flour be a higher proportion of export programs. We could be helpful in that respect.

And, finally, as I have suggested already, we must work now on our export goals with the Trade Representative and the WTO, as well as for each of the bilateral negotiations we must engage in because we do not have fast-track authority. These efforts are likely to be much more powerful in raising the price of wheat without doing violence to the farm bill—as a matter of fact, utilizing the farm bill and all its resources.

Mr. President, I reserve the remainder of my time and yield to others.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. Mr. President, how much time do we have remaining on this side?

The PRESIDING OFFICER. The Senator has 6 minutes 44 seconds.

Mr. BAUCUS. Six minutes 44 seconds. I have two strong supporters here. I see my colleague from Montana on the floor. I yield to my colleague, since I have only 6 minutes, 3 minutes.

Mr. BURNS. Mr. President, I thank my colleague. I appreciate the courtesy. It won't take me very long to sum up why we think this is important.

I agree with everything that the chairman of the Ag Committee has said. The problem is, we have not gotten the administration to implement those tools they have at hand to help us out. They have not confronted our Canadian neighbors to live within their quotas. When you start talking about putting together a farm bill—and I think the Senator from Indiana would agree—it is hard to write farm legislation that is not flawed. Because of the diversification in our agriculture, that is tough to do.

Flexibility in crops in Montana has not come, for the simple reason that we have a short growing season and soil that is unlike that in Indiana or Missouri or Iowa or Nebraska or wherever.

A fellow walked up to me a while ago and said, ''The President is in Africa, and he is making a lot of friends.''

If I had his checkbook, I could be making a lot of friends. I think he ought to be offering food—wheat, principally—and those things that help people most in nations where they are suffering from malnutrition and hunger. I hope this doesn't set a precedent, that this stays with us this year.

But I will tell you what it does. It allows a small group of farmers from North Dakota and from Montana to gain financing so they can get a crop in, because we have some who will not be refinanced on their operational loans. That is what it does. That is who we are speaking for today, those people who are caught between a Canadian situation and a total collapse of the financial situation in the Pacific rim, which takes most of our crops. I speak in favor of it. I appreciate the leadership of my colleague, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. I yield time to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. I thank my chairman and thank you, Mr. President.

Mr. ROBERTS. Mr. President, I rise in reluctant opposition to the amendment offered by my colleague, the distinguished Senator from Montana. In doing so, let me say I appreciate the efforts by those supporting this approach to provide their farmers appropriate risk management tools and to do what we can to encourage improved farm prices.

And, I also appreciate the unique and difficult times that farmers face where there is great risk, great opportunity and productivity, but great risk as well. My colleagues who are privileged to serve the hard working and productive producers in our northern tier states are going through a difficult time—Asian economic problems have already resulted in at least a 3.5 percent reduction in agriculture trade. This is why we just considered and passed the bill funding the International Monetary Fund with appropriate reforms. Prices at the country elevator in Montana and, for that matter in Dodge City, Kansas, have declined as a result. Add in severe weather and unfair trading practices across the border and you can see the relevance of the effort by my colleagues.

But, with all due respect to their intent, I feel compelled to remind colleagues of the law of unintended effects. Under the banner of providing a so called safety net by extending the loan program what will actually happen?

Is the goal to see increased prices? Today, approximately 20 percent of the nation's wheat crop is under loan, about 191 million bushels. The loan program expires this spring. This amendment would extend that loan to September 30.

Extending the loan rate will not create additional marketing opportunity. Rather it will eliminate to some degree, the incentive for farmers to market their wheat. Extending the loan is an incentive for farmers to hold on to the grain they have under loan for an additional six months. Now, this would not create a big problem except for the fact that we will harvest another wheat crop before September 30. And, all indications are we can expect another bumper crop. We will then have farmers holding a portion of last year's crop while adding a new crop to the market—grain from two crops—not one—on the market. We will have excess supply and my judgment is that will drive prices down even further and we will have just the opposite effect of what is intended.

And, at the same time we are holding our grain under loan and off the world market, other countries such as the EU, Australia and Argentina will again return to the business of taking our market share. This is a repeat of the situation the current farm bill tried to correct. Our current share of the world wheat market is just over 30 percent, the EU 15.4 percent, and Australia 14.8 percent. This amendment could well be called the EU and Australia Market Share Recovery Act.

It is also the first step in putting the government back in the grain business in the form of a reserve and I can still hear the advice of the former chairman of the House Agriculture Committee, Boage of Texas who warned repeatedly, grain reserves are nothing more than government price controls.

The Senator's amendment really takes us back to the age old debate in farm program policy as to whether the loan rate should be a market clearing device or income protection. I don't think it can be both. Under the current farm bill, the loan rate is a marketing clearing device and hopefully a price floor. The transition payments now being paid to farmers represent income protection.

What am I talking about? Well, the price of wheat today at the Dodge City elevator is about $3.10. If you add in the transition payment farmers in Kansas, North Dakota, Montana, Texas, North Carolina are now receiving, approximately 65 cents a bushel, that means the farmer is receiving around $3.75 a bushel. Now, I agree with my colleagues that is certainly not the $4.50 price we were getting months back or even higher on the futures market. We hope to see price improvement and soon.

But, let me point out with 20–20 hindsight, that this loan extension is primarily aimed, at least I hope it is aimed at last year's crop, the grain that farmers have not sold and that farmers did have an opportunity to sell at those previous prices.

Let me mention another possible unintended effect. Will not keeping grain under loan work at cross purposes to our goal of stating to the world and all of our customers that we will be a reliable supplier? Does not encouraging longer loan terms and keeping grain in storage tell our customers they should go elsewhere? Should that be the signal we send just hours after this body agreed the United States remain active and competitive in international trade by approving funding for the IMF with appropriate reforms?

Should we not be pushing for lower trade barriers and conducting a full court press to export our grain, our commodities, to sell wheat? My predecessor in the House, the Honorable and respected Keith Sebelius put it in language every farmer understands: ''We need to sell it, not smell it.''

What should we do? We should encourage the President, when he comes back from Africa, not to toss in the towel on fast track trading authority, to immediately sit down with Agriculture Secretary Dan Glickman to explore and aggressively seek bi-lateral trade agreements. There are 370 million hungry people in Latin and Central America alone eager to begin trade negotiations—well sell them bulk commodities, they move to sustainable agriculture and quit tearing up rain forests and its a win, win, win situation.

We should continue the good work of Secretary Glickman and Assistant Secretary Schumacher to fully utilize the GSM export credit program in Asia. Restore the markets that have led to the price decline, don't drive them away. Secretary Glickman has committed $2 billion under the GSM program to assist South Korea and it has resulted in over $600 million in sales of agriculture products. The $2 billion figure is not a ceiling, it is a floor we can

and must use more! We can use the Export Enhancement Program. The Administration recommended severe cuts in the very program that could not be of help.

My colleagues, we need to sell the grain, we have the export tools to accomplish that. What happens when this loan extension results in lower prices, we have a bumper crop, our competitors seize the opportunity to steal our market share, and we are faced with this decision again in September? We may be buying time with this amendment but we are also buying into market distortion and problems down the road.

Let us instead convince and support the Administration to aggressively use the export programs we have in place to answer this problem. Let us work on crop insurance reform. Let us recommit to the promises we made during the farm bill debate in regard to tax policy changes, a farmer IRA, regulatory reform, an aggressive and consistent export program.

Again, I commend my colleagues for their concern, for their long record of support for our farmers and ranchers and I look forward to working with them in the future. But, in terms of this amendment, its just that the trail you are recommending leads right into a box canyon.

With that, I reluctantly oppose the Senator's amendment and hope he can work with us and perhaps even withdraw the amendment. I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I yield 2½ minutes to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I thank the Senator for the time.

I am a little bit surprised, because I think this is the most modest of proposals. This clearly is a baby step in the right direction. In fact, it does not conflict at all with the Freedom to Farm bill. It complements it. Those who say that the farmers should get their price from the marketplace need to give the farmers the tools to hold that grain and access the marketplace when it is beneficial to farmers. That is what eventually will allow this farm law to succeed if ever it succeeds. So I think this complements the Freedom to Farm bill.

I think this is the smallest, most modest of steps, but it is in the right direction. I wish that it would be accepted. It has no cost to the Treasury. It would be of some help to some producers at a very critical time.

Let me say, we have heard some about trade here. You have heard me speak about this many times. Regrettably, this country is a 98-pound weakling when it comes to trade. We have sand kicked in our face every day on trade. I would like to fix all that.

The Senator from Montana mentioned Canada. If durum wheat were blood, Canada would long ago have bled to death. With all of that grain coming here, we have an avalanche of Canadian grain glutting our markets. That situation, together with problems with Japan, China and Mexico and a range of other trade problems have undercut the market for our agricultural products. The Senator from Montana has proposed the most modest of steps. Let us extend these commodity loans. In my judgment, these loan rates are far too low in any event. Despite that, let us at least extend the term of these commodity loans to give individual farmers a better opportunity to market when it is in their interest to do so. That way they have some say as to when they go into this marketplace.

As you know, this marketplace is full of big shots and little interests. And guess who wins in the marketplace? If the farmer is forced to market at the wrong time, just after harvest, they get the lowest price.

Freedom to Farm can only work if we give farmers the capability of holding that grain with a decent loan for a long enough period so that when farmers go to the marketplace, it is on their time, it is when they find the market has some strength, when they find they can go to the market and get some reward for themselves, not just on the miller's time, not just on the grocery manufacturers' time, not just on the traders' time.

If the Senator insists on a vote on this, I hope we win. I support fully what he is trying to do. If he does not, I hope we come back and try this again, because I think there needs to be a way for all of us, including the chairman of the committee, for whom I have great respect, to work together on this issue.

I yield back the remainder of my time.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 1 minute 46 seconds remaining.

Mr. BAUCUS. I thank the Chair.

Mr. President, I can't but be bemused by this debate, because the Senator from North Dakota said this isn't just a trivial step. In fact, the Senator from Indiana, the very distinguished chairman of the committee, quietly admitted that he doesn't think it is going to do much, and if that is the case, I don't know why we don't just do it.

It is also true one of the tenets of Freedom to Farm is more flexibility. I remind my colleagues that we in the North do not have a lot of flexibility, because of our weather and soil conditions, and so forth. There is not near the flexibility in planting different kinds of crops that farmers in other parts of the country might have.

A major answer to this problem, obviously, is a greater effort to knock down trade barriers. That is clear. A greater answer to this problem, too, is much more executive branch and congressional effort to make sure that other countries are not taking unfair advantage of American producers.

Mr. President, I will withdraw the amendment, but in so doing, I would like the assurance of the Senator from Kansas and the Senator from Indiana of efforts that we can undertake on a bipartisan basis to actually do something about this.

We talk a lot about knocking down trade barriers; we talk a lot about GSM programs; we talk a lot about P.L.-480; we talk a lot about NAFTA; we talk a lot about fast track, and so forth. But it is time to do something about this.

I will not press for a vote, but I do urge my friends and colleagues to make the effort, to be sure, again, on a bipartisan basis and with the White House, that we can finally stand up for our producers and work harder and more effectively together than we have thus far. One example is appropriations, whether it is EEP or whatever it is. We can authorize programs, but we also have to have appropriations. I would like to ask my friends if they could respond.

The PRESIDING OFFICER. Time has expired.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am happy to yield such time as he may consume to the chairman of the Agriculture Committee, Senator LUGAR.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the spirit of the distinguished Senator from Montana, a distinguished member of the Agriculture Committee. I pledge for my part the resources of the committee to work with the Senator from this day hence to see if we can increase wheat exports specifically, and exports generally from our country.

I have outlined a number of areas for work, and the distinguished Senator from Kansas has mentioned others, as has the Senator from Montana. There is urgency to our work. That ought to be clear from this debate.

I pledge to work with the Senator. I hope that our committee will be successful, and we will try to establish benchmarks to see if we make headway. I look forward to working with the Senator on a report of how we did.

Mr. ROBERTS. Will the distinguished chairman yield?

Mr. COCHRAN. I am happy——

Mr. LUGAR. Of course.

Mr. ROBERTS. Will either of the distinguished chairmen yield?

I thank the Senator from Indiana for yielding. I would just like to pledge my full cooperation.

The PRESIDING OFFICER. All time has expired.

Mr. BAUCUS. Mr. President, the amendment is withdrawn.

The PRESIDING OFFICER. The amendment has been withdrawn.

The amendment (No. 2162) was withdrawn.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I am not seeking recognition. What is the pending business, Mr. President?

The PRESIDING OFFICER. Amendment No. 2120, the amendment offered by the Senator from Oklahoma, Mr. NICKLES.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I appreciate the cooperation of the Senator from Indiana, the chairman of the Ag Committee. I remind folks that in the appropriations, and through the leadership of my friend from Mississippi, the EEP is funded.

We have appropriated that money every year to be used as a tool in the market, so it is not that we have not done our work here in this Senate as far as the agriculture producers are concerned. I think the administration, both through the International Trade Representative and the Ag Department, has to start taking a look at the tools or the weapons they have in their arsenal in order to help these folks.

This is not going to help our farmers who need money to get back in the field to plant their spring crops, but I will tell you that we are going to work very, very hard to make sure it is there next year and this administration uses the tools it has at its disposal.

I appreciate the time, and I yield the floor. And noting no other Senator choosing to use time, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. 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. 2120

Mr. NICKLES. Mr. President, I understand that the so-called amendment that has my name on it, the Nickles amendment, to delete $16 million that is in the bill right now to add an additional 65 HCFA employees, is the pending business.

We debated that significantly yesterday. I am happy to vote on it. I am ready to vote on it. I know Senator KENNEDY had a different idea. I do not know what his intentions are, but this Senator is ready to vote, ready to have a time limit, ready to move forward. I think it is important we do so, and do so rather quickly and move on to other business. I know we have the Mexican certification process. So I just make mention of that.

I see my colleague from Massachusetts is here, so hopefully we will be able to vote on my amendment. If he has an alternative, we are happy to vote on that as well.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if the Senate votes to deny the administration's request for additional funding to fulfill the responsibilities bestowed by Congress under the Kassebaum-Kennedy legislation, tens of millions of Americans will be denied the protection of a law we passed unanimously, not once but twice. Supporting the Nickles amendment is like saying, ''We'll give you a car, but not the keys.''

What good does it do to pass a law that we are not willing to enforce? This amendment will effectively reduce, in a very important and significant way, the enforcement and the protections that were included in the legislation.

Every Senator in the 104th Congress voted for the Kassebaum-Kennedy legislation—not a single vote against it on passage or on the conference bill. And every Senator went back to his or her State to take credit for the good work that they had done to hail the promise of accessible and portable health insurance.

But now we have this proposal to effectively break the promise by denying the enforcement agency, in this instance HCFA, the staff and the resources they need to make that promise a reality.

So let us be very clear. This really isn't about the budget. This is not about wasteful spending or an ever-expanding government. The HCFA request is fully paid for by a transfer from another HCFA budget, and it is a justified, targeted response to the situation before us, which has been outlined in the GAO report.

Yesterday, questions were raised about whether this request affected more than the five States that have yet to act and whether the request affected HCFA's ability to enforce the legislation that created the mental health parity and the banned so-called drive-by deliveries.

But HCFA Administrator Nancy-Ann Min DeParle answered these questions following our debate yesterday in a letter she sent to clarify the situation. She writes that this money is needed to implement not only Kassebaum-Kennedy, but also the mental health and drive-by delivery bills. The fact is that there are many gaps beyond just the five State references that were included in the GAO report.

I have, Mr. President, in my hand, the National Association of Insurance Commissioners' report as of December 3, 1997, that indicates that 30 states have yet to enact the legislation to implement the law on the mental health parity. Thirty States have not implemented those particular protections on mental health.

We had a strong vote here on the Domenici-Wellstone amendment. And we now see that there are effectively 30 States that have not implemented the mental health parity law. If HCFA is not given the resources to enforce it in those states that fail to act, then the persons with severe mental illness who live in those states will not benefit from the parity provisions we voted to give them.

The Senator from Oklahoma continues to insist that this is a short-term problem and that the only real problem that we are faced with in implementing HIPAA is just in five States. And this, as I mentioned, is wrong. The duration of the problem is not yet known. We have already mentioned that 30 states require federal enforcement for mental health parity. We know on the drive-by delivery issue, which we also passed in a bipartisan way in 1996, was to be implemented with the same kind of enforcement mechanisms—and there are eight States, according to the National Association of Insurance Commissioners—that have not enacted legislation to conform with or implement the federal bill to ban drive-by deliveries.

The request in the bill under consideration today will be used to make sure that women in these eight States are going to have the similar kind of protections as the women in 42 other States. It will be used to ensure that the mental health parity provisions are enforced in the 30 states that have not yet come into compliance. And there are many others. Oklahoma is one of 11 states that have not passed laws to guarantee renewability in the individual market, thereby needing federal enforcement of this key HIPAA provision. These are all in addition to the five States that have been referenced by the Senator from Oklahoma. And there are more.

There are very, very important needs, Mr. President.

Now, the supplemental request will simply allow HCFA to move forward with what Congress asked of them. Some of my colleagues have suggested that HCFA should have asked for this increase last year. But we all know that if they had asked last year, they would have been told that it was premature and to wait for State action. Some have suggested that they wait for the regular budget for next year, but such a delay is unnecessary and an insult to the American public.

Each year, HCFA staffing levels are revisited during the appropriations process. If Congress finds in the future that the States are fully compliant and HCFA no longer needs to fulfill this function, I am confident that the Appropriations Committee will adjust accordingly. They do so.

HCFA's duties have significantly increased in the past two years. Among other things, they have chief responsibility for providing guidance to states to implement the new Children's Health Insurance Program, for cracking down on fraud and abuse, and for implementing of the various and important changes in Medicare and Medicaid resulting from the Balanced Budget Act. All of those are being implemented virtually at the same time as the Kassebaum-Kennedy bill—including the provisions on mental

health and maternity protections—is being implemented. And the proposal that came to the floor of the Senate did not increase the budget but reallocated resources within the agency. They aren't asking for more money, just a transfer to allow them to hire people to do the jobs we asked of them. And the Nickles amendment seeks to gut these efforts by striking this proposal.

Mr. President, it is unconscionable to deny the American public the rights we voted to give them almost 2 years ago. They have waited long enough. The Kassebaum-Kennedy bill bans some of the worst abuses by health insurers, abuses that affect millions of people a year. Prior to its enactment, more than half of all insurance policies imposed unlimited exclusions for preexisting conditions. Prior to its enactment, insurance companies could refuse to insure—redline—entire small businesses because one employee was in poor health. Prior to its enactment, 25 percent of American workers were afraid to change jobs and to start new businesses for fear of losing health insurance coverage. Prior to its enactment, people could be dropped from coverage if they had the misfortune to become sick, even if they had faithfully paid their premiums for years.

The General Accounting Office stated that as many as 25 million people would benefit from these protections. These are the protections that are in the Kassebaum-Kennedy legislation. All we are saying is, let's make sure, now that we have passed them and told families that they will have those protections, let's make sure that we are making good on that promise. We have the personnel to be able to do that, and it has been included in this legislation.

Reference is made: Why don't they shift around personnel? They have a lot of people in that agency; certainly they could shift around personnel. The fact is, in this particular area, as I mentioned, are specialists in a particular area in the insurance industry. This is not something that HCFA has a background and experience in. These are protections because of many of the abuses. Therefore, they need certain types of personnel and individuals that have some very specialized skills in this area to be able to do the job. That is what is being called for. That is the case that is being made. If they do not have it, what we will find is, people will be left confused, things will be uncertain, people who thought they had various rights will not have those rights guaranteed.

Patchwork enforcement and concerted efforts by unscrupulous insurers to violate the law raised serious concerns during the earlier implementation period. While the provisions affecting the group market appear to be going well—that is about 80 percent of the legislation which is going well—the GAO has identified many concerns in the individual market provisions.

Our legislation specifically deferred to the States in recognition of their longstanding and experienced role as regulators of health insurance. We gave States more than a year to design their own legislation based on the Federal law. Federal regulation was only a backup if States failed to act. Most States have passed implementing or conforming legislation. There are significant gaps. In every State that has failed to act in whole or in part, the responsibility for assuring compliance, responding to complaints, and informing the public has fallen on the Health Care Financing Administration. HCFA is just over 20 people working on this issue in its headquarters, and a handful more spread across the regions. Most State insurance departments have hundreds of people. California, for example, has more than 1,000 people on staff to handle these issues; HCFA has 1 person in San Francisco.

GAO explicitly and repeatedly expressed concerns that HCFA's current resources are inadequate to effectively enforce the bill. The NAIC—which is the National Association of Insurance Commissioners, the commissioners in each of the 50 States; this is their national organization—in testimony before the Ways and Means Committee last fall said, ''The Federal Government has new and significant responsibilities to protect consumers in these States. Fulfilling these responsibilities requires significant Federal resources.''

The legislation that passed over 20 months ago was being implemented in January of this year, but the States were taking the steps in the previous 18 months to comply with the legislation, with it being implemented in January of this year. In February, we had the GAO report that pointed out the failure of some of the States to take the steps to provide the protections and said additional kinds of resources were going to be necessary. This is really a response to that particular reality.

The GAO found that many companies were engaging in price gouging, with premiums being charged to consumers exercising their rights to buy individual policies when they lost their job-based coverage as much as 600 percent above standard rates. They found other carriers continue to illegally impose preexisting condition exclusions. We cannot deal with that; nor do we intend to. That ought to be an issue for another time. It ought to be addressed in terms of that kind of abuse. We are not talking about that issue. But we are talking about the implementation of these other protections, to make sure, for example, if you are moving from a group to individual, that there is going to be available insurance in those States that are going to cover the individuals that have preexisting conditions, and also what they call renewability, to make sure that those individuals are going to be able to be renewed if they pay under the terms of their premiums—that it takes that kind of an action to ensure coverage or otherwise people are going to be outside of the coverage. That is an area where a number of States have not taken action.

Some companies or agents illegally fail to disclose to consumers they have a right to buy a policy. Others have refused to pay commissions to agents who refer eligible individuals. Others tell agents not to refer any eligibles for coverage. Some carriers put all the eligibles with health problems in a single insurance product, driving up the rates to unaffordable levels, while selling regular policies to healthy eligibles.

The Senate should not be voting for a free ride for failure to comply with these protections which most States have complied with. It should not be an accomplice to denying families the kind of protections for preexisting conditions that they were promised by unanimous votes just 2 years ago. The need for the additional staff goes beyond enforcement. The GAO found wide gaps in consumer knowledge, gaps that prevented consumers from exercising their rights under the laws. HHS wants to launch a vigorous effort to address this problem, but according to the GAO, because of the resource constraints, the agency is unable to put much effort into consumer education.

Now, the point that has been raised by the Senator from Oklahoma that this is not an emergency situation—for millions of Americans, the failure to enforce the legislation is an emergency. Every family who is illegally denied health insurance faces an emergency. Every child that goes without timely medical care because this bill is not enforced faces an emergency, and every family that is bankrupted by medical costs because this bill is not enforced faces an emergency. This may not be an emergency for abusive insurance companies, but it is an emergency for families all over this country. For some, it is a matter of life and death.

But don't take my word for it. Since our debate yesterday, more than 20 organizations have sent letters, which are at the desk, urging that we defeat the Nickles amendment. Leading organizations representing persons with disabilities, the mental health communities, women with breast cancer, and consumers generally have written asking opposition to this unwarranted attack on the law. More are coming. The Senate should reject this amendment. We need to toughen the Kassebaum bill, not weaken its enforcement. This is a test as to whether the Senate wants to really ensure that those provisions in the bill that will guarantee the protection on the preexisting condition will actually be protected.

I yield the floor.

Mr. NICKLES. Mr. President, I appreciate my colleague's comments. I appreciate his coming to the floor. I think it is important that we have the discussion. We had a significant discussion on this amendment yesterday. I will make a few comments. I understand one other Senator wishes to speak on it, or if the Senator has any additional Senators.

I mentioned yesterday that HCFA, the Health Care Finance Administration, has over 4,000 employees. That is a lot. Now, the Health and Human Services Department has 58,500 employees. Now, if they need to move a few employees around, they can do it if there is an emergency. There is not really an emergency. Frankly, compliance with HCFA, the so-called Kassebaum-Kennedy bill, which deals with portability, also deals with moving from group to individual plans. Most States have complied. The State of Massachusetts has not complied. But I don't think that we should presume the State of Massachusetts doesn't care about their employees or about their people in their State. The State of California hasn't, the State of Missouri hasn't, the State of Michigan hasn't, but every one of those States has pretty advanced policies dealing with health care.

Now, some would presume because they haven't enacted legislation exactly as we told them to do, that we now need to have Federal regulators go in and run their insurance departments. I do not think that is the case. The Senator from Massachusetts says California has over 1,000 regulators. You cannot do this with 65. You could not do this with 650. You would have to hire thousands if we were going to have the Federal Government come in and regulate State insurance. So that is really something we should not be doing, it would be a serious mistake to do.

Some people have a real tendency to say if we have any problem, let's go in and have Federal regulators come in and take over. I think that would be a mistake. As I mentioned before, there are over 4,000. Surely they can borrow a few if this is such a critical need.

A couple people said, ''This is needed to enforce the mental parity issue that was passed also as part of the Kassebaum-Kennedy.'' It is not. I tell my colleagues, this GAO report that was alluded to by my friend from Massachusetts does not mention mental parity once—not once. I might mention, the request for the supplement from the director of HCFA did not mention mental parity. It was not in their request. What their request was: ''Hey, we want to help these five States.'' I am saying they can help those five States. They already have 26 employees. They can use additional employees already in the system. We don't need to give them an additional $16 million or $6 million for these 65 employees that cost $93,000 each. That is a lot to pay for somebody in the State of Mississippi or Oklahoma. Our States are in compliance, I might mention; the State of Massachusetts is not in compliance.

I might also mention two things. The way the Senator pays for this is robbing Medicare. All of us that have been dealing with the appropriations and so on, we know we have discretionary accounts and we have mandatory accounts. Medicare is one of the mandatory accounts. It is paid for. The HI Trust Fund—Hospital Insurance Trust Fund—is paid for by payroll tax; 2.9 percent of all payroll goes into the Hospital Insurance Trust Fund. That ought to be plenty of money. President Clinton had a big increase in 1993, and it is on all income now. It used to be just on the Social Security base up to $68,000. Now it is on all income.

Guess what. It is still going broke. It is paying out more this year than is coming in. The fund is going broke. Does it make real sense for us to be taking money out of that fund that is dedicated for senior citizens—take money out of the fund to hire more bureaucrats at HCFA? They already have over 4,000, and this says let's hire another 65. The President's budget for next year says he wants another 215. Well, we will wrestle with that in next year's annual appropriations process and let the committees review and discuss it.

This is an emergency supplemental. This is supposed to be helping communities that are devastated by floods and bad weather and to pay for our forces that had to be on call in Iraq and in Bosnia. What is urgent about this? This is a law that passed. This is a law that became effective—frankly, we passed the law 20 months ago; it only became effective January 1.

The reason California has not passed a law—California passed a law, but Governor Wilson vetoed it because there are other things in the law he did not think were very good. In Missouri, the Missouri legislature passed a law to be in compliance, but the Governor vetoed it because he had a disagreement. In almost all cases, the five States are not saying, ''Federal Government, we want you to regulate us and take over our insurance.'' It is because they had a disagreement between the legislative bodies. It is not, they don't want to cover it. It is not, they don't want to give the benefits that we have provided. I think these States do. My guess is, the State of Massachusetts wants to. But for some reason legislatively it has not happened. It may be, again, because there is a different party as Governor, as in the legislative body.

Sometimes you get some impasses. The solution is not to send an army of HCFA bureaucrats to go in and try to take over regulation of insurance within those five States. That would be a serious mistake.

So I mention, Mr. President, let's pass this amendment, let's save $16 million, let's not raid the hospital insurance fund. That is the wrong thing to do, a serious mistake. So I urge my colleagues to support the amendment.

I ask for the regular order.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, what is the parliamentary situation? Are we on the Nickles amendment?

The PRESIDING OFFICER. Yes, we are following the regular order.

Mr. WELLSTONE. Mr. President, I wanted to start out by reading from a letter to Senator KENNEDY from Nancy-Ann Min DeParle:

> Dear Senator KENNEDY: I am writing to request your assistance in securing funding for HCFA to implement the insurance reform provisions of HIPAA. The $6 million and 65 FTEs that we have requested for this purpose will allow us to implement the HIPAA provisions, as well as those enacted subsequently in the Newborns' and Mothers' Health Protection Act and the Mental Health Parity Act in those states that have not fully implemented HIPAA.

We had this discussion yesterday. But as we approach a possible vote on this amendment, let me say one more time—and I have a letter here from Laurie Flynn, executive director, which Senator KENNEDY offered during other parts of this debate. I want to focus on the mental health parity. Laurie Flynn, executive director, a very strong advocate for people struggling with mental illness, concludes her letter by saying:

> Consequently, on behalf of NAMI's 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in advocating for adequate funding to support HCFA's enforcement responsibilities under HIPAA.

Mr. President, there are still some 30 States, or thereabouts, that are not yet in compliance. Again, in the last Congress, we passed the Mental Health Parity Act. This was an enormous step forward. We said to a lot of women and men and to their families that we are going to rise above the stigma, we are going to make sure that there is coverage for you, at least when it comes to lifetime and annual caps; we are not going to have any discrimination, and we are going to treat your illness the way a physical illness is treated. We know that much of this is biochemical. We know that pharmacological treatment with family and community support can make all the difference in the world. Hopes were raised, expectations were built up.

Now, what we are talking about is making sure—I say again to my colleague what I said yesterday—that this is enforced, that this is implemented. I am very worried that without this additional womanpower and manpower, we are not going to be able to actually enforce this law of the land; we are not going to be able to have this implemented around the country.

My colleague from Oklahoma keeps talking about bureaucrats. I go back to what I said yesterday. We are always talking about bureaucrats. We can also be talking about men and women in public service who have a job to do. In this particular case, the job is to make sure that the law of the land is implemented. It is to make sure that there isn't discrimination against people struggling with mental illness, that there isn't discrimination against their families, and that we make sure that States or insurance companies or plans

are in compliance. I think that is what this debate is all about.

Now, Senator KENNEDY has letters from all sorts of organizations, consumer groups, people struggling with disabilities, and on and on and on—I am sure he read from them—which are basically saying the same thing.

One more time, I simply want to say that the Kennedy–Kassebaum bill really was important to millions of people around the country, to millions of families. People now had every reason to believe that because they had a bout with cancer or with diabetes or other kinds of illnesses, they weren't going to be denied coverage because of a ''preexisting condition''; they would be able to move from one company to another and not lose their plan. It was now the law of the land that insurance companies could not discriminate against them in that way. This additional request —yes, it is an emergency request because it is an emergency to these families—is to make sure that, in fact, people are able to have the assurance that they won't be able to be discriminated against and to make sure that families that are struggling with mental illness won't have to be faced with that discrimination. This is the right place to make sure that we put the funding into this. I say to colleagues, I think for all colleagues who supported this legislation, it would be a huge mistake and I think it is just wrong to turn around now and deny some of the necessary funding for the actual implementation of these laws.

Either we are serious about ending this discrimination, either we are serious about making sure insurance companies can't deny people this coverage, or we are not. I think this vote on whether or not HCFA will have the resources, which means there will be women and men that will be able to enforce this around the country, is a vote on whether or not we are going to live up to the legislation that we passed. We can't give with one hand and take away with another. So I hope that my colleagues will vote against this Nickles amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, let me make a couple of quick comments. The initial request that came from HCFA for the $16 million supplemental did not include anything dealing with mental parity; not a word, not a letter, nothing. It didn't include it. The GAO report didn't include it.

A couple of reasons. Here are the mental parity regulations. If I may have the attention of my colleague from Minnesota for a second. This is a copy of the regs that came in on mental health. Guess when they were announced. December 16, 1997, which was about 3 months ago. How in the world can somebody know 30 States aren't complying? The regs just came out. I heard comments that some States aren't complying with the newborns regulations, the 48 hours. Guess what. Those regs aren't out. The law became effective January 1, and there are no regulations. Yet they want to hire an army of new federal employees. HCFA didn't ask for an army of people to go out and comply with these regulations.

My colleague alluded to a letter that Senator KENNEDY worked hard on, which he probably got late last night, from Nancy Ann Min DeParle, the Administrator of HCFA. I want to read what she says, if I can get my colleague's attention for just a second. I want to read the part of the letter he forgot to read. He left out just a little bit. In the second paragraph of the letter she sent to Senator KENNEDY—not to the managers of the bill; she didn't send it to the authorizers of the committee—it might have been written by Senator KENNEDY; I'm not sure. But this part certainly wasn't written by Senator KENNEDY:

> Moreover, we understand that as many as 30 States may not have standards that comply with Mental Health Parity Act and as many of 10 States may not have standards that comply with the Newborns' and Mothers' Health Protection Act.

This is what I want you to pay attention to:

> We don't have precise numbers because States are not required to notify HCFA about their intention to implement these two laws.

HCFA doesn't have control over these two laws. These States aren't told to tell HCFA about compliance with these two laws. Those laws are going to be managed by the Department of Labor. That is not in HCFA's jurisdiction. These 65 people will not spend 1 minute of time on mental parity or the 24 hours or 48 hours for newborns. Some people are trying to create an issue that is not real.

The issue is, very frankly, are we going to spend $16 million to expand the bureaucracy of HCFA? They already have over 4,000 employees and 58,500 at HHS. I have said time and time again, if they need to borrow some of those employees, they can do so. People say, no, we want to expand the base, hire more people, have more intrusion. I have a final comment——

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

Mr. NICKLES. Not just yet. I will make a final comment, because this is of interest. Yesterday and today, we have spent several hours debating $16 million. I am trying to save for taxpayers, and basically save it for Medicare, that $16 million that should stay in Medicare. We should not be raiding the Medicare trust funds to pay for an expansion to hire more Federal employees. We are spending several hours on that. I tell my colleague from Texas and my other colleagues, I spent an hour opposing an expansion of $1.9 billion, and I lost. So this Senate expanded the cost of this bill from $3.3 billion to $5.1 billion, and we did it in an hour. Maybe some people are kind of proud of that. I am not proud of it. Yet, to try to cut $16 million, we have spent several hours.

Some people fight very, very hard to expand Government. I think that is a mistake. I think it is a mistake in this bill. It should not be in this bill. When my colleague read the letters, he didn't read all of the letters. It says that HCFA doesn't have enforcement authority over these two bills, and it doesn't have anything to do with the legislation that is before us. I happen to have enough confidence in the State of Massachusetts, the State of California, the State of Michigan, the State of Missouri, and Rhode Island. They care about their people just as much as we do in Washington, DC. Hiring another army of bureaucrats to go in and tell them what to do will not, in my opinion, improve the quality of health care in those States.

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

Mr. NICKLES. I am happy to yield for a question.

Mr. WELLSTONE. First of all, does the Senator understand that the National Association of Insurance Commissioners lists the following 30 States: Alabama, California, Colorado, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Maryland, Massachusetts, Michigan, Mississippi, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Utah, Virginia, Washington, Wisconsin, and Wyoming, as States that are not in compliance and have not yet enacted the Mental Health Parity law? Is the Senator aware of that from the National Association of Insurance Commissioners?

Mr. NICKLES. I will be happy to answer the Senator's question. The regulations I was waving around a moment ago—this thing—came out on December 16, 3 months ago. I doubt that all the States have had time to review these regulations. Maybe some of them have, and maybe some of them haven't. So how would anyone know whether all the States are in compliance with that? On the newborns law my colleague alluded to, which is not enforced by HCFA, the regs aren't out yet. So how could anyone know whether or not there is compliance?

Now, the 65 people that HCFA was requesting in the supplemental were not to enforce either the mental parity or the 48 hours for newborns. It was not in the request, not in their letter, not in the GAO study.

I think my colleague makes an interesting diversion in trying to say that they should be doing this, too. But frankly, that is not their responsibility. It is the responsibility of the Department of Labor. It is not in this bill and it would not be helped by passing this supplemental, even as originally requested.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I think we are having an interesting and enlightening conversation. I agree with the Senator from Oklahoma. But I want to go back one more level below this to talk about the real issue here.

Our dear colleague from Minnesota talks about how much he and the administration care about this program and about how they want to try to see this done, provide this $16 million. But they didn't care enough about it to cut $16 million out of another discretionary program to pay for it. They didn't care enough about it to reduce discretionary spending in the Federal budget by 0.003 percent to pay for it. They cared so much about it that they weren't willing to take 65 bureaucrats from the 4,000 people they already have working in the Health Care Finance Administration to do this work. They didn't do any of those things.

What they did is they cut Medicare and they reduced peer review, which is looking at the practice of doctors who are providing medical care to my mother and to other people's parents. We take money from peer review and the oversight of doctors practicing medicine under Medicare—we take money away from Medicare to fund more bureaucrats at HCFA. That is what this amendment is about. This is robbing Medicare to pay for bureaucrats at HCFA.

Now, first of all, I know the public doesn't care about these things, but I don't understand how the Appropriations Committee is cutting Medicare. The last time I looked, Medicare was under the jurisdiction of the Finance Committee. I am chairman of the subcommittee that has jurisdiction over Medicare. What we have here is an extraordinary shell game, which the President started and which this committee has continued to perpetuate.

Here is the shell game in English that anybody can understand. The President wants to hire 65 more bureaucrats. He already has 4,000 bureaucrats working for HCFA. They want 65 more bureaucrats to do work that has absolutely nothing to do with Medicare in shape, form, or fashion. And they want 65 more bureaucrats. But they are unwilling to cut another discretionary program to pay for it. They want these 65 bureaucrats, but they are unwilling to take them away from the current work that the 4,000 are doing. It is not important enough to move 65 of them to do it. It is not important enough to cut any other discretionary program of the Government to do it. But it is apparently important enough to reduce physician oversight of the practice of medicine on 39 million elderly and disabled Americans who qualify for Medicare.

This is another blatant effort to rob Medicare, a program that is going broke, a program that will be a $1.1 trillion drain on the Federal Treasury over the next 10 years, a program where we are going to have to raise the payroll tax from 2.9 cents for every dollar you make to 13 cents for every dollar you make to pay for it over the next 30 years.

So what they are doing is using Medicare as a piggy bank to hire bureaucrats. Let me say that this is outrageous, and I believe that if the American people knew about this, they would be outraged.

Our colleague from Minnesota said, but we need these 65 bureaucrats for this important function. Look, I am not going to argue whether it is important or not. Our dear colleague here has pointed out that the issues raised wouldn't even be dealt with by those 65 bureaucrats. But that is not the point here. If it is all that important, cut a program to pay for it. If it is all that important, do what every American working family does every day: They decide that buying medicine, or buying a book, or sending their child to special training is important, so they cut spending they would have spent on vacation, or something less important, to pay for it.

My argument is not against the spending of this money. It is not even against these 65 bureaucrats, although I do not believe the world will come to an end if we do not have them. My point is, if they are all that important, cut money from a program, another discretionary account, that is of less importance.

Is there nothing in the $550 billion every year spent by the Federal Government on discretionary spending that is less important than this? If there isn't, we probably ought not to be doing it. If there are programs that are less important, I suggest you find them and cut them. But this is a rotten shell game, to be cutting Medicare and reducing peer review oversight over the treatment of 39 million senior and disabled citizens in order to fund more bureaucrats.

What are we doing, cutting Medicare to fund discretionary programs? Whoever heard of cutting Medicare to fund HCFA bureaucrats? I think it is an absolute outrage. What all this shows is, despite all of our flowery rhetoric—put Social Security first, put Medicare first—we are all for doing that, but when it gets right down to it, this provision that Senator NICKLES is trying to strike is a provision that says, put bureaucrats before Medicare, cut oversight of patient treatment for 39 million senior and disabled citizens in this country so that we can fund the hiring of 65 more bureaucrats.

That is a position that you can take. I happen to say that the answer to it is no—clear-cut, unequivocally, no. We ought not to be cutting Medicare to increase the number of bureaucrats working at HCFA. And that is exactly what this proposal does.

If somebody can make the case that we don't need as much oversight of physicians who are treating my mother and everybody else's mother, then we ought to take the savings and we ought to use it to save Medicare. But there are two problems here: No. 1, nobody has made that case; I am not convinced of it. And, No. 2, if we are going to save the money, it ought to go to Medicare, where the money is coming from; it ought not to be used to hire bureaucrats.

So we are going to vote at some point on the Nickles amendment. I know our colleagues are threatening to hold up this bill. But let me say, this is not my bill. This is a bill that spends $5 billion that we do not have. This is a bill that raises the deficit by $5 billion. This is a bill that puts Social Security last. This is a bill that takes $5 billion away from our efforts to save Social Security. And if we are going to hold this bill up so that we can steal money from Medicare, let it be held up. If this bill never passes under those circumstances, that will suit me just fine. I am not going to have to explain why it does not pass, because I am not holding it up.

But if somebody is going to threaten me that I am not going to raise the deficit by $5 billion unless you let me steal $16 million from Medicare, I am not imperiled by that threat. No. 1, I think it is outrageous that we are not offsetting this $5 billion so that it is not being added to the deficit. I think that is fundamentally wrong.

So I am not hot for this bill, to begin with. But secondly, your ransom is simply too high. It is absolutely unacceptable to say we are not going to spend the $5 billion and raise the deficit by $5 billion and steal the money from Social Security unless you let us steal $16 million from Medicare. That ransom is too high.

And maybe our colleagues can look people in the face and say, ''We had to cut oversight of medical practice for senior citizens in Medicare so that we can hire 65 bureaucrats at HCFA.'' Maybe they feel comfortable doing it. I would like them to try to explain it to my 85-year-old mother. I don't think she would be convinced.

But, in any case, we every once in a while have acts of piracy. People say, ''If you do not give me this money, or you do not do this, I am not going to let you do what you want to do.'' But what our colleagues are saying is, ''We won't raise the deficit by $5 billion unless we can take $16 million away from Medicare.'' A, I am not for raising the deficit by $5 billion; B, I am not for taking the $16 million away from Medicare. So I don't feel threatened.

Finally, let me say to our dear colleague from Oklahoma, who yesterday tried to prevent us from raising the deficit by $1.8 billion—and it was an hour well spent, but I don't think we have to apologize for spending hours trying to save $16 million—there are a lot of people in Oklahoma and Texas who work a lifetime, and their children work a lifetime, and their grandchildren work a lifetime, never to make $16 million.

So I think this is time well spent. Do not take this money out of Medicare.

Do not take this money out of Medicare to hire 65 new bureaucrats. That, I think, is a clear issue. And if our colleagues want to debate forever, I would love for the American people to hear this debate. I don't believe they can sustain that case.

This was a slick idea by the President, to do it when nobody knew it was in here. I didn't know this was in this bill, and I am on the Finance Committee, and I am chairman of the subcommittee that oversees Medicare. I didn't know it was in this bill until we discovered it.

So it was a slick idea until people discovered it. Piracy normally works until somebody discovers it is occurring. And then they send out the sheriff, and the sheriff stops it. We are the sheriff.

So if you want to stop, if you do not want to raise the deficit by $5 billion, if you do not get the $16 million, it doesn't break my heart. Go right ahead.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I have seen many smokescreens on the Senate floor before. But I just heard one of the largest smokescreens ever from those who just tried to cut Medicare by some $270 billion in order to give tax breaks to the wealthiest individuals and corporations. We defended that position here on the floor of the U.S. Senate not long ago. Now what we are talking about at this time is an administrative cost. This isn't going to affect one single dollar in terms of benefits or in terms of health care costs for senior citizens.

So before we all cry crocodile tears at the suggestions of my good friend from Texas, maybe he would spend an equal amount of time discussing his justification for his proposal to seek major cuts in the Medicare program to fund tax breaks for wealthy individuals. That may be suitable for another time.

I do not suggest that the Republicans who are Members of the Appropriations Committee that supported and reported out the provision that is in the current bill are Republicans that have a distaste for Medicare or want to ignore our nation's senior citizens. This proposal was reported out of the Republican Appropriations Committee. That is how it got here on the floor. And you have not heard the Senator from Massachusetts charging that they have hurt the Medicare system.

Mr. President, fortunately, our good colleagues in the Senate know the facts on this situation. Basically, what you are talking about is transferring $16 million in administrative costs to enforce a law to protect millions of American citizens. We are talking about women with breast cancer or others with preexisting conditions who are turned down for insurance every single day; we are talking about children with disabilities who are locked out of the private health insurance system; we are talking about small businesses who are refused health insurance because one employee is in poor health. And many others. Without enforcement, the stick to ensure compliance by the insurance companies, these protections are simply not there. They are not there.

We have a GAO report that says HCFA needs help, and we have the insurance commissioners of the States that say HCFA needs the help—Republicans and Democrats alike—as do the various organizations that speak for the elderly, and the disabled, and the mentally ill, and the cancer patients, and the consumers. Are they all wrong? Are all 30 of these organizations all wrong? They don't want to throw out the Medicare system, as the Senator from Texas says. Of course, not. They understand what this is all about. These are organizations that have been fighting for Medicare since they were formed. They have unimpeachable credentials in terms of protecting Medicare.

So, Mr. President, we are back to where we were in this debate and discussion. These funds are needed. HCFA asked in their request of the Appropriations Committee, which was approved, and later in the letter that they sent up to the Congress, to me following my inquiry after yesterday's debate, reiterating the request and clarifying that the requested funds were also needed to enforce the mental health parity and drive-by delivery provisions. And this $6 million of appropriated funds that otherwise would be used administratively is going to be used to ensure that the promises made in the Kassebaum-Kennedy bill and in the Mothers Health Protection Act and the Mental Health Parity Act are not merely illusory.

The Senator from Oklahoma says that states have not complied because the regulations came out in December. The irony is not lost on me—blame HCFA for not issuing regulations and then deny them the necessary resources to fulfill their responsibilities. But states have had more than a year to comply with this relatively straightforward law. They didn't need to wait for regulations to act. And many of the States did act prior to the regulations. Nonetheless, 30 States did not.

This request is needed to prevent the kind of discrimination that is being committed against millions of Americans that have preexisting conditions. It is needed to ensure that mothers that live in the eight States that still allow drive-by deliveries, and that those who are afflicted with mental health problems have the same level of protection as those in their neighboring states.

Mr. President, this is really what this debate is all about. We have had a GAO report that made recommendations that we take this action. The States have been, over the period of the last 18 months, getting themselves effectively in shape for the implementation of this legislation, which started in January. But the GAO report said there are a number of very important areas that need attention if this bill is really going to do what the Congress has said is going to be done.

We are responding to that particular need, and that is what the committee responded to, Republicans and Democrats alike. The idea of suggesting that the members of the Appropriations Committee that reported this out are somehow less interested in the protection of Medicare is preposterous. It is preposterous on its face and the Senator knows that.

I am prepared to take some parliamentary action, but I see others here on the floor who want to address this, so therefore I withhold.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I shall be brief. I appreciate the remarks of my colleague from Texas. I was going to respond in a similar fashion. I will not go over what my colleague from Massachusetts has said. I do not always agree with what the Senator from Texas says, but I like the way he says it. He makes his points in a kind of hard-hitting way, but also with some humor. I think they connect well with people.

But I look at this in a very different way. I would like to thank the appropriators for responding to a very real problem. I do not think the appropriators in any way, shape, or form, Democrats or Republicans, are attempting to raid the Medicare trust fund. I think the appropriators, both Democrats and Republicans, understood that the legislation we passed last year was very important. It was very important in making sure people were not denied coverage because of preexisting conditions—many people. That is why my colleague from Massachusetts could read letters from organizations representing people who have struggled with cancer, senior citizen organizations, people struggling with mental illness, the disabilities community.

People, I say to my colleagues, have to live with this fear. It is horrible. It is bad enough to be ill. It is another thing to have to worry that you are not going to be able to even get any coverage. We have passed legislation to say the insurance companies are not going to be able to discriminate against you, but we have not been able to implement it as fully as we want to.

And on the mental health parity again, I would just say, this is from the National Association of Insurance Commissioners. I heard my colleague from Oklahoma speak about it several times. He heard me speak about it several times. I am sure HCFA wishes they mentioned the Mental Health Parity Act. On the regulations, I wish they got them out earlier. I don't think they

have enough people to get regulations out. They have a huge, mammoth mandate. But the fact of the matter is, one more time, colleagues, the National Association of Insurance Commissioners reports that 30 States have not yet enacted the mental health parity legislation. Minnesota, I am proud to say, is a State that has enacted this legislation.

So ultimately this is about whether or not the U.S. Senate supports the appropriators. The appropriators came up with something that was balanced and reasonable. The appropriators understand, and I think what they have proposed represents this understanding, that we have a contract with people in the country. People believe they are going to have some protection. You know, it is hard going against these insurance companies. Can't we make sure there are a few more women and men—I don't just use the word ''bureaucrats'' with a sneer—who are out there to enforce this law? Can't we make sure there is protection for people? Can't we side with the citizens in this country?

I know the insurance companies would love for HCFA not to be able to have the womanpower and manpower to enforce this legislation. But I think we should be on the side of the vast majority of people in this country and not on the side of large insurance companies. I think that is what this vote is about, and I urge my colleagues to vote against the Nickles amendment.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I will try to be brief. I hope we are getting ready to vote on this. I want to go back, since so much has been said, and review exactly where we are. Here is where we are:

The President wanted $16 million to, in part, hire 65 new bureaucrats at HCFA. Here are the choices the President had: He could have cut another program in HCFA and used it to pay to hire the 65 new bureaucrats. We have $550 billion of discretionary programs in the Federal budget and he could have cut $16 million out of any one or combination of those. Or he could have cut each one of them by 0.003 percent. But the President could not find in a discretionary budget of $550 billion a single program that could be cut. He could not find anything that was less important than hiring these new 65 bureaucrats. So what he did is he cut Medicare and slipped the provision into the supplemental and it is now before us.

Where did he cut Medicare? We have a program where we hire doctors who go in, on a selective sample basis, and look at procedures that are being provided to Medicare patients. Someone goes in and does a procedure on my mother, where they insert a balloon and open her artery and save her life and save a lot of money. And then we have Medicare that goes in to look and see, did they do it well? Did they do it in the most efficient way? Are they practicing good medicine which the Government is paying for?

What the President said is, let's cut the amount of money that we are spending for this oversight of medical practice where 39 million people who qualify for Medicare under the President's provision will have less oversight of their medical treatment they receive. That is what the President proposed to do, cut Medicare by reducing the oversight of the medical practice that we are paying for and take that money from Medicare and hire 65 bureaucrats in HCFA to perform functions that have absolutely nothing to do with Medicare.

There are two debates going on. To some extent the Senator from Oklahoma and the Senator from Minnesota are arguing about whether we need to hire these 65 bureaucrats at all. We already have 4,000 of them in the same agency but not a one of them is doing something less important than this. I am not getting involved in that debate. Maybe the Senator from Minnesota and the Senator from Massachusetts are right. Maybe we just have to have 65 new bureaucrats at HCFA.

But my point is, if you really need them that badly, take money away from another HCFA program. Don't cut Medicare, don't take oversight of medical practice on our senior citizens, don't take that money to spend it on a program that has nothing to do with Medicare.

Our colleague from Massachusetts is still chafing that at one time we actually debated cutting taxes around here. I long to get those days back, myself, and I am not the least bit shy about them. I don't remember anybody ever proposing cutting Medicare to pay for them, but I guess if you are against tax cuts they have to be evil; and wherever, whatever is being done to get them, that in itself must be evil.

But here is my point. We are getting ready to go into a series of issues this year where our Democrat colleagues are going to be taking money away from Medicare. So, if they don't like being criticized for it, they better get used to it. We are going to have a tobacco settlement on the floor of the U.S. Senate, and we are going to have it on the floor of the Senate this spring or summer. There is going to be a debate about what to use that money for.

We are providing money for education. We are going to raise the price of cigarettes, which everybody says is the most effective way to get teenagers not to smoke. But the question is going to come down to where should the money be used? We are going to hear this same debate again. I say the Senate Budget Committee says that 14 percent of the cost of Medicare comes from people smoking; $30 billion a year in costs are imposed on Medicare by people smoking, and the whole logic of the tobacco settlement, the reason that the tobacco companies have agreed to pay the States and to pay the Federal Government, is to compensate the taxpayer for costs imposed on the taxpayer by people smoking.

In the Federal Government, those costs have been imposed on Medicare. So the Budget Committee has said, and I hope the Senate says, take the money from the tobacco settlement and use it to pay for Medicare to save Medicare and, in fact, if people were not smoking we would have $30 billion a year less in costs, and compensating Medicare for that is what the whole settlement is about.

Many of our colleagues on the other side see the settlement as this giant piggy bank which can be used to fund seven or eight different Government programs. So we are going to have this debate again, only then they are going to take the money away from Medicare to fund building schools and hiring teachers—the list goes on and on. I am not saying any of those are bad things, just as I am not saying that hiring 65 new bureaucrats is a bad thing. I suspect it is, but I am not saying that. All I am saying is, don't take the money away from Medicare to do it. This provision should have never been put in this bill. It desperately needs to be taken out, and I believe when we do vote we will take it out. And I appreciate the Senator from Oklahoma offering the amendment, and I enjoyed getting an opportunity to come over and talk about it.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2163

Mr. STEVENS. Mr. President, if the Senator will just defer for a moment, I have an amendment that has been cleared on both sides. It has just been cleared as part of the managers' package. I ask unanimous consent it be in order to send it to the desk and have its immediate consideration at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. D'AMATO, proposes an amendment numbered 2163.

The amendment follows:

On page 38, after line 18, add the following new section:

''SEC. . The Secretary of Transportation and the Secretary of the Interior shall report to the House and Senate Committees on Appropriations and the Senate Committee on Commerce, Science, and Transportation and the House Committee on Transportation and Infrastructure not later than April 20, 1998, on the proposed use by the New York City Police Department for air and sea rescue and public safety purposes of the facility that is to be vacated by the U.S. Coast Guard at Floyd Bennett Field located in the City of New York.''

Mr. D'AMATO. Mr. President, I would like to thank the Chairman of the Appropriations Committee, Senator STEVENS, for offering this amendment on my behalf.

My amendment is simple. It asks the Secretary of Transportation and the Secretary of Interior to report to the

House and Senate on the proposed use by the New York City Police Department of the U.S. Coast Guard's facility at Floyd Bennett Field.

Between early May and early June, the Coast Guard will be moving its air-sea rescue helicopter operation from Floyd Bennett Field in Brooklyn to Atlantic City. An auxiliary helicopter contingent will be established at Gabreski Airport in Westhampton, New York for the peak summer months to guarantee a maximum Coast Guard coverage for the shores of Long Island and New York City.

The New York City Police Department wants to move their own search and rescue helicopters into the facility that the Coast Guard is leaving. The Police Department currently uses another hangar for its search and rescue operations at Floyd Bennett Field, but that hangar is old and run-down. For the Police Department to stay in that facility would require some $5.7 million worth of upgrades at their own cost.

When the Coast Guard leaves, there is a genuine concern that their hangar will go unused for search and rescue operations. It is a larger, more modern facility, well-suited for the purposes of air-sea rescue and emergency response activities. The Police Department merely wants to adequately fill the gap in coverage when the Coast Guard moves on.

When the Coast Guard leaves, it is likely that the brunt of emergency response calls will fall upon the Police Department. I believe it is a natural fit for the New York City Police Department to take over the Coast Guard's facility so that they may be able to continue and even expand their crucial life-saving and protection role.

Before the City can even utilize this facility, though, plans to allow this to happen will need to be worked out between the parent agency of the Coast Guard—the Department of Transportation—and the Department of Interior, which will likely take over the land once the Coast Guard leaves. However, action must occur quickly; the Coast Guard will be leaving in less than two months.

Protecting people's lives must be paramount. My amendment is a public safety issue that will help address that purpose. I thank my colleagues on both sides for recognizing the timeliness and importance of this matter and for accepting this amendment.

Mr. STEVENS. Mr. President, this amendment of the Senator from New York requires a report on an area that is being vacated by the Coast Guard in New York. The report is coming to relevant committees of Congress. I urge its immediate adoption.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2163) was agreed to.

Mr. STEVENS. Mr. President, 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.

Mr. STEVENS. I thank the Senator.

AMENDMENT NO. 2120

The PRESIDING OFFICER. The question recurs on the Nickles amendment, No. 2120.

Mr. KENNEDY. Mr. President, we will have a good opportunity to debate. I am glad to hear my friend from Texas indicate his support for effective tobacco legislation. We will have, hopefully, a good opportunity to debate that.

I was listening to the Senator speak so eloquently. I was remembering that in checking my facts, the Republican Contract With America provided a $270 billion cut in Medicare, with a $250 billion tax break for the wealthiest individuals. So we have debated this at other times, if we want to discuss who truly cares about Medicare. That is not what we are about here today. We have explained what the issue is before us.

Mr. President, I want to mention the various groups and organizations that strongly oppose the Nickles amendment. The National Breast Cancer Coalition urges support of funding to implement the Kassebaum-Kennedy law and is opposed to the Nickles proposal; the National Alliance for the Mentally Ill also opposes the Nickles proposal; they are joined by Consortium for Citizens With Disabilities, a group that includes The ARC, the National Association for Protection and Advocacy, Easter Seals, the Paralyzed Veterans of America—and a long list of additional organizations. I will have that printed in the RECORD.

The Disability Rights Education and Defense Fund opposes the Nickles amendment; Families USA Foundation, the voice for health care for consumers; the Consumers Union; the National Mental Health Association; the American Psychological Association; the American Psychiatric Association; and the American Managed Behavioral Healthcare Association. They are very powerful statements about the importance of assuring that the Kassebaum-Kennedy protections are going to be implemented, and they understand that the reallocation of these funds to do so is the way to go.

I ask unanimous consent that all these letters be printed in the RECORD.

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

NATIONAL BREAST CANCER COALITION,
Washington, DC, March 25, 1998.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC 20510.

DEAR SENATOR KENNEDY: On behalf of the National Breast Cancer Coalition, I am writing to urge you defeat the Nickles' amendment. The implementation of the Kennedy/Kassenbaum law is critical to members of the breast cancer community who are among the most vulnerable to abuses in the current health insurance system. The Kennedy/Kassenbaum law is meaningless without adequate resources for implementation and enforcement.

The National Breast Cancer Coalition, a grassroots advocacy organization made up of over 400 organizations and hundreds of thousands of individuals, has been working since 1991 toward the eradication of this disease through advocacy and action. In addition to increasing the federal funds available for research into breast cancer, NBCC is dedicated to making certain that all women have access to the quality care and treatment they need, regardless of their economic circumstances. Adequate implementation of the Health Insurance Portability and Accountability Act is critical toward this end.

Sincerely,

FRAN VISCO,
President.

NATIONAL ALLIANCE
FOR THE MENTALLY ILL,
Arlington, VA, March 25, 1998.

Sen. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: As you know, the National Alliance for the Mentally Ill (NAMI) has been a leading voice in advocating for parity coverage in health insurance policies for people who suffer from schizophrenia, manic-depressive illness or other severe mental illnesses. Enactment of the Domenici-Wellstone Mental Health Parity Act of 1996 was a significant but incomplete step towards ending pervasive discrimination against people with these severe brain disorders in health insurance and other aspects of their lives.

Because of the importance we attach to parity and other protections for vulnerable consumers in health care, we have been concerned that the Health Care Financing Administration (HCFA) may not have sufficient resources to carry out adequately its important role in enforcing mental health parity and other consumer protections embedded in the Health Insurance Portability and Accountability Act (HIPAA). Consequently, on behalf of NAMI's 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in advocating for adequate funding to support HCFA's enforcement responsibilities under HIPAA. We stand ready to work with you and HCFA to ensure that the mental health parity provisions and other consumer protections contained in HIPAA are aggressively and effectively enforced.

Please do not hesitate to call upon us if we can provide further assistance to you on this important effort.

Sincerely,

LAURIE M. FLYNN,
Executive Director.

CONSORTIUM FOR
CITIZENS WITH DISABILITIES
March 25, 1998.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The Consortium for Citizens with Disabilities, which represents almost 100 national disability organizations, strongly opposes the Nickles' Amendment which would deprive the Health Care Financing Administration (HCFA) of sufficient funds to enforce the Health Insurance Portability and Accountability Act (P.L. 104–191). The HIPAA legislation—also known as the Kassebaum-Kennedy Act—is a stellar example of bipartisan legislation that would benefit individuals of all ages, including people with disabilities.

The provisions in HIPAA related to pre-existing condition exclusions and portability of health insurance are working to open the doors to many individuals with disabilities and their families who could not previously access appropriate health insurance or who were imprisoned by ''job lock''.

We urge all Senators to oppose the Nickles' Amendment.

Sincerely,

The Arc, National Association of Protection and Advocacy System, National Easter Seal Society, American Association on Mental Retardation, Association for Persons in Supported Employment, LDA, the Learning Disabilities Association of America, RESNA, the Rehabilitation Engineering and Assistive Technology Society of North America, National Alliance for the Mentally Ill, Bazelon Center for Mental Health Law.

NISH, Paralyzed Veterans of America, Inter-National Association of Business, Industry & Rehabilitation, Council for Exceptional Children, National Association of Developmental Disabilities Councils, United Cerebral Palsy Association, American Congress of Community Supports and Employment Services, American Network of Community Options and Resources, National Association of People with AIDS, Center for Disability and Health.

DISABILITY RIGHTS EDUCATION AND DEFENSE FUND, INC.,
Washington, DC, March 25, 1998.

Sen. EDWARD M. KENNEDY,
Russell Senate Building,
Washington, DC.

DEAR SENATOR KENNEDY: The Disability Rights Education and Defense Fund (DREDF) strongly opposes the Nickles Amendment to S. 1716, the Emergency Supplemental Appropriations Bill.

Passage of the Nickles Amendment would stop the civil rights protections guaranteed by the Health Insurance Portability and Accountability Act (PL 105–191) and the only accountability left would be the fox guarding the chickens.

Without these provisions in HIPAA, the doors to health insurance for millions of people with disabilities will be forever locked.

Please, as you have done so many times before, oppose the Nickles Amendment and open the doors to employment, vote not on the Nickles Amendment.

Sincerely,

PATRISHA WRIGHT,
Director of Governmental Affairs.

FAMILIES USA FOUNDATION,
Washington, DC, March 25, 1998.

Senator KENNEDY,
Russell Senate Building,
Washington, DC 20510–2101.

DEAR SENATOR KENNEDY: Families USA supports the Administration's request for supplemental enforcement money for the ''Health Insurance Portability and Accountability Act of 1996.''

HIPAA provides needed protection to Americans who otherwise could not purchase health insurance when they change or lose jobs. Approximately one in four Americans are caught in ''job lock,'' afraid to change jobs or start their own businesses because of preexisting conditions that could prevent them from obtaining new health insurance coverage. Americans like these who lose their jobs involuntarily often find themselves in an even more serious predicament: They join the growing number of individuals without health insurance coverage.

Implementing HIPAA requires the Health Care Financing Administration to assume new responsibilities. If HCFA lacks the resources to carry out its duties, HIPAA is meaningless. Without the funds to enforce HIPAA, millions of Americans will be deprived of these important protections. Therefore, we urge the defeat of the Nickles Amendment to strike the President's request for HIPAA enforcement funds.

Sincerely yours,

RON POLLACK,
Executive Director.

CONSUMERS UNION,
Washington, DC, March 25, 1998.

Hon. EDWARD KENNEDY,
Committee on Labor & Human Resources,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: We are writing in opposition to the Nickles' amendment which would strip $16 million allocated to enforcement efforts by the Department of Health and Human Services of the Health Insurance Portability and Accountability Act (HIPAA).

As you know, HIPAA was enacted in 1996 to help make health insurance more accessible to people who lose their employment-based coverage. Implementation is still at its early stages. The legislation spells out important functions for the Department of Health and Human Services. In addition, several states (including California) have opted for federal enforcement instead of state enforcement. This necessitates federal funding level to ensure that consumers in these states are protected by the legislation.

Only through adequate funding, will people with pre-existing health conditions be assured they can change jobs without facing new pre-existing condition exclusions from coverage. Only through adequate funding, will people who leave group coverage for the individual market be assured that health insurance will be accessible to them.

Consumers Union urges the Senate to oppose the Nickles' amendment.

Sincerely,

GAIL SHEARER,
Director, Health Policy Analysis.
ADRIENNE MITCHEM,
Legislative Counsel.

March 26, 1998.

Sen. EDWARD KENNEDY,
Labor & Human Resources Committee,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The undersigned organizations are writing to express our support for your effort to defeat the floor amendment offered by Senator Don Nickles that would delete $16 million additional funding for enforcement of the Health Insurance Portability and Accountability Act (HIPAA).

Enforcement of consumer rights and employer responsibilities under HIPAA is vital. Much of the effort expended by the mental health community in 1996 to win passage of insurance reform will be thwarted without effective enforcement. As the Mental Health Parity Act of 1996 was enacted as an amendment to HIPAA, the same personnel at the Health Care Financing Administration are expected to enforce that statute as well.

As the source for the $16 million is from elsewhere in the budget, passage of the Nickles amendment would not save taxpayers any money, and would mean the Senate missed an opportunity to better ensure relief from discriminatory insurance treatment to many thousands of American families. Thank you for your leadership in opposing this amendment.

AMERICAN PSYCHIATRIC ASSOCIATION.
AMERICAN PSYCHOLOGICAL ASSOCIATION.
AMERICAN MANAGED BEHAVIORAL HEALTHCARE ASSOCIATION.
NATIONAL MENTAL HEALTH ASSOCIATION.

AMENDMENT NO. 2164 TO AMENDMENT NO. 2120

(Purpose: To provide amounts for HIPAA enforcement.)

Mr. KENNEDY. Mr. President, on behalf of myself, Senator BOND and Senator WELLSTONE, I send an amendment to the desk and ask for its immediate consideration.

Mr. NICKLES. Reserving the right to object, parliamentary inquiry. I think it requires unanimous consent to set the pending amendment aside, is that correct?

The PRESIDING OFFICER. The pending question is the Nickles amendment.

Mr. KENNEDY. It is an amendment to the bill.

Mr. STEVENS. I did not hear the Senator.

Mr. KENNEDY. This is an amendment to the language proposed to be stricken.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. BOND and Mr. WELLSTONE, proposes an amendment numbered 2164 to amendment No. 2120.

The amendment follows:

On page 39, in lieu of the matter proposed to be striken, insert the following:

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

For an additional amount for Health Care Financing Administration, ''Program Management'', $8,000,000.

On page 50, in lieu of the matter proposed to be striken, insert the following:

GENERAL PROVISION, CHAPTER 11

SEC. 1101. Not to exceed $75,400,000 may be obligated in fiscal year 1998 for contracts with Utilization and Quality Control Peer Review Organizations pursuant to part B of title XI of the Social Security Act.

Mr. STEVENS. Mr. President, I wonder if the Senators are now ready to enter into a time agreement so we might vote, if we have to, on both. I have just been informed by the majority leader that he will come to the floor and move to go to cloture on the education bill at 5:10.

Mr. KENNEDY. I will be glad to vote. I would like to make 4 or 5 minutes of comments, and then I will be prepared to move ahead with the vote. I would like to get the yeas and nays on the amendment.

Mr. STEVENS. Before the Senator does that, can I get an understanding that the Senator also includes voting on the Nickles amendment following the Kennedy amendment?

Mr. KENNEDY. As amended, hopefully.

Mr. STEVENS. Hopefully.

Mr. KENNEDY. Yes.

Mr. STEVENS. We can have a vote on the Nickles amendment following a vote on the Kennedy amendment to the Nickles amendment.

Mr. KENNEDY. Yes.

Mr. STEVENS. Can we divide the time and tell the membership that there will be a vote at 4:30?

Mr. KENNEDY. That is fine. The Senator understands, if we are successful, then there is not a Nickles amendment, obviously.

Mr. STEVENS. I understand that. The Nickles amendment, as amended, which we would adopt by voice vote. If the amendment is not adopted, we will then vote on the Nickles amendment immediately, is that correct? Can we divide the time somehow so we have some fairness in the time—equally divided and vote at 4:30? I ask unanimous consent that be the case. Is that acceptable?

Mr. KENNEDY. That is acceptable. Can we get the yeas and nays?

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. There are 6 minutes to a side, is that correct?

The PRESIDING OFFICER. The Senator is correct, 12 minutes divided equally—6 minutes per side.

Mr. STEVENS. Will the Senator give me some time? Senator SMITH has told me that he is not going to call up his amendment. So these two are the last amendments I know of offered to this bill, and we will then proceed to a unanimous consent request following the final vote here.

The PRESIDING OFFICER. The Senator from Massachusetts has 6 minutes.

Mr. KENNEDY. Mr. President, I appreciate my colleague's concern about the excessive spending. I am offering a compromise to his amendment. The Senator from Oklahoma proposes an amendment to eliminate the HCFA request by striking the entire $16 million. We have cut that amount in half to $8 million as a way of trying to find common ground on this issue. It cuts the amount given to HCFA in half. This is less than I want, but it will still make a substantial contribution to enforcing the insurance reform.

The issue is clear: Will the Senate stand with families, with children, with persons suffering severe mental illness, with persons with disabilities, and with expectant mothers to make sure that the protections that were included in the Kassebaum-Kennedy legislation will actually be implemented?

Did we really mean it when we passed those important reforms about 2 years ago? I believe that we did mean it. I think those reforms are enormously important protections for millions of our fellow citizens. The States have done a good job. But there are still some areas where those protections are not there.

With these resources, we can guarantee that the law fulfills its promise of protecting our fellow citizens. It will allow us to nip in the bud some of the egregious situations that have been outlined in the GAO report.

This bipartisan amendment provides $8 million, half of the Administration's request—$3 million for implementation and enforcement of Kassebaum-Kennedy and $5 million for the other purposes outlined in the Administration's original $16 million proposal that was advanced by Senator BOND and others in the Appropriations Committee. I hope that our colleagues will feel that this is a good-faith effort to try to find common ground.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I would ask my colleague from Massachusetts, if I can have the attention of the sponsor of the amendment for a second. Will Senator KENNEDY answer my question: Did you cut both halves? The amendment had two pieces to it, $10 million and $6 million. You cut both in half?

Mr. KENNEDY. The Senator is correct.

Mr. NICKLES. I thank my colleague.

I urge my colleagues to vote no on this amendment because we are still raiding Medicare, we are still taking money out of Medicare. I will take a little issue.

My colleagues said, ''Oh, those Republicans, just a couple years ago, they were trying to cut $276 billion out of Medicare to pay for the tax cuts.'' In the budget deal that passed that the President signed, we had exactly—exactly—the same savings in Medicare over the same number of years that the President signed that he vetoed 2 years before.

One year, last year, he said, ''Oh, yes, we saved Medicare for 10 years''—we didn't, in my opinion—but it is the exact same savings in dollars that he vetoed 2 years before. I just make that comment.

What we are doing now is raiding Medicare, raiding the HI fund, taking money from the peer review organizations that are supposed to make the fund work better, make sure it is not abused, get some of the fraud out of the system. We are taking that out so we can hire more bureaucrats.

Now we are only going to hire half as many. Instead of hiring 65, I guess we are going to hire maybe 32 or 33 for an agency that already has over 4,000.

Senator GRAMM mentioned, hey, if they want to, they can borrow some of those 4,000. This administration has been pretty good about borrowing attorneys. They have attorneys from every agency coming in to help with the President's legal defense fund. They do that a lot.

The previous administration had six people in legal counsel. Now they have 24, and one report is 48. So, surely, they could borrow a few people from HCFA with 4,000 employees to help meet this so-called ''urgent need.''

So, whether we are talking about $16 million or whether we are talking about $8 million, I think it is a mistake to expand this bureaucracy, and that is exactly what we would be doing, intruding and basically telling the State of Massachusetts—the State of Massachusetts has not complied yet. I don't know why they have not. There may be a good reason.

The State of California has not because the Governor vetoed the bill. I don't know how many armies of bureaucrats we need from the Federal Government to go in and tell the Governor of California he should sign this bill or veto the bill, or the Governor in Missouri or the Governor in Massachusetts. I just don't think that is really what we need.

I will tell my colleagues, if it is ready to regulate these plans, you don't need 65; you need hundreds—you need hundreds—and that wasn't what we passed in Kassebaum-Kennedy. We said we were going to keep State jurisdiction and State control and regulation of health care.

I urge my colleagues to vote against this second-degree amendment that will add, basically, to my amendment $8 million for a new bureaucracy of HCFA. I don't think we need it, I don't think we can afford it, and I don't think we should be raiding Medicare to pay for it.

I reserve the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. Three minutes 40 seconds.

Mr. KENNEDY. Mr. President, first of all, this is not an add-on. This is an administrative judgment made by HCFA that there was a greater need and priority to use additional resources to implement the Kassebaum bill. We are not adding on the funds. The Senator is right in recognizing that we are trying to accommodate the concerns raised about the number of people and trying to move this process forward, so we have cut out half of the request.

Mr. President, I want to reserve the last 45 seconds.

I want to read a few words of a letter from the National Breast Cancer Coalition:

> The Kassebaum-Kennedy bill is meaningless without adequate resources for implementation and enforcement. The National Breast Cancer Coalition is a grassroots advocacy organization made up of over 400 organizations and hundreds of thousands of individuals. Adequate implementation of the Health Insurance Portability and Accountability Act is critical to this end.

Critical to this end. Those are the words of the National Cancer Breast Coalition, which represents some 400 different grassroots organizations. We have the same kind of statements made by all of the various groups affecting the disability community, all supporting the position which we have taken and which we have advocated.

Mr. President, I believe that it is important to make sure that those protections for individuals who have preexisting conditions or disabilities should be protected.

This amendment, which pares down the original request, goes halfway on this issue, but is still able to provide some of the necessary protections we have debated today. I hope that the Kennedy-Bond-Wellstone amendment will be accepted.

Mr. GRAMM. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator from Oklahoma controls 3 minutes 48 seconds.

Mr. GRAMM. Mr. President, let me first say that what we have before us is an effort to take $8 million out of Medicare, money that is now being spent to monitor the quality of health care provided to 39 million Medicare beneficiaries.

This amendment will cut Medicare in order to hire, it was initially 65 bureaucrats, now I guess it is 32½ at $92,000 a year to implement programs that have absolutely nothing to do with Medicare.

My argument is not with the program that the Senator is for. I don't have any doubt that all those groups who wrote those letters are for this program, but I don't believe they want to cut Medicare to pay for it.

The problem the Senator has is that HCFA and the Department of Health and Human Services, which has one of the biggest budgets in the Federal Government, cannot come up with $8 million to hire these 32½ bureaucrats, despite the fact that it is so important. So they have said, ''We won't take any one of our 4,000 people doing other things to do this work; it is not that important; we won't cut any program anywhere else to do it; it is not that important; but we will take it out of Medicare and reduce the oversight of physician practice on 39 million senior citizens in America to pay for it.''

I don't think we should take the money away from Medicare to hire 32½ bureaucrats. I think it is wrong, and I think if they don't want it enough to take the money away from other programs in HCFA, it suggests to me they don't want it very much.

So I hope our colleagues will not start raiding Medicare to pay for the ongoing programs of HCFA and to hire bureaucrats at the expense of Medicare. I think it is fundamentally wrong.

I think if you put the question before the American people, that 90 percent of the American people would agree with Senator NICKLES' argument. I am not saying that hiring the bureaucrats is bad or what they would do is bad. I am just simply saying take the money away from something other than Medicare, and in order for us to guarantee that is the case, we have to defeat this amendment, and I am hopeful that we will.

I yield the remainder of my time.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Massachusetts controls 1 minute.

Mr. KENNEDY. I yield myself that time.

This does not take one dime out of Medicare—not one dime. The disabled have a greater dependency on Medicare than any other group in our society. They are more dependent upon it than anyone else, and they support our position. That ought to speak to where the priorities are. They understand the importance—the importance—of implementing the Kassebaum-Kennedy bill and providing the protections for families in this country. That is what our amendment will do.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, in a moment I am going to move to table the amendment. But let me make a couple comments.

My colleague from Massachusetts is entitled to his own opinion but not entitled to his own facts. And the facts are that to pay for this, it takes money out of the HI Trust Fund that is used to pay for peer review organizations. So it is cutting money out of Medicare to pay for this.

I read the letters by some of the support groups—some of which I consider supporters of mine—that have said, ''Let's oppose this amendment. We want more money for HCFA bureaucrats or HCFA enforcement.'' But they did not know the money was coming out of Medicare. I read almost every one of them. Not one said, ''Let's transfer the money from the HI Trust Fund to pay for more employees at the Health Care Financing Administration.'' And so it is coming from Medicare. It is coming from oversight on peer review organizations. We should not do that.

So, Mr. President, I move to table the Kennedy amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table Kennedy amendment No. 2164, which is a substitute amendment to language proposed to be stricken by the Nickles amendment No. 2120. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 51, nays 49, as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—51

Abraham	Enzi	Kempthorne
Allard	Faircloth	Kyl
Ashcroft	Frist	Lott
Bennett	Gorton	Lugar
Brownback	Gramm	Mack
Burns	Grams	McCain
Campbell	Grassley	McConnell
Coats	Gregg	Murkowski
Cochran	Hagel	Nickles
Collins	Hatch	Roberts
Coverdell	Helms	Roth
Craig	Hutchinson	Santorum
DeWine	Hutchison	Sessions
Domenici	Inhofe	Shelby
Smith (NH)	Specter	Thompson
Smith (OR)	Stevens	Thurmond
Snowe	Thomas	Warner

NAYS—49

Akaka	Durbin	Leahy
Baucus	Feingold	Levin
Biden	Feinstein	Lieberman
Bingaman	Ford	Mikulski
Bond	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Breaux	Harkin	Murray
Bryan	Hollings	Reed
Bumpers	Inouye	Reid
Byrd	Jeffords	Robb
Chafee	Johnson	Rockefeller
Cleland	Kennedy	Sarbanes
Conrad	Kerrey	Torricelli
D'Amato	Kerry	Wellstone
Daschle	Kohl	Wyden
Dodd	Landrieu	
Dorgan	Lautenberg	

The motion to lay on the table the amendment (No. 2164) was agreed to.

Mr. NICKLES. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the Nickles amendment.

Mr. NICKLES. Mr. President, I ask unanimous consent to vitiate the yeas and nays.

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

The question is on agreeing to the Nickles amendment No. 2120.

The amendment (No. 2120) was agreed to.

Mr. GRAMM. 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.

CDBG EMERGENCY FUNDS FOR DISASTER AREAS

Mr. BOND. Mr. President, yesterday, the Senate approved an amendment to S. 1768 that would provide $260 million for emergency Community Development Block Grant funding for disaster relief, long-term recovery, and mitigation in communities affected by Presidentially-declared disasters in FY 1998.

This funding is designed to complement the funding currently provided through the traditional emergency disaster programs under the Federal Emergency Management Agency, the Small Business Administration and the Army Corps of Engineers. Contrary to the apparent belief or desire of some Members and constituents, CDBG funding is not intended or designed to be the primary source of federal funding for natural disasters.

In particular, the emergency CDBG program has become a catch-all program and a slush fund for natural disasters that is seen by some as an entitlement. This is wrong. We need to change how we view and respond to disasters—we need to develop policies that are based on state/federal partnerships and are designed to prevent and prepare for disasters.

I say this because it is good policy, but also because we cannot keep dipping into the different funds which support the many important programs

under the VA/HUD Appropriations Subcommittee. For example, over the last 3 and one-half years, the Congress has offset the cost of emergencies out of HUD section 8 housing assistance at a cost of some $10 billion. Last year alone, the Congress used $3.6 billion in excess section 8 reserves to pay for disaster relief. Well, the bill has come due. For this year, all available section 8 reserve funds are already committed as part of the FY 1999 Budget to renew expiring section 8 housing contracts. Without these funds, many elderly and disabled persons and families will be without housing.

In addition, natural disasters are not going to go away and the cost of disasters likely will continue to escalate. In the last 5 years, we have appropriated a staggering $18 billion to FEMA for disaster relief, compared to $6.7 billion in the prior 5-year period.

As I have already noted, I have many concerns about using CDBG funds for emergency disaster purposes, especially since the Department of Housing and Urban Development has failed to provide adequate data and accountability concerning the use of these emergency CDBG funds in the past.

Nevertheless, while I continue to have reservations, the emergency CDBG legislation in the emergency supplement is intended to ensure that emergency CDBG funds are used appropriately and where needed. In particular, this legislation is designed to ensure that the funds go to disaster relief activities that are identified by the Director of FEMA as unmet needs that have not or will not be addressed by other federal disaster assistance programs.

In addition, to ensure accountability, states must provide a 25 percent match for these emergency CDBG funds and HUD must publish a notice of program requirements and provide an accounting of the CDBG funds by the type of activity, the amount of funding, an identification of the ultimate recipient, and the use of any waivers. I also want to make it clear that I intend to monitor fully the use of these emergency CDBG funds.

I expect these emergency CDBG funds to be used fairly, equitably and to the benefit of the American taxpayer, especially, as required by the CDBG program, to the benefit of low- and moderate-income Americans.

I also want to make clear that these emergency CDBG funds are not intended as a substitute for the state/local cost-share for dams and levees. The purposes of a state/local cost-share are to ensure accountability, local investment and to underline the importance of the federal/state partnership. Using CDBG funds as a state/local cost share in levee and dam projects defeats these purposes and undermines state and local responsibility. As a result, the VA/HUD FY 1998 appropriations bill limited the amount of CDBG funds to $100,000 for the state/local cost-share of the Corps of Engineers projects, including levees. That standard still applies.

Mr. JEFFORDS. Mr. President, 2 months ago I informed the Senate about an ice storm that hit sections of the northeast in early January with such force and destruction it was named the ice storm of the century. I am pleased to support S.1768, the Emergency Supplemental Appropriations of 1998, to help bring much needed relief to citizens in not only the Northeast, but other areas of the country who have suffered from natural disaster.

Mr. President, for two days straight, freezing rain, snow and sleet battered the Champlain Valley of Vermont, upstate New York, parts of New Hampshire and Maine and the Province of Quebec. Tens of thousands of trees buckled and shattered under the stress and weight of several inches of ice that coated their branches. Power lines were ripped down by falling branches and the weight of the ice—leaving hundreds of thousands of people without electricity for days and even weeks. Roads were covered with ice and rivers swelled and overflowed from heavy rain. The crippling ice storm brought activity in the area to a grinding halt.

Just a few days after the storm, Senator LEAHY and I visited the hardest hit areas of Vermont. The storm's damage was the worst I have ever seen. In the Burlington area twenty to twenty-five percent of the trees were toppled or must be chopped down. Another twenty-five percent were damaged. The storm also destroyed sugarbushes and dropped trees across hiking trails and snowmobile trails.

Mr. President, local and State emergency officials acted quickly to help their fellow Vermonters and assess the damage. Vermonters rallied, with the help of the National Guard, to help themselves and their neighbors. As the temperatures dropped below zero, days after the storm, with thousands still without power, volunteer firefighters, police officers, national guard troops and every able bodied citizen came together working day and night to help feed, heat, and care for the people in their community. The organized and volunteer responses to this disaster were incredible. Stories of Vermonters helping Vermonters were commonly told throughout the disaster counties and state.

Hardest hit were dairy farmers. Already struggling to make ends meet due to low milk prices, the ice storm left farms without power to milk their cows. During the first few days of the storm the majority of the milk had to be dumped. Milk became non-marketable because it could not be sufficiently cooled or it could not be transported to the processing plants. Farms without generators missed milkings all together or significantly altered the milking schedules. As a result, cows became infected with mastitis and reduced production. In addition, cows became infected with respiratory illnesses due to poor air circulation in the barns. Even farms with generators were affected. Since the power was out for such a long duration the generators could not provide adequate wattage to precisely run the milking systems, resulting in mastitis and loss production.

The major impact on dairy farms as a result of the ice storm was non-marketable milk and production loss. The loss of even one milk check for many of the farms will have an adverse impact on their business. Current milk prices are not sufficient to offset such losses.

Mr. President, I am pleased that my colleagues on the Appropriations Committee have worked with me and others in the disaster areas to recognize and respond to the needs of the affected regions. The 1998 Emergency Supplemental Appropriations will bring much needed relief to Vermont's most severely affected areas. Dairy farmers will be compensated for production loss and loss of livestock. Maple producers will be helped by replacing taps and tubing. Land owners will be aided in clearing debris and replanting trees destroyed by the storm.

Mr. President, the citizens and trees of Vermont, as well as upstate New York, Maine and New Hampshire have suffered from this storm. Local and State assistance will help communities and individuals get back on their feet, but Federal relief will ensure that the disaster areas are not overwhelmed by the recovery.

Ms. SNOWE. Mr. President, I rise today to express my support for the disaster supplemental bill. I want to thank Chairman STEVENS, Ranking Member BYRD and the Committee for their efforts to provide funding to fill the gaps in federal disaster assistance that are essential to ensuring that Maine and the other Northeast states fully recover from the January, 1998 Ice Storm.

Maine is no stranger to the cruelness of winter. But the Ice Storm that swept across the State in early January was like nothing anyone had ever seen before. It left the state covered with three inches of ice, closing schools, businesses and roads and leaving more then 80 percent of the state in darkness.

For the last two months I have worked with my colleague Senator COLLINS, my friends from Vermont, Senators JEFFORDS and LEAHY and the two gentlemen from New York, Senators D'AMATO and MOYNIHAN, in an effort to ensure that the unmet needs of our states are addressed.

Working in conjunction with our states, we identified areas where FEMA was unable to provide the assistance needed, and we have worked with the Administration and the Committee to fill those gaps. I am pleased that the bill before us today provides funding to ensure that Maine, Vermont, New Hampshire and New York will have money available to help ensure a full recovery from the devastation of the Great Ice Storm of 1998.

Our forests were left in shambles as the weight of the ice broke off entire

limbs and felled mature trees, leaving the forest floor in a mass of confusion. This bill will provide $48 million to the US Forest Service in order to help the states and private land owners assess the damage and develop plans for clean up and for ensuring a healthy future for the forests. In addition to general clean up, some of the trees which were felled must be harvested as soon as possible in order to retain any value, others may sit on the forest floor for a while. Maine's forest products industry is vital to the economy, and this supplemental funding will help ensure as quick a recovery as possible from the havoc wrecked by the Ice Storm.

In addition, funding is provided to help Maine's maple syrup producers. Not only did the storm do immense damage to the trees, but it also tore out the tubes which were waiting to catch the flow of sap. There is approximately $4 million, which requires a cost share, to assist this industry in recovery efforts that will be hampered for a number of several years by the severe damage done to the trees.

The supplemental also provides assistance to Maine's dairy farmers. The ice knocked out power to more than 80 percent of the state and thousands of people were without power for up to two weeks. The lack of electricity made it impossible for many dairy farmers to milk their cows—and for those that could, the lack of electricity meant they had to dump their milk because it could not be stored at the proper temperature.

Maine's dairy farmers are family farmers. It is as much a way of life as it is a business, and the storm put a big dent in their finances. This bill provides $4 million to help take care of livestock losses. I also supported an amendment offered by my good friends from New York, Senator D'AMATO and from Vermont, Senator JEFFORDS, that added $10 million for milk production loss. Not only were farmers forced to dump milk, but their inability to milk impacts the production level of milk. It will take several months for these cows to return to their full production level.

I wish to reiterate my appreciation for the support that the Appropriations Committee, lead by Chairman STEVENS, has shown for the needs of the northeast states hit by the Ice Storm. His leadership has been instrumental in ensuring that Maine will be able to make a quick and full recovery from the devastation of the Ice Storm of 1998. I urge my colleagues to join me in supporting this bill.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am authorized to state that the minority leader, Mr. DASCHLE, the leader, and I will not call up relevant amendments.

And I announce we have completed the list. There are no more amendments in order on the supplemental appropriations.

The bill is ready for third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. STEVENS. Mr. President, I now have a unanimous consent request. I ask unanimous consent that the bill now be placed back on the calendar until such time as the Senate receives from the House the House companion bill. I further ask unanimous consent that once the Senate receives the House companion bill, the Senate proceed to its immediate consideration, and all after the enacting clause be stricken, the text of S. 1768, as amended, be inserted, and the bill be read for the third time and passed, the motion to reconsider be laid upon the table, and S. 1768 be placed back on the calendar.

I further ask unanimous consent that when the Senate receives the House companion bill to the IMF supplemental appropriations bill, the Senate proceed to its immediate consideration, and all after the enacting clause be stricken, and the text of the IMF title in this bill be inserted, and the bill be advanced to third reading and passed, and the motion to reconsider be laid upon the table, all without further action or debate.

Finally, I ask unanimous consent that in both cases the Senate insist on its amendment, request a conference with the House on the disagreeing votes, and the Chair be authorized to appoint conferees on the part of the Senate, all occurring without further action or debate.

Mr. WELLSTONE. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. We are going to have a final rollcall vote on the bill; is that correct?

Mr. STEVENS. We do not have the bill here. And this enables us to go to conference on either bill immediately. The final vote on this bill will occur in a conference report in each instance.

Mr. WELLSTONE. Well, Mr. President, I shall not object as long as we will have a rollcall vote on——

Mr. STEVENS. A rollcall vote on the conference report. That is the commitment we have made.

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

Mr. STEVENS. Let me thank all Members for their cooperation and assistance in connection with this bill. I, again, say that these are vital subjects to our democracy, and it is imperative that we proceed as rapidly as possible. And I appreciate the Senate giving us the authority to move immediately, when we receive either bill from the House, to go to conference with the House.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. STEVENS. I do.

Mr. BYRD. Mr. President, I thank the Senator for the very high degree of leadership that he has demonstrated in managing this bill. It was a difficult bill with a great number of amendments. And he has remained on the floor, worked hard, and demonstrated his characteristic fairness and objectivity throughout the work on the bill.

I thank him on behalf of the Senators and express our collective appreciation and, may I say, our admiration.

Mr. STEVENS. That comment, coming from the distinguished Senator from West Virginia, is an honor. I want to assure the Senate we would not have been able to move on this bill without the cooperation of Senator BYRD and the minority staff.

I will come back later with the thanks to all concerned on this matter, but I am grateful to my good friend.

The PRESIDING OFFICER (Mr. COATS). The Senator from the great State of Mississippi, Senator THURMOND.

Mr. THURMOND. I wish to commend the able Senator from Alaska for the magnificent manner in which he handled this bill. It was a complex bill, and he did a wonderful job. I congratulate him.

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

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

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

Mr. COVERDELL. Mr. President, on behalf of the leader, as most Members have been aware, the two leaders have been working toward an agreement with respect to the Coverdell A+ education bill going on a week now—13 days, to be exact. The leader regrets to inform the Senate that we will not be able to reach an agreement which would have provided for an orderly procedure to consider the bill, education-related amendments only.

Therefore, the leader notifies the Senate that the cloture vote will occur at 5:30 p.m. today and the Senate will now resume the bill for debate for 30 minutes equally divided.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, this is the fourth filibuster on this proposal.

When this measure came before the Senate last year, we were told that it was a pretty good idea but it needed to go through the process. It has now been through the Finance Committee. It now embraces many ideas from the other side of the aisle, and, of course, its principal cosponsor is from the other side of the aisle, Senator TORRICELLI of New Jersey.

It was reported out with a bipartisan vote 12–8 on February 10, 1998. Provisions have been added to the bill from Senators MOYNIHAN of New York, GRAHAM of Florida, BREAUX of Louisiana. Eighty percent of the tax relief embodied in the bill reflects amendments from the other side of the aisle.

Mr. DASCHLE. Will the Senator yield?

Mr. COVERDELL. Absolutely.

Mr. DASCHLE. I was preoccupied when the Senator made the unanimous consent request; I apologize. Was the request made for one-half hour of debate prior to the vote to be taken at 5:30, and was it equally divided?

Mr. COVERDELL. Yes.

Mr. DASCHLE. I thank the Senator for yielding.

Mr. COVERDELL. As I said, we are in our fourth filibuster. The majority leader has now offered five different proposals. I don't think it is necessary to enumerate each of the five different proposals. We have made progress, but every time, there is one more obstacle to getting to the bill and getting to it within the parameters of education debate.

If this filibuster continues, I just want to point out that about 14 million American families will be denied the opportunity to establish savings accounts that will help some 20 million children, that 70 percent of those families will be families that have children in public schools, 30 percent in private.

To hear some of the opponents, you would think this is a private education savings account. It is far from it. These families would save about $5 billion in the first 5 years and another $5-plus billion in the second 5 years. So we are talking about a lot of money coming to the aid of education without the requirement to raise taxes. No new property taxes, no new Federal taxes. These are families stepping forward to help their children. That will be blocked. Those millions of Americans' opportunity will be stunted.

If the filibuster continues, the qualified State tuition provision, which would affect some 1 million students gaining an advantage and more provisions when they get to college, 1 million employees will be denied the opportunity to have their employers help them pay for continuing education or fulfilling their educational needs, and 250,000 graduate students will be denied that opportunity as well; $3 billion will disappear from the financing capacity of local school districts to build some 500 new schools across the Nation.

This is not a very productive filibuster. The American public, particularly those concerned about better education and the need for it, have this roadblock standing in front of them through this filibuster. I compliment both leaders for endeavoring to try to get this accomplished. But I think fairness has been extended. I conclude this statement by saying I think that fairness has been accorded and common sense, as well. I have to conclude we are just still in the midst of a filibuster.

I yield the floor.

Mr. MCCAIN. Mr. President, I rise today to express my support for H.R. 2646, the Parent and Student Savings Account PLUS Act, which will create educational choices and academic opportunities for millions of young Americans. I am proud to be an original cosponsor of this measure for which my colleague, Senator PAUL COVERDELL, has tirelessly fought on behalf of our Nation's students since it was stripped from the 1997 Balanced Budget Act.

The legislation allows up to $2,000 each year to be placed in an educational savings account, or A–PLUS account, for an individual child. This money would earn tax-exempt interest and could be used for the child's elementary and secondary educational expenses, including tuition for private or religious schools, home computers, school uniforms and tutoring for special needs.

According to the Joint Committee on Taxation, about 14 million families with children could take advantage of A–PLUS education savings accounts. About 75 percent of the families who would utilize these accounts would be public school parents. At least 70 percent of this tax benefit would accrue to families with annual incomes less than $75,000.

The most exciting aspect of this bill is the creation of individually controlled accounts that can be used to address the unique needs of the child for whom they are created. Funds in these A–PLUS accounts can be used to hire a tutor for a child who is struggling with math, or foreign language lessons to help a child become bilingual or even multilingual. They are available to purchase a home computer or help a child with dyslexia obtain a special education teacher. In short, the A–PLUS accounts would enhance the educational experience of a child by meeting their unique needs, concerns, or abilities.

It is important to note that A–PLUS accounts would not carry any restrictions regarding who can deposit funds. However, there is a limit on the total amount which can be deposited annually into an individual child's account. Thus, deposits into the account, up to a total of $2,000, could come from a variety of sources, including parents, grandparents, neighbors, community organizations and businesses. This provision enhances the prospect that more children could maximize this educational benefit.

This bill also contains several important initiatives which would positively impact access to higher education and school construction.

First, it would assist qualifying prepaid college tuition plans. Currently, 21 states allow parents to pre-purchase their child's college tuition at today's prices. The A–PLUS bill would make these pre-paid plans tax free, thus encouraging additional States to create similar programs which make college more affordable for more families.

Second, this legislation encourages employer-provided educational assistance by extending the tax exclusion of employer-provided undergraduate school courses to December 31, 2002. Currently, this tax exclusion is set to expire on May 31, 2000. In addition, it would allow graduate-level courses to be included in this tax exemption.

Third, the bill would allow school districts and other local government entities to issue up to $15 million in tax-exempt bonds for full school construction. This is an increase of 50 percent from the current level of $10 million.

Finally, this bill allows students who receive a National Health Corps scholarship to exclude it from their gross income for tax purposes. These individuals help provide vital medical and dental services to our nation's underserved areas.

These components, combined with the A–PLUS created under this bill, will make significant strides toward improving the academic performance of our Nation's students.

Mr. President, if a report card on our Nation's educational system were sent home today, it would be full of unsatisfactory and incomplete marks. In fact, it would be full of ''D's'' and ''F's.'' These abominable grades demonstrate our failure to meet the needs of our Nation's students in kindergarten through twelfth grade.

Currently, the Federal Government spends more than $100 billion on education and about $30 billion of this is spent on educational programs managed by the Department of Education. Still, we are failing to provide many of our children with adequate training and academic preparation for the real world.

Our failure is clearly seen in the results of the Third International Mathematics and Science Study (TIMSS). Over forty countries participated in the study which tested science and mathematical abilities of students in the fourth, eighth and twelfth grades. Our students scored tragically lower than students in other countries. According to this study, our twelfth graders scored near the bottom, far below almost 23 countries including Denmark, France and Lithuania in advanced math and at the absolute bottom in physics.

Meanwhile, students in Russia, a country which is struggling economically, socially and politically, outscored U.S. children in math and

scored far above them in advanced math and physics. Clearly, in order for the United States to remain a viable force in the world economy, our children must be better prepared academically.

We can also see our failure when we look at the Federal Government's efforts to combat illiteracy. We spend over $8 billion a year on programs to eradicate illiteracy across the country. Yet, we have not seen any significant improvement in literacy in any segment of our population. Today, more than 40 million Americans can not read a menu, instructions, medicine labels or a newspaper. And, tragically, four out of ten children in third grade can not read.

Mr. President, this is an outrage. But contrary to popular belief here in Washington, pouring more and more money into the existing educational system is not the magic solution for what ails our schools.

The problem runs much deeper than a lack of funding. And the solution is more complicated.

In fact, according to the most recent studies, there is very little, if any, correlation between the amount of money spent on education and the academic performance of students. A Brookings Institute study reported that, ''The Nation is spending more and more to achieve results that are no better, and perhaps worse.''

Over the past decade the U.S. Department of Education has spent about $200 billion on elementary and secondary education, yet achievement scores continue to stagnate or drop and an increasing proportion of America's students are dropping out of school. Most of our students are not meeting proficient levels in reading, and according to the 1994 ''National Assessment of Education Progress,'' 57 percent of our high school seniors lacked even a basic knowledge of U.S. history.

I am also disturbed by the disproportionate amount of Federal education dollars which actually reach our students and schools. It is deplorable that the vast majority of Federal education funds do not reach our school districts, schools and children. In 1995, the Department of Education spent $33 billion for education and only 13.1 percent of that reached the local education agencies. It is unacceptable that less than 13 percent of the funds directly reached the individual schools and their students.

The lack of a correlation between educational funding and performance can also be seen internationally. Countries which outrank the United States in student academic assessments often spend far less than we do and yet, their students perform much better than our students. The United States spends an average of $1,040 per student in elementary and secondary education costs. By comparison Hungary spends $166, New Zealand spends $415, Australia spends $663, Slovenia spends $300, the Netherlands spend $725, and each of these countries' students performed well above U.S. students in the mathematics portion of the Third International Mathematics and Science Study (TIMSS.) Obviously, these countries are succeeding in providing their children with a high-quality education, and spending less to do so.

Mr. President, clearly, the Federal government has a role in the education of our citizens. I have supported many vitally important Federal programs which enhance the educational opportunities of young Americans, such as financial aid for college students, aid to impoverished school districts, and special education programs for disabled children. However, much of the Federal Government's involvement in education is highly bureaucratic and overly regulatory, and actually impedes our children's learning.

Clearly, we need to be more innovative in our approach to educating our children. We need to focus on providing parents, teachers, and local communities with the flexibility, freedom, and, yes, the financial support to address the unique educational needs of their children and the children in their communities.

For example, I see no reason why most Federal education programs should not be block-granted to States and local school boards. Such a step would provide new flexibility to parents and local school officials, and eliminate Federal intrusion in local and state education policies. Personally, I have the utmost faith and confidence in parents and educators to utilize federal education dollars productively and efficiently, and in the best interests of the children in their communities.

Mr. President, it is absolutely crucial, as we debate this and other proposals to reform our educational system, that we not lose sight of the fact that our paramount goal must be to increase the academic knowledge and skills of our Nation's students. Our children are our future, and if we neglect their educational needs, we threaten that future.

I am gravely concerned that goal is sometimes lost in the very spirited and often emotional debate on education policies and responsibilities. Instead, this should be a debate about how best to ensure that young Americans will be able to compete globally in the future. I believe the key to academic excellence is broadening educational opportunities and providing families and communities both the responsibility and the resources to choose the best course for their students.

The A–PLUS bill is an important step toward returning to parents and communities the means and responsibility to provide for their children's education. This is why I support Senator COVERDELL's legislation and will continue to support innovative, flexible programs which focus on the best interests of our children, our future.

Mr. DASCHLE. Mr. President, I regret that we have not been able to find a final and successful resolution to our discussions which have extended now over the course of several days.

I think it is important to lay out what has happened to date and where we are so everybody knows what the circumstances are. As everyone knows, the legislation came to the floor immediately and a cloture vote was filed on the motion to proceed. I supported that motion to proceed because I felt it was important that we move on to the legislation. There was some concern expressed about other unrelated matters, and so there was a divided vote on the motion to proceed, but it was an overwhelming vote.

We then got to the bill itself, and I expressed the desire on the part of many of our colleagues that we have a right to offer amendments. It was at that point that cloture was filed again, prior to the time we had the chance to offer even the first amendment. Cloture was not invoked, as the record shows. That began a series of negotiations about amendments.

As I discussed the matter with my colleagues, our list included about 32 amendments originally proposed to the bill. While that sounds like a lot of amendments, as I have noted now on several occasions on the Senate floor, it pales by comparison with regard to a similar circumstance that we had in 1992. A narrowly drafted tax bill having to do with a matter that most of us are very interested in, enterprise zones, was offered, and our Republican colleagues proposed at that time that they be granted the right to offer 52 amendments, including amendments on unrelated matters—on tractors and scholarships and the like.

We didn't offer 52 amendments; we originally suggested 32. We were told that that is too many. I went to all of my colleagues and I said, ''Look, we will have to pare this down. I want to be cooperative.'' So we pared it from 32 down to 15. I took that to the leader and I said the one thing we really are determined not to do is to give up our right to have those amendments second degreed, but we will drop it by more than 50 percent. We will go from 32 amendments down to 15 amendments so long as we have the right to have an up-or-down vote.

They said, ''Well, we will probably consider having up-or-down votes, but you have to put time limits on all the amendments.'' Then I went to all my colleagues and I said, ''Well, you aren't going to believe this. I'm going to have to ask you not only to pare your amendments from 32 to 15, but now I'm going to have to ask you to accept time limits, and we are hoping that we can limit it to at least a couple of hours each.'' So it was suggested and my colleagues cooperated.

I presented that, and I reported to the leader that we had agreed to time limits. The leader then came back and said, ''Well, now we have a new request. The request is that not only do we want time limits, but the amendments have to be on education. We are

not going to allow any amendments that are not related to education.'' I went back to my colleagues again and I said, ''You aren't going to believe this, but now we have to agree to limit our amendments to 15, to limit our amendments in terms of time, and now to limit them in terms of issue.'' I went back again to the leader I said, ''Well, I think we can do that.''

He came back again and he said, ''You are going to have to allow second degrees.'' Now they have to be second degreed. I said, ''I don't know if I can do that.'' I went back to my colleagues again and I said, ''You aren't going to believe this, but now we have to allow second degree amendments to all these amendments. Not only do you have to reduce from 32 to 15, not only do you have to allow a limit on the issue, that is education, but now you have to allow second degrees.''

So on four separate occasions, because of demands from our Republican colleagues that be cooperative, I have had to call upon my colleagues to reduce the amendments by more than half, to reduce the amount of time, to allow second degrees, and not to allow any extraneous issues, even though 4 years ago when the roles were reversed they demanded votes on tractors.

So I must say, Mr. President, the record ought to be very clear about who has cooperated here, who has put out the very best effort to ensure that somehow we could bring this bill to the floor. But the bar keeps getting raised higher and higher and higher. So if indeed we are the U.S. Senate, it seems to me there comes a time when you say, what else can we do? What else is there left? We have education amendments. We have agreed to second degrees. We have agreed to even less than an hour on these amendments; now it is down to a half hour on each amendment. We have agreed to that. We have agreed now that they be limited to education. We have even cut down further the number of amendments. Yet, our Republican colleagues say that is not enough. That is not enough. Go back and do more, prove to us more that you are going to be cooperative. Make sure that you ask your colleagues for more.

I think there is a message here. The message is that nothing is good enough. Ultimately, there is no way we can satisfy our colleagues on the other side because I don't think they want an agreement. I must say that I do not fault the author of the bill. I am not suggesting he is behind this. I certainly do not fault the majority leader. I think he has made a concerted, good-faith effort to try to figure out a way to deal with this. But I must say that I hope he would say the same about me. I hope, after what I have just described, that it is clear that we have done everything I know how to do, under these circumstances, to be able to resolve this matter in a way that will accommodate both sides. But for me now to go back and say we have given our all, but now we have to even give up education amendments—the last criticism related to me by the majority leader was that we had too many education amendments. It wasn't the issue any longer. We have given that up. Now they are saying we have too many education amendments on an education bill. So now they are asking the minority to say, OK, majority, you tell us what the issue ought to be, what the circumstances for debate ought to be, and now even whether or not we should be able to offer an education amendment on an education bill and we should accept that because we are the minority.

That is what this cloture vote is about, Mr. President. We are being asked to cave completely, to give it all up. We cannot do that. There comes a time when you have to be able to say, look, we just can't give anymore.

So I hope my colleagues will understand that. We were within, I thought, minutes or inches of reaching an agreement, in part because of the effort made by the majority leader. But we are not there now. I hope the message will be clear; there comes a time when you just cannot give anymore.

A couple of colleagues have asked to speak. I yield 1 minute to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank our leader, Senator DASCHLE, for the efforts he has made to try to raise the education issue for debate here on the floor of the U.S. Senate. I think that, historically, there have been great debates on education, when we found common ground, and they were basically bipartisan in nature. It has been rare that we have been unable to at least have a good, full debate on the education issue.

It is regrettable that our Republican friends are so unsure of their position on education policy that they would deny the opportunity for a debate on upgrading and modernizing our schools, providing for smaller classrooms, improving the teachers in our country and the after-school programs.

So I say to our leader that I look forward to the time here on the Senate floor when we can have the kind of debate that I think the country wants. The country recognizes that education is the key issue for the future of our Nation, and we ought to be debating the best ideas of Republicans and Democrats alike.

Mr. DASCHLE. I thank the Senator.

Mr. President, I share that point of view. Obviously, there are a lot of areas of agreement between Republicans and Democrats. There are many things with which there are disagreements. That is really the essence of this whole debate. Shouldn't we have an opportunity to talk about some of those disagreements? But I think the record is pretty clear. After all these days, we have been precluded from offering the first amendment to which there may be some disagreement.

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

The PRESIDING OFFICER. The minority side has 3 minutes 22 seconds.

Mr. DASCHLE. I yield 1 minute to the distinguished Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the minority leader. I also thank the leader for his unstinting efforts to try to work out a compromise that will allow for a balanced debate about the subject matter of amendments from both sides of the aisle.

The real tragedy here, Mr. President, is that this is one of the most important issues that we will take up this year—the education of our children and how we are going to provide for the development of partnerships between the Federal, State, and local governments, and communities and parents, to provide the best possible education for the children of this country.

It is a vitally important issue going to our national security as a Nation, our future as a country. Yet, here we are in a situation in which the ideas from this side of the aisle are being shut down, are being foreclosed. We are not having an opportunity to talk about those ideas.

The PRESIDING OFFICER. The time allocated to the Senator has expired.

Ms. MOSELEY-BRAUN. I thank the Chair and yield the floor.

Mr. DASCHLE. Mr. President, I see other colleagues seeking recognition. I yield 1 minute to the distinguished Senator from Washington.

Mrs. MURRAY. Mr. President, I thank the Democratic leader for his continued work on this issue to try to allow us the opportunity to come here to the floor to talk about the most critical issue in this country today, which is the education of our young children.

There is a very serious debate that ought to be had. Are we going to go down the road of vouchers and block grants and cutting out the Department of Education, where fewer and fewer children have the opportunity for an education? Or are we going to talk about the proposals that we would like to debate—whether or not our class sizes should be smaller, how we are going to train our teachers for the skills they need with our children in their schools, how we are going to deal with our classrooms that need school construction so badly across this country. There is a debate to be had. We are ready to join it. We want to have that opportunity, and we will stand behind the Democratic leader to be allowed to have that debate on this floor.

Mr. DASCHLE. Mr. President, I may have to use a minute or two of leader time.

I yield 1 minute to the Senator from Rhode Island.

Mr. REED. Mr. President, I, too, commend the Democratic leader for his efforts to ensure that this debate reaches the full spectrum of issues that concern American education.

I believe there is one thing we can all agree upon: The problems of American education are multiple, and to conduct

a debate that would focus exclusively on one remedy and not allow other voices, other approaches, is, to me, relinquishing our responsibility to deal principally and responsibly with education policy in the United States.

There are proposals by my colleagues with respect to class size. Again, we are seeing evidence from States like Tennessee, where it makes a real difference in performance in education. Yet, we are not allowed to talk about those issues in this debate. If we are going to approach this issue with the idea of helping American education rather than the idea of promoting one particular ideological version, we have to allow for open, robust debate that incorporates all of the amendments my colleagues are proposing. And the idea to carry on without the debate, to me, is not worthy of this body.

The PRESIDING OFFICER. All of the time of the minority leader has expired.

Mr. DASCHLE. Mr. President, I yield 1 minute of my leader time to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank the leader. Let me thank both leaders here. It is not an easy task to try to fashion these agreements. I sympathize in that we have spent I don't know how many days trying to work out an agreement to discuss amendments. In a sense, what the Democratic leader was trying to do was get the bill up and allow the amendment process to flow. I suspect this bill might have been dealt with after having been given a chance to raise these amendments earlier.

It may seem like it is not that large an issue to people. It is one proposal. I suspect this may be one of the few opportunities when we will get a chance to debate education this year, given our calendar. I suggest to my colleagues, Mr. President, that we are talking about $1.6 billion that will go toward education in this case. I think having a healthy debate about where those resources go is something that the country would like to hear. Whether or not we want it to support building up the deteriorating schools that our colleague from Illinois, Senator CAROL MOSELEY-BRAUN, proposes, or deal with classroom size, which Senator MURRAY proposes, or whether or not we want to go into special education, these are legitimate issues about how you allocate scarce resources.

I applaud the efforts of our leader and, hopefully, we can get some accommodation so we can have a good, healthy debate.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, just a little history. Before I do that, I know that I certainly have tried to work out something that Members on both sides could live with. I believe Senator DASCHLE has, too. But we have Senators on both sides who have very strong feelings about amendments that are suggested on both sides. There are amendments on the Democratic side that other Democrats have problems with, and it is the same thing over here. There are Republican amendments that other Republicans have problems with. So we have made a sincere effort.

I remind you that we started this effort on the 13th. Maybe there is a significance to that. On Friday, March 13, we started working on this. The problem is, if you want a good, healthy debate on education, fine, let's have it. I will not play second fiddle to anybody when it comes to my concern about education.

By the way, I am a product of public education; so is my wife and both of our children. But I am worried about the quality of education and the violence and drugs in schools. But the difference is, I don't think the answers are here in Washington. Some people say, let's have everything paid for and run everything from Washington. We have tried that ever since the 1960s. The scores are going down and violence is going up.

I care about this mightily. Let's have a debate about education. We are going to have a debate about education this year—not one, but probably two or three. But some Senators say, let's open it up and have debate, let's have amendments of all kinds. That is what was going to happen. We were going to wind up debating cows. And I don't want to go off on cows because cattle are important in Mississippi. I love beef. We were going to have welfare debates and debates about everything imaginable.

That is what has happened the whole year so far. On every bill that comes up, every Senator takes advantage of his or her right and says, ''I have my amendment or amendments,'' and they just grow like Topsy on everything.

Supplemental appropriations—a bill we should have done Friday afternoon—is still sitting around here. I am not blaming that on one side or the other. I am saying ''Senators,'' not one side or the other. Both sides don't seem to want to get serious about resolving the supplemental appropriation bills that we have now combined into one.

But the problem has boiled down to the fact that we still have Senators insisting—''We went through this process. We don't want second-degree amendments.'' Some say, on the one hand, ''We want to do the regular order.'' When we say ''second-degree amendments,'' you say, ''but not that regular order.'' You continue to insist on amendments that don't relate to education. Senators object to that. I have been told that we must have Senator KERRY's amendment but we cannot have Senator GORTON's amendment. I don't understand that. Senator GORTON's is education related; Senator KERRY's was not; his was on child care. We will debate that another day.

Talk about fairness. I have bent over backward, until my back is almost broken. Remember, the base bill is three-fourths a Democrat bill. I don't care because those three-fourths that the Democrats came up with are pretty good ideas—prepaid tuition for college, yes, I am for that; deductions for higher education employer-employee arrangements, hey, I am for that. That was promoted by Senator BREAUX from Louisiana, Senator MOYNIHAN from New York, and Senator GRAHAM from Florida. We have the school production bond issue thing in here, plus what we sent back today is our final offer. There were 12 amendments for Democrats, 3 for Republicans. I mean, how far can I go? I was told, yes, only three. But you say, ''We don't want Gorton in there.'' So I tried. I think Senator DASCHLE has tried. It is time that we have a vote on cloture. Maybe I made a mistake by not saying let's do it earlier, and Senator DASCHLE might say the same thing. But I think the record speaks for itself: 3 out of 4 provisions in the bill, Democrats; 12 out of 15 amendments, Democrats. I mean that is in most games—whatever it is—more than fair.

But we tried. Let's have a vote on cloture. This is a vote to get a good debate on the education provisions which Senators on both sides support. And we will see what happens and take it from there.

Mr. President, I believe we have 2 or 3 minutes remaining. I yield the remainder of the time to Senator COVERDELL, who has done a great job working through all of this.

The PRESIDING OFFICER. The Senator has 4 minutes 15 seconds remaining.

Mr. COVERDELL. Mr. President, I appreciate the efforts of both leaders.

But the point is, we are still in a filibuster. When this proposal was in the tax relief bill last year, the President said he would veto the entire tax relief bill if this education savings account was in it. Then we went through one or two filibusters. We tried to deal with it. We had a stand-alone measure last year, and then we had a filibuster attempt. And we tried to proceed to it this year. Now we are trying to bring cloture, which, I might point out, doesn't end the amendments. If you file cloture, it is a Senate rule that says you are going to confine amendments to the subject matter. When I was in the State Senate in Georgia, we had to do that on everything. It was unique that you could amend with nongermane amendments.

But that is what we are trying to bring order to. And after we have been through four filibusters, a veto threat, we become concerned that we are not in a serious effort to get to the actual education components.

It is my understanding that we have said the other side can have its own substitute, an education amendment. There has been severe resistance to non-education-related amendments, and I understand an amendment of the Senator from Nebraska is still at play.

And it is not an education amendment. It is my understanding that an education amendment on our side is being objected to. We are going to have a vote here in a minute.

I want to, in closing, stress that this is a bipartisan proposal and one of the most dogged, persistent attempts to get this legislation passed with both Republican and Democrat components. The good Senator from New Jersey, Mr. TORRICELLI —and there are a number of Senators on the other side of the aisle—a good number—who want this legislation passed; 70 percent of it has now been designed by the other side of the aisle. They want to get to the substance of the education debate—the good Senator from Illinois. If we can get to the debate, it is going to have a chance. That is an education proposal. We handle it our way; they handle it their way. We will debate it. But what we are saying is, there ought to be a debate on education. We have spent an inordinate amount of time avoiding the debate.

Mr. President, I presume my time has expired.

The PRESIDING OFFICER. The Senator presumes incorrectly. He has 1 minute and 15 seconds.

Mr. COVERDELL. In deference to my colleagues, I yield my time.

CLOTURE MOTION

The PRESIDING OFFICER. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+ Education Act:

Trent Lott, Paul Coverdell, Jeff Sessions, Connie Mack, Bill Roth, Judd Gregg, Christopher Bond, Tim Hutchinson, Larry E. Craig, Robert F. Bennett, Mike DeWine, Jim Inhofe, Bill Frist, Bob Smith, Wayne Allard, Pat Roberts.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call under the rule has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 2646, the A+ Education Act, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 58, nays 42, as follows:

[Rollcall Vote No. 46 Leg.]

YEAS—58

Abraham	Brownback	Collins
Allard	Burns	Coverdell
Ashcroft	Campbell	Craig
Bennett	Chafee	D'Amato
Bond	Coats	DeWine
Breaux	Cochran	Domenici
Enzi	Jeffords	Sessions
Faircloth	Kempthorne	Shelby
Frist	Kyl	Smith (NH)
Gorton	Lieberman	Smith (OR)
Gramm	Lott	Snowe
Grams	Lugar	Specter
Grassley	Mack	Stevens
Gregg	McCain	Thomas
Hagel	McConnell	Thompson
Hatch	Murkowski	Thurmond
Helms	Nickles	Torricelli
Hutchinson	Roberts	Warner
Hutchison	Roth	
Inhofe	Santorum	

NAYS—42

Akaka	Feingold	Lautenberg
Baucus	Feinstein	Leahy
Biden	Ford	Levin
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Bryan	Harkin	Moynihan
Bumpers	Hollings	Murray
Byrd	Inouye	Reed
Cleland	Johnson	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Wellstone
Durbin	Landrieu	Wyden

The PRESIDING OFFICER. On this vote, the yeas are 58, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk on the pending Coverdell A+ Education Act.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+Education Act:

Trent Lott, Paul Coverdell, Craig Thomas, Rod Grams, Chuck Hagel, Tim Hutchinson, Kay Bailey Hutchison, Mike DeWine.

Bob Bennett, John McCain, Don Nickles, Chuck Grassley, Mitch McConnell, Wayne Allard, Phil Gramm, John Ashcroft.

The PRESIDING OFFICER. The Senate will be in order. The majority leader.

Mr. LOTT. Mr. President, for the information of all Senators, this cloture vote, then, would occur on Monday of next week, at a time to be determined by the majority leader after notification of the minority leader. I presume that will be around our normal voting time, at 5:30 on Monday.

So I now ask consent that the mandatory quorum under rule XXII be waived.

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

UNANIMOUS CONSENT REQUEST—S.J. RES. 43

Mr. LOTT. Mr. President, I ask unanimous consent the Foreign Relations Committee be discharged from further consideration of S.J. Res. 43 regarding Mexico decertification which includes a waiver provision, and the Senate proceed to its immediate consideration under the following terms: The time between now and 7:25 be equally divided between the two leaders.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

MEXICO FOREIGN AID DISAPPROVAL RESOLUTION

Mr. LOTT. Mr. President, in light of the objection, I now ask the Foreign Relation Committee be discharged from further consideration of S.J. Res. 42, regarding Mexico decertification, and the Senate proceed to its immediate consideration under the same terms as described above for S.J. Res. 43.

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

Mr. LOTT. Mr. President, having just reached this agreement, I expect this rollcall vote to occur at 7:25 this evening or earlier if time can be yielded back. But the vote on the Mexico decertification issue will occur at 7:25.

I thank the leader for working with us on this, and also Senator FEINSTEIN and Senator COVERDELL. They have been very cooperative. I believe this is enough time to lay the issue before the Senate and have a vote.

I yield the floor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 42) to disapprove the certification of the President under section 490(b) of the Foreign Assistance Act of 1961 regarding foreign assistance for Mexico during fiscal year 1998.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pursuant to subsection (d) of section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), Congress disapproves the determination of the President with respect to Mexico for fiscal year 1998 that is contained in the certification (transmittal no. 98–15) submitted to Congress by the President under subsection (b) of that section on February 26, 1998.

The Senate proceeded to consider the joint resolution.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, as the manager of this resolution—parliamentary inquiry, is there a division of time? Is there controlled time?

The PRESIDING OFFICER. Time is equally divided between now and 7:25. So roughly 1 hour——

Mr. BIDEN. Roughly an hour and a half divided equally.

Mr. President, I say to those who support the position that I will be managing, which is that we should support the President's position and not support my good friend from California,

who thinks, along with others, we should decertify, I ask them to come to the floor and let me know if they wish to speak so we can, with some degree of rationality, allocate the time. I know Senator DODD, after the Senator from California makes her case, wants to speak in opposition to her position. I have told him I will recognize him first. But I say to other Senators who wish to speak in opposition to this decertification, please let me know. I yield the floor.

The PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, what we have before us is a resolution that has special standing on the floor. It is a resolution that will take the certification that the President has called for in the case of Mexico's fully cooperating with the United States on the drug war, and this resolution, if it is adopted, would overturn that and it would decertify. That would be a statement that the cooperation had not been full and complete.

This Senator, the Senator from California and others have been deeply concerned about this matter for well over a year and believe that by saying Mexico should be certified, we are saying to the people of both the United States and Mexico that things are going along OK. It is a message of fulfillment. It is a message that we are making progress, and that is not true. That is not true.

The situation, by virtually any measurement, is less now than it was a year ago when the Senator from California and I began to raise the issue.

I am here reluctantly. I consider myself an ally of the people and the Government of Mexico, but we are losing this war, we are losing this struggle, and it is not appropriate to say otherwise. I wish it were possible for us to be here with a resolution that said certification could occur but there would be a waiver by the President for security reasons. That is not technically possible. The only resolution that has standing is this statement, but it must be made.

Let me say, I commend General McCaffrey for his efforts as our drug czar, and I commend President Zedillo for what appears to be laudable efforts. But we do not do the people of either country, nor the people of this hemisphere, justice by communicating a message of gain or accomplishment or fulfillment when it is the exact reverse.

My concern—although I am sure it will be interpreted to be pointed at Mexico—my concern is mutual, and it is pointed at this administration and Mexico.

On May 2, 1997, I and the Senator from California sent an open letter to the President of the United States. We enumerated 10 areas that should become benchmarks, measurements by which we can determine whether or not we are getting our arms around this thing that has captured, in the last 5 years, 2 million American children aged 12 to 17.

On May 14, 1997, the President responded to me and to the Senator from California, accepting the letter of May 2 and the standards that were in it, and he indicated they would report and that these were, indeed, benchmarks that would be sought.

Mr. President, in this letter, we said:

> The Mexican Government should be able to take significant action against the leading drug trafficking organizations, including arrests and prosecution or extradition of their leaders, and seizure of their assets.

Virtually no progress.

Extraditions:

We said:

> While Mexico has taken steps to allow the extradition of Mexican nationals, they have yet to extradite any Mexican nationals to the United States on a drug-related charge.

As we stand here tonight, there still has been no extradition of a Mexican national on a drug-related charge.

> Law enforcement cooperation: Mexico should undertake to fully fund and deploy the Binational Border Task Forces. . .

Not done.

> In addition, U.S. law enforcement officers working drugs in Mexico need to be granted the rights to take appropriate measures to defend themselves.

Not done.

> Money laundering: We are anxious to see Mexico fully implement the money laundering laws and regulations. . .

Little progress.

> Corruption: The decision to abolish the National Institute for Combating Drugs and replace it with a new agency known as the Special Prosecutor's Office. . .is an admission that the INCD had become hopelessly compromised. . .We need to see evidence that the new agency will not simply be a retread. . .

Not done.

Air and maritime cooperation: This is an area I think both the Senator from California and I concur has made some progress.

Mr. President, the Senator from California will address this, but she often makes the point that no intelligence is flowing from Mexico to the United States. We are not gaining any advice and counsel on this struggle.

I am going to yield momentarily. In the New York Times just today—just today—we have an extensive article, the headline of which reads: ''U.S. Officials say Mexican Military Aids Drug Trafficking. Study Finds Closer Ties.''

> Some doubt new report, but many say army corruption makes drug war futile. United States analysts have concluded that the case shows much wider military involvement with drug traffickers than the Mexican authorities have acknowledged.

This report was in the hands of the administration in February of this year, following which the administration decided to certify—following this report.

I will say it again and again—I hope some of my friends in Mexico hear me out—the fault is mutually shared. Mexico owns considerable responsibility for the failure and the lack of improvement on all of these points, but so does the administration. Let's remember the administration just last year was here trying to repeal this system just for the remainder of its term—''Let's let some other President worry about it''—and more recently has given us a plan to fight the drug war that concludes itself in the year 2007 and for which there are no benchmarks during the remainder of this administration.

These are not messages of a serious confrontation with a crisis in our country, a crisis in our hemisphere that has the potential of destabilizing every democracy in the hemisphere and poses enormous threats to our ally to the south, the Republic of Mexico. It is time that the Congress, that Members of the Senate say we must be honest, this war is being lost and the costs are beyond description in human life, in property and the stability of the governments of this hemisphere.

I reluctantly will cast my vote, because of these conditions, for decertification and reality. Mr. President, I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, if I may, I would like to continue the arguments that the Senator from Georgia has made and add some of my own. And, Mr. President, I do not make these arguments lightly, nor do I make them with any sense of pleasure.

It is never easy or pleasant to criticize a friend, a neighbor, and an ally. And Mexico is all of these. The United States and Mexico have a deep and complex relationship that spans every conceivable form of interaction across a 2,000-mile border. And we need to work together to solve problems that confront us.

I have heard many arguments—''Oh, this is all a United States problem.'' Well, Mr. President, the United States is trying to address that problem. Let me give you just two facts to corroborate that. One, in 1998, the U.S. Federal Government has spent or will spend nearly $16 billion fighting drugs. Of that, on demand reduction alone, we will spend $5.37 billion; on interdiction, $1.62 billion; on domestic law enforcement, $8.4 billion. And it all goes up next year.

One interesting fact is in 1985 prisoners on drug charges in Federal prisons were 31.4 percent of the total. Today, almost 60 percent of the Federal prison population is in prison on drug charges. So the number of people in Federal prisons for drug crimes in the United States of America has risen by over 30 percent in this decade.

We are trying. We may fail, but we do try. So this country does make a substantial effort—prevention, education, treatment, all of it.

''Full cooperation'' means full cooperation. And there were six benchmarks, as Senator COVERDELL stated, that comprised the basic part of our concerns of last year: enforcement, dismantling the drug cartels, combating corruption, curtailing money laundering, extraditing Mexican nationals on drug-related charges, and law enforcement cooperation.

I would like to discuss each one of these areas in detail. But I want to make the point that I believe Mexico has fallen short of the mark of full cooperation in each of these areas.

On the day the certification decision was announced, the Director of the Office of National Drug Control Policy, Gen. Barry McCaffrey, said, ''I would just like to underscore the absolutely superlative cooperation we have received from Mexico.'' I thought a lot about that. What I finally realized is, you know, now I know what the problem is. Mexico's cooperation with the United States focuses primarily on the political level. Tragically, it does so at the expense of the much more important law enforcement level. The degree to which the administration emphasizes this political level of cooperation is evident by the State Department's statement of explanation on the certification of Mexico. The first two paragraphs focus exclusively on meetings held between senior officials, commitments they have made, documents they have signed, and so on.

In other words, the most compelling rationale for certifying Mexico this year that the administration can offer is based on political-level agreements. But if there is one truth about the war on drugs, it is that it is fought on the streets, not in the conference rooms and banquet halls. Handshakes between men and women in suits do not stop drug trafficking. Good intelligence and good police work can and do stop drug trafficking. Law enforcement cooperation, not political-level agreements, is where the rubber hits the road in counternarcotics. Until this exists in Mexico, the administration's certification of Mexico will have all the weight of an inflated balloon—impressive to look at, but hollow at the core and easily punctured.

So with this background, I would like to offer my response to the administration's rationale for its decision to certify Mexico, in hopes that the Senate will act to overturn this decision. And I will rely on the benchmarks we set last year.

The State Department statement of explanation says: ''Drug seizures in 1997 generally increased over 1996 levels.'' Now, this is true, but it is only part of the picture.

Let us begin with this first chart. Yes; this is 1996, and as you can see, cocaine seizures have gone up from 23.6 metric tons to 34.9 metric tons. But look back at the peak in 1991 when it was 50.3 metric tons, look at the drop; look at 1993 when it was 46.2; and then look at it drop back down into the low 20s. Cocaine seizures today are still over 30 percent below where they were back in 1991 when the supply was not nearly as large as it is today.

Let us take a look at heroin seizures. Again, we are told they are much improved. But look at the heroin seizures by Mexico. Beginning in 1994 at 297 kilograms, they go down in 1995 to 203 kilograms, and they go up in 1996 to 363 kilograms; this year they have gone down all the way to 115 kilograms. I think this is very, very dramatic.

Let us take a look, if we can, at methamphetamine seizures by Mexico. 1994, 265 kilograms; 496 kilograms in 1995. It has gone steadily downhill—to 172 kilograms in 1996 and all the way to 39 kilograms in 1997—as the United States of America has been inundated with methamphetamine labs. I am ashamed to say my State, the largest State in this Union, has become a source country for the dissemination of methamphetamine now throughout the rest of the United States—the great bulk of it coming from one cartel, which I will point out. A great bulk of the labs are operated, regretfully, by Mexican nationals in this country illegally.

Let us take a look at ephedrine seizures. Ephedrine is a key chemical without which methamphetamine cannot be produced. Here were the seizures in 1996—6,697 kilograms. Look how high they were. Here are the seizures in 1997—only 608 kilograms, a drop of over 90 percent. This is clearly a great drop.

Now let us look at narcotics arrests of Mexican nationals by Mexico in Mexico.

In 1992, they arrested 27,369 people. Look at it in 1997—10,572 people. That is a two-thirds drop in arrests when we are putting all this pressure on, saying, ''Go after the cartels. Stop the assassinations. Break it up.'' The arrests have actually dropped.

Take the next chart. Now, one of the major tests—not the only test; it is not 100 percent accurate—of supply is what street prices are. In Main Street, prices for drugs drop when the supply goes up. Every single narcotics officer that works undercover or works the streets of America will tell you that. So we went to the Western States Information Network, which surveys the findings of local police departments on the west coast. Let me share with you what we found.

Cocaine in the Los Angeles region has fallen from $16,500 per kilo in 1994 to $14,000 per kilo in 1997. It has leveled off this past year. But this is the drop over that period of time.

Now, let us talk about black tar heroin. Black tar heroin is Mexican heroin. In the Los Angeles area, look at the street prices in 1991. According to DEA, this is nearly the exclusive province of the Mexican family-operated cartels based in Michoacan. In Los Angeles, the price per ounce has dropped two-thirds, from $1,800 in 1992 to $600 in 1997. The price today is one-third of what it was 5 years ago. This is why we see a tremendous increase in heroin addiction in this country. The supply overwhelms the demand, and the prices drop.

In San Francisco it is the same story. Black tar heroin—an average of $3,500 per ounce in 1991. Today it averages $600 per ounce, a dramatic drop in price.

And we see the same pattern with methamphetamine. In Los Angeles, the price per pound for methamphetamine averaged $9,000 in 1991. Today it has dropped down—gone up and down—but dropped down to $3,500 per pound. It is a two-thirds drop in price. That is enormous in the methamphetamine contraband market.

So these street price statistics tell the story of supply. And supply comes mainly flowing across our southern border.

Just this week, the March 23 edition of the San Diego Union-Tribune had an article entitled ''Brazen Traffickers Want Run of the Border: Drug Flow From Mexico Now More Deadly, Frequent.''

So in my view, low seizure figures, low arrest figures, falling street prices in our cities, and inundated Customs and Border Patrol agents are hardly indications of ''full cooperation'' by Mexico's authorities.

Let me speak about what the great danger is now. What I believe to be the biggest criminal enterprise in the Western Hemisphere is developing in Mexico, and that is the cartels.

There are essentially four major cartels: the Juarez cartel, known as the Carrillo-Fuentes cartel; the Sonora cartel, known as the Caro-Quintero cartel; the Tijuana cartel, known as the Arellano-Felix brothers; and the Amezcua-Contreras brothers.

In testimony about a month ago, DEA Administrator Thomas Constantine left little doubt when he talked to the Foreign Relations Committee about Mexico's efforts to dismantle the cartels. He said:

> Unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders who dominate the drug trade in Mexico and control a substantial share of the wholesale cocaine, heroin, and methamphetamine markets in the United States.

To me, this is a very telling statement. The State Department would have us believe all is well in the Mexican effort against the cartels—and they will point out some arrests—but every one of these arrests is second and third level cartel participants, not top level. I believe Mr. Constantine's testimony tells the true story—very little progress. I hope my colleagues will take these words into consideration.

Let me begin with the Juarez cartel. Mr. Constantine stated:

> The scope of the Carrillo-Fuentes cartel is staggering, reportedly forwarding $20-$30 million to Colombia for each major operation and generating tens of millions of dollars in profits per week for itself.

Meanwhile, the Carrillo-Fuentes cartel—that is the Juarez cartel—spreads

its tentacles into U.S. cities, where it recruits U.S. gang members to act as its agents. DEA has identified active Carrillo-Fuentes cells in cities around the United States—Los Angeles, San Diego, San Francisco, Seattle, Phoenix, Houston, Dallas, Denver, Chicago, and most recently New York City.

Now, this is really interesting, because New York City used to be the preserve of the Colombian cartels who marketed their cocaine directly. But a DEA study in August of 1997 revealed that the Mexican distribution networks were rapidly moving into the east coast markets of New York, New Jersey, and Philadelphia, displacing the Colombians.

This trend was illustrated in a major DEA investigation—Operation Limelight—which uncovered a Chicago-based cell of the Carrillo-Fuentes organization that was delivering hundreds of kilograms of cocaine to a distribution network in New York. I believe my colleague from Illinois will, hopefully, speak to that.

Now, some felt that the death of Juarez cartel's leader—Amado Carrillo Fuentes—during attempted plastic surgery last May, could have set the stage for the weakening of the cartel.

One might even concede that Carrillo-Fuentes' death was as a result of his feeling under some pressure from the Mexican authorities, although this is far from proven.

But instead of getting weaker, the Juarez cartel is now stronger. Mexico didn't take any action whatever to capitalize on the opportunity provided by this death. Today the Juarez cartel continues to operate. This is in spite of a power struggle within the cartel that has produced an orgy of violence—50 drug-related murders in and around Juarez, which is clearly well beyond the Mexican authorities' ability to control.

There has been no effort to arrest the new leaders of this cartel, men such as Vincente Carrillo-Fuentes—Amado's brother—or Juan Esparragosa Moreno, a top aide, or Eduardo Gonzalez-Quirarte, a key manager of the organization's distribution networks along the border.

The other major drug trafficking cartel is the most violent and the most vicious. That is the Arellano-Felix cartel, operating right across the border from California in Tijuana. According to the DEA, ''Based in Tijuana, this organization is one of the most powerful, violent, and aggressive trafficking groups in the world.'' They are active today, this year, in Arizona, California, Nevada, Oregon, and Washington. Once again, no effort to arrest their leaders.

On September 11, the most violent of the Arellano-Felix brothers, Ramon Arellano-Felix, was added to the FBI's Ten Most Wanted List. He has been indicted in San Diego on drug trafficking charges. Why has there been no effort taken by the Mexican authorities to rein in the operations of the Arellano-Felix organization or to arrest its senior leaders?

I would like to talk about one other cartel. The first is the Jesus Amezcua cartel. According to the DEA, ''The Amezcua-Contreras brothers, operating out of Guadalajara, Mexico, head a methamphetamine production and trafficking organization with global dimensions.'' This organization has established links to distribution networks in the United States in locations like California, Texas, Oklahoma, Arkansas, Iowa, Georgia, and North Carolina.

The U.S. law enforcement investigation, Operation META, concluded in December with the arrest of 101 defendants and the seizure of 133 pounds of methamphetamine and the precursors to manufacture up to 540 pounds more, along with 1,100 kilos of cocaine and $2.25 million in assets.

I will go to the last three charts and then wrap up. This is very puzzling. This chart shows outstanding United States extradition requests for Mexican nationals wanted on drug charges. Now we have heard a lot about this, and Mexico has moved to be able to extradite some people, many of them on nonrelated drug charges. The two they have surrendered were deported, not extradited, because they were, in effect, dual citizens. They have not, to date, extradited a single Mexican national on drug-related charges, despite the fact that there are 27 extradition requests by this Government pending.

There is some good news. One reason for delay could be overcome if the United States Senate and the Mexican Congress ratify the protocol to the United States-Mexico extradition treaty which was signed just last November. I don't know why the administration has delayed submitting this protocol to the Senate. Once ratified, it will allow for the temporary extradition to take place for the purpose of conducting a trial while a defendant is serving prison time in his own country.

Extradition is clearly the key to stopping drug traffickers. A good place to start would be Ramon Arellano-Felix, who is wanted on narcotics charges in the United States. Another good start would be Miguel Caro-Quintero, who is head of the Sonora cartel, who last year at this time openly granted interviews to the Washington Post in Mexico. The Washington Post could find him. He has four indictments pending against him in the United States for smuggling, RICO statute, and conspiracy charges, but he cannot be found.

We have heard a lot about corruption. This is deeply concerning to me. This chart shows the Mexican Federal Police officials dismissed for corruption—there have been 870. Now, because of certain features of Mexican law, 700 have been rehired pending their appeals, and there have been no successful prosecutions. So if you are going to terminate somebody, they are going to get rehired, and you are not going to prosecute. Not a lot is accomplished.

Mr. President, to reiterate I rise today to urge my colleagues to vote to pass S.J. Res. 42 to disapprove the President's decision to certify Mexico as fully cooperating with the United States in the effort against drug trafficking. And I ask for the yeas and nays on the resolution.

I do not make these arguments lightly, nor do I make them with any sense of pleasure. It is never easy or pleasant to criticize a friend, a neighbor, and an ally—and Mexico is all of these. The United States and Mexico have a deep and complex relationship that spans every conceivable form of interaction across a 2,000 mile border. And we need to work together to solve the problems that confront us.

But we also must be honest with each other and with ourselves. Section 490 of the Foreign Assistance Act, which is the law of the land, requires the President to judge whether drug producing and drug transit countries, like Mexico, have met the standard of ''full cooperation.''

''Full cooperation,'' I suppose, can be viewed subjectively. It probably means different things to different people. But there are probably some areas which everyone can agree are essential parts of full cooperation. Let me suggest a few of these areas.

Last year, when the Senate debated this issue, we established essentially six benchmarks for evaluating Mexico's counternarcotics performance. The Administration used these benchmarks to guide its report to Congress last September, and I believed that it would use them to form the basis of its decision on certification.

These benchmarks each comprise a fairly basic part of any meaningful counternarcotics effort. They are: enforcement (such as seizures and arrests); dismantling the drug cartels and arresting their top leaders; extradition; combating corruption; curtailing money-laundering; and, most importantly, law enforcement cooperation.

I will discuss each of these areas in detail, but I can assure my colleagues that in each of these areas, Mexico has fallen well short of the mark of ''full cooperation'', which is the standard of the law.

There has been insufficient progress—and in some cases, no progress at all—on key elements of a successful counternarcotics program in Mexico. Whether due to inability or lack of political will, these failures badly undermine the urgent effort to keep the scourge of drugs off our streets.

Ignoring these failures, or pretending they are outweighed by very modest advances, does not make them go away. We do Mexico no favors, nor any for our country and our people, by closing our eyes to reality. And the reality is that no serious, objective evaluation of Mexico's efforts could result in a certification for ''full cooperation''. Partial cooperation, perhaps. But that is not what the law calls for. The law calls for ''full cooperation.''

On the day the certification decision was announced, the Director of the Office of National Drug Control Policy, General Barry McCaffrey, said: ''I would just like to underscore the absolutely superlative cooperation we have received from Mexico.''

However, I think I understand his reasoning, and in fact, the reasoning behind the certification decision as a whole. The reason is that the Administration's approach to evaluating Mexico's cooperation focuses primarily, if not exclusively, on the political level. Tragically, it does so at the expense of the much more important law enforcement level. Let me explain what I mean.

There is no question that President Clinton, General McCaffrey, Attorney General Reno, and other senior U.S. officials enjoy positive working relationships with their Mexican counterparts. Presidents Clinton and Zedillo had a cordial exchange of visits. There is a High-Level Contact Group on Narcotics Control that meets two or three times a year. Documents were released, such as the ''Declaration of the U.S.-Mexico Alliance Against Drugs'' and the ''Bi-National Drug Threat Assessment'' and the ''Bi-National Drug Strategy.''

The degree to which the Administration emphasizes this political-level cooperation is evident by the State Department's ''Statement of Explanation'' on the certification of Mexico. The first two paragraphs focus exclusively on meetings held between senior officials, commitments they have made, documents they have signed, and so on.

In other words, the most compelling rationale for certifying Mexico that the Administration can offer is based on political-level agreements.

But if there is one truth about the war on drugs, it is that it is fought on the streets, not in conference rooms and banquet halls. Handshakes between men and women in suits do not stop drug trafficking. But good intelligence and policework can and does stop drug trafficking.

Law enforcement cooperation, not political level agreements, is where the rubber hits the road in counter-narcotics. Good intelligence and dedicated and trusting policework is what really makes a difference. Until this exists in Mexico, the Administration's certification of Mexico will have all the weight of an inflated balloon: impressive to look at, but hollow at the core, and easily punctured.

So, with this background, I will offer my response to the Administration's rationale for its decision to certify Mexico, in hopes that the Senate will act to overturn this decision. I will rely on the benchmarks we set last year.

ENFORCEMENT

The State Department's Statement of Explanation says: ''Drug seizures in 1997 generally increased over 1996 levels.'' This is true, but it is just a partial picture.

Well, let's look at the record. It is true that Mexico's marijuana seizures were marginally higher in 1997, and it is also true of cocaine seizures. But the rise in cocaine seizures can only be considered progress as compared with the dismal seizure levels of the previous three years.

The 34.9 metric tons of cocaine seized in 1997 is an improvement over the previous three years, when cocaine seizures had dropped to about half of the 46.2 metric tons seized in 1993 and the 50 metric tons seized in 1991. This is a perfect example of lowering the bar. When we accept a dismal performance, as we did in 1994–1996, any improvement is given undue weight, even if it falls far short of Mexico's own proven capabilities, as the 1991–1993 figures indicate.

In several cases, drug seizures have declined sharply.

Take heroin for example. In 1997, Mexico's heroin seizures declined from 363 kilograms to 115 kilograms. That is a 68 percent drop.

The decline is even more pronounced in seizures of methamphetamine, and its precursor chemical ephedrine. Mexico's methamphetamine seizures fell from 496 kilograms in 1995, to 172 kilograms in 1996, and then to only 39 kilograms in 1997. Over two years, that is a 92 percent drop.

For ephedrine, we see the same pattern. Nearly 6,700 kilograms were seized in 1996. In 1997, that figure, amazingly, drops 91 percent, down to only 608 kilograms.

I am truly at a loss to understand how the State Department can cite increasing drug seizures as a rationale for its decision to certify, when its own statistics show Mexico's drug seizures declining by 60, 70, 80, and even 90 percent!! over the past 6 or so years.

In another important area of enforcement—narcotics-related arrests—we can see that Mexico's performance is getting worse, not better. In 1997, Mexico's narcotics arrests of Mexican nationals declined from 11,038 to 10,572.

This decline in arrests would be disturbing enough on its own. But it is even more so when one sees how far the bar has been lowered. We should be comparing this year's arrest figures not to last year's, which were only slightly less anemic, but to the 1992 level, which was more than double the current number.

While estimates vary, DEA believes that Mexico is the transit station for 50–70 percent of the cocaine, a quarter to a third of the heroin, 80 percent of the marijuana, and 90 percent of the ephedrine used to make methamphetamine entering the United States.

The 1997 seizure and arrest statistics, in my view, offer ample evidence that Mexico's enforcement efforts are simply inadequate. And the result, undeniably, is that more drugs are flowing into our cities, our schools, and our communities.

How do we know this? Just look at the street prices. The street value of cocaine, heroin, and methamphetamine are all dropping. According to the Western States Information Network, which surveys the findings of local police departments on the West Coast, the average street value of cocaine in the Los Angeles region has fallen from $16,500 per kilo in 1994 to $14,000 per kilo in 1997.

The drop is even more dramatic in the case of black tar heroin, which DEA has in the past reported to be nearly the exclusive province of Mexican ''family operated cartels'' based in Michoacan. In Los Angeles, the price per ounce has dropped from $1,800 in 1992 to only $600 in 1997. The price today is one-third of what it was five years ago.

In San Francisco, it is the same story. Black tar heroin averaged $3,500 per ounce in 1991. Today, it averages only $600.

We see the same pattern with methamphetamine. In Los Angeles, the price per pound for meth averaged $9,000 in 1991. Today, it has dropped to $3,500. In San Francisco, the average price per pound for meth has declined from a peak of over $10,000 in 1993 to $3,500 in 1997.

These street price statistics reflect in the main, the simple law of supply and demand. We know that demand remains high, unfortunately, so when the price drops, the obvious conclusion is that you have more supply.

So if we look at the beginning of the decade of the 90s, there's now much more cocaine, more heroin, more methamphetamine flowing across our southern border, while Mexico's enforcement efforts decline. In my mind, this combination makes a mockery of the concept of ''full cooperation''.

The evidence of increased trafficking can also be found by following events at the border. Just this week, in the March 23 edition of the San Diego Union-Tribune, Gregory Gross wrote an article called ''Brazen Traffickers Want Run of the Border: Drug Flow From Mexico Now More Deadly, Frequent.''

So in my view, low seizure figures, low arrest figures, falling street prices in our cities, and inundated customs and Border Patrol agents are hardly indications of ''full cooperation'' by the Mexican authorities in combating drug trafficking.

CARTELS

Let me speak about the cartels in Mexico. As evidence of Mexico's efforts to combat the cartels, the State Department's Statement of Explanation mentions the arrest of eight ''major traffickers'', including Joaquin Guzman Loera, Hector Luis Palma Salazar, Miguel Angel Felix Gallardo, and Raul Vallardes del Angel.

Not only are these examples of mostly second- and third-tier traffickers, not the cartel bosses, but who the Mexican authorities have failed to capture tells a much more important story. The State Department even admits that two legitimately ''major''

traffickers were dealt with lightly: Humberto Garcia Abrego of the Gulf cartel was released from prison—and I would point out this release occurred hours after the President certified Mexico last year—and Rafael Caro-Quintero of the Sonora cartel succeeded in having his sentence reduced.

The simple truth is that after a year of Mexico's so-called full cooperation in combating the cartels, the situation remains completely out of the Mexican authorities' control. Somehow, the State Department construes this effort as sufficient.

But that is not how the United States' drug enforcement officials describe the efforts in Mexico. Let me share with my colleagues what our DEA officials say about it. When DEA Administrator Thomas Constantine testified before the Senate Foreign Relations Committee on February 26, 1998, he described the four major cartels as the most powerful organized crime organizations in the hemisphere—much more powerful than anything the U.S. has ever faced. They are: the Juarez cartel, also known as the Carrillo-Fuentes cartel; the Sonora cartel, also known as the Caro-Quintero cartel; the Tijuana cartel, also known as the Arellano-Felix brothers; and the Amezcua-Contreras brothers.

In his testimony, Mr. Constantine left little doubt about Mexico's efforts to dismantle the cartels. He said: ''Unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders who dominate the drug trade in Mexico and control a substantial share of the wholesale cocaine, heroin, and methamphetamine markets in the United States.''

To me, this is a very telling statement. While the State Department would have us believe that all is well in the Mexican effort against the cartels, Mr. Constantine's testimony tells the true story: ''very little progress'' in arresting the key figures, who are well-known, and who run the drug trade. I hope my colleagues will take their words into account.

Even more chilling is Mr. Constantine's contention that the cartels are stronger today than they were one year ago. That's right. After a year of what the Administration calls full cooperation, the cartels have only increased their strength.

The most frightening part of the failure to actively confront these cartels is that they are increasingly penetrating into U.S. cities and marketing their drugs directly on our streets and to our kids.

Perhaps the most powerful of these cartels is the Juarez cartel, also known as the Carrillo-Fuentes organization. While trafficking in marijuana and heroin, the Juarez cartel specializes in cocaine. In particular, it has served as the distribution network for large shipments of cocaine arriving from Colombia. From regional bases in Guadalajara, Hermosillo, and Torreon, the cocaine is moved closer to the border for shipment into the United States.

DEA Administrator Constantine testified that: ''The scope of the Carrillo-Fuentes cartel is staggering, reportedly forwarding $20–30 million to Colombia for each major operation, and generating tens of millions of dollars in profits per week for itself.''

Meanwhile the Carrillo-Fuentes cartel spreads its tentacles into U.S. cities, where it recruits U.S. gang members to act as its agents. DEA has identified active Carrillo-Fuentes cells in cities around the United States: Los Angeles, San Diego, San Francisco, Seattle, Phoenix, Houston, Dallas, Denver, Chicago, and most recently, New York City.

This is new. New York City used to be the preserve of the Colombian cartels, who marketed their cocaine directly. But a DEA study in August 1997 revealed that Mexican distribution networks were rapidly moving into the East Coast markets of New York, New Jersey, and Philadelphia, displacing the Colombians.

This trend was illustrated in a major DEA investigation—Operation Limelight—which uncovered a Chicago-based cell of the Carrillo-Fuentes organization that was delivering hundreds of kilograms of cocaine to a distribution network in New York.

Now some felt that the death of the Juarez cartel's leader—Amado Carrillo Fuentes—during attempted plastic surgery last May, could have set the stage for a weakening of the cartel. One might even concede that Carrillo-Fuentes' death was the result of his feeling under some pressure from the Mexican authorities, although this is far from proven.

But instead of getting weaker, the Juarez cartel, according to the DEA, is now stronger. Mexico clearly did not take any action whatsoever to capitalize on the opportunity presented by Carrillo-Fuentes's death, and today the cartel continues to operate as usual. And this is in spite of a power struggle within the cartel that has produced an orgy of violence—some 50 drug related murders—in and around Juarez, which is clearly well beyond the Mexican authorities' ability to control.

Yet there has been no effort to arrest the new leaders of the cartel, men such as Vincente Carrillo Fuentes—Amado's brother—or Juan Esparragosa Moreno, a top aide, or Eduardo Gonzalez-Quirarte, a key manager of the organization's distribution networks along the border.

The other major drug trafficking cartel is the Arellano-Felix organization. DEA Administrator Constantine described the cartel this way: ''Based in Tijuana, this organization is one of the most powerful, violent, and aggressive trafficking groups in the world.''

Because of its base in Tijuana, the Arellano-Felix organization—the most vicious and violent of the cartels—has dominated the drug distribution networks in the western United States, and—of particular concern to me—is especially strong in southern California. The DEA believes that the cartel uses San Diego street gangs as assassins and enforcers.

In other cities around the country, it is a similar story. The Arellano Felix organization recruits local gang members, who serve as the distributors and protectors of its drug shipments, which include cocaine, marijuana, heroin, and methamphetamine.

Once again, we can point to little effort on the part of the Mexican authorities to curtail this cartel's activity. Indeed, as Mr. Constantine tells us, the cartel is stronger today than it was one year ago.

Although there have been a few arrests of some second- and third-tier Tijuana cartel members, we would expect a country certified for full cooperation to have made some inroads against the top leaders of this cartel, who are well known, especially given the clear U.S. concern for their capture. On September 11, 1997, the most violent of the Arellano-Felix brothers, Ramon Arellano-Felix, was added to the FBI's Ten Most Wanted List. He has been indicted in San Diego on drug trafficking charges.

But has there been any action taken by the Mexican authorities to rein in the operations of the Arellano-Felix organization or to arrest its senior leaders? Despite the claim of full cooperation, I am unaware of any such efforts.

I will touch more briefly on the other two major cartels. The first is the Amezcua-Contreras organization. I will quote Mr. Constantine's testimony: ''The Amezcua-Contreras brothers, operating out of Guadalajara, Mexico, head a methamphetamine production and trafficking organization with global dimensions.''

Like the larger, more established cartels, this organization has established links to distribution networks in the United States in locations as far afield as California, Texas, Oklahoma, Arkansas, Iowa, Georgia, and North Carolina.

A U.S. law enforcement investigation, Operation META, concluded in December 1997 with the arrest of 101 defendants, the seizure of 133 pounds of methamphetamine and the precursors to manufacture up to 540 pounds more, along with 1,100 kilos of cocaine and over $2.25 million in assets.

And despite this active methamphetamine trade, Mexico has done little to pursue this cartel. Recently, one of the brothers, Adan Amezcua, was arrested on gun charges, but the true masterminds of the organization, Jesus and Luis Amezcua, who are under federal indictment in the U.S., remain at large.

The other major cartel is the Caro-Quintero cartel, based in the state of Sonora. This cartel focuses its trafficking on marijuana, but it also trafficks in cocaine. Most of its smuggling takes place across various points on the Arizona border.

Like the other cartels, the Caro-Quintero organization has been successful because of widespread bribes made to federal officials at all levels. These bribes help explain how the head of the cartel, Miguel Caro-Quintero, was able to have his case dismissed when he was arrested in 1992. He has operated freely since. It also helps explain how his brother Rafael Caro-Quintero, who was implicated in the 1985 torture and murder of DEA Agent Kiki Camarena, recently had his sentence reduced.

The totally insufficient effort by the Mexican authorities to confront the cartels has emboldened them. Today, they are not only more powerful than they were a year ago, they are more brazen. A series of violent incidents on both sides of the border illustrates this new brazenness.

In April 1997 two agents assigned to Mexico's new Organized Crime Unit, who had investigated Carrillo Fuentes, were kidnaped and killed. They had been bound, gagged, beaten, shot in the face, and stuffed in the trunk of a car.

On July 17, 1997, Hector Salinas-Guerra, a key witness in a McAllen, Texas drug case, was kidnapped. His tortured body was found on July 22, and on July 25, the jury in the trial acquitted the seven defendants.

On November 14, 1997, two Mexican federal police officers investigating the Arellano-Felix organization were shot and killed while traveling in an official Mexican government vehicle from Tecate to Tijuana.

On November 23, 1997, a shooting incident at the Nogales point of entry into Mexico left one Mexican Customs official dead, and two defendants and another official wounded.

On January 27, 1998, Mexican federal police officer Juan Carlos De La Vega-Reyes and his brother Francisco were shot and killed in Guadalajara.

Only if they believe that they are able to operate with impunity would encourage the Mexican cartel operators to be so openly violent toward law enforcement officers and witnesses. But that is the reality in Mexico today. It is a far cry from the full cooperation that we seek.

There are other examples of brazen acts by the cartels. A May 1997 report by Operation Alliance, a coalition of federal, state, and local law enforcement officers, found that drug traffickers were involved as the controlling parties in some commercial trade-related businesses in order to expedite their drug trafficking.

According to Operation Alliance, drug traffickers, moving to take advantage of the greater flow of trade occurring under NAFTA, are becoming involved in new transportation infrastructure upgrades, to expand their opportunities to get drugs across the border undetected.

And we now have the first documented case of a cartel attempting to buy control of a financial institution. Just this week, on March 24, 1998, the Wall Street Journal reported that money-launderers with links to the Carrillo Fuentes organization, tried to acquire a controlling stake in a Mexico City Bank, Grupo Financiero Anahuac, for about $10 million in 1995 and 1996. I ask unanimous consent that this article be made a part of the record at the conclusion of my remarks.

Clearly, the prospect of cartels moving into control of otherwise legitimate financial and trading entities is now established. And with each passing year, the cartels will grow bolder and bolder.

But, because of the reach of the cartels into our cities, the State Department's utter denial that the problem is getting worse, not better, is so dangerous. As much as these cartels are destroying Mexico, their reach into the United States is expanding. They have agents in many of our large and mid-size cities. Their drugs reach our children. The gangs they hire kill ruthlessly to protect their turf in our cities.

It is no exaggeration to say that the lives of hundreds, if not thousands, of Americans are literally at stake in the war against the cartels.

EXTRADITION

The State Department Statement of Explanation says that ''Mexico made further progress in the return of fugitives.''

While it is true that Mexico has extradited non-Mexican nationals to the United States, and has deported dual citizens such as Juan Garcia Abrego who are wanted on drug charges, and has even deported a few Mexican nationals for non-drug charges (such as murder or child molestation), one fact remains undeniable: To date, Mexico has not extradited and surrendered a single Mexican national to the United States on drug charges. Out of 27 pending requests, not one has been extradited.

Now, it is important to be clear what we mean. In five cases, the Mexican Foreign Minister has signed extradition orders for Mexican nationals wanted in the United States on drug charges. These are: Jaime Gonzalez Castro, Jaime Arturo Ladino, Oscar Malherbe, Tirso Angel Robles, and Juan Angel Salinas.

However, none of these fugitives has been surrendered to the United States. In each case, a delay has taken hold of the case for one reason or another. In some cases, appeals are pending. In others, amparos, or judicial writs, are holding things up. In others, the Mexican national is serving a sentence in a Mexican jail.

There is some good news. This last reason for delay could be overcome if the United States Senate and the Mexican Congress ratify the protocol to the U.S.-Mexico Extradition Treaty signed last November. I do not know why the Administration has delayed submitting this protocol to the Senate. Once ratified, it will allow for temporary extradition to take place, for the purpose of conducting a trial, while a defendant is already serving prison time in his own country.

But for now, all of these delays add up to the same end: no extraditions of Mexican nationals on drug charges. With judicial corruption still a major problem, appeals and other judicial mechanisms are highly suspect.

For whatever reason, either Mexico cannot overcome its reluctance, or simply refuses to extradite Mexican nationals to the United States on drug charges. I will be the first to acknowledge the first such extradition when it actually occurs, and the fugitive is surrendered. But to call the half-steps that have been taken ''full cooperation'' is to lower the bar to an unacceptable level.

Extradition is a key to stopping the drug traffickers, because they only fear conviction and incarceration in the United States. To have any deterrent value, it must be shown that it can actually happen.

A good place to start would be Ramon Arellano-Felix, who is wanted on narcotics charges in the United States, and has been named to the FBI's Ten Most Wanted List. Another good start would be Miguel Caro-Quintero, head of the Sonora cartel, who last year at this time was openly granting an interviews to the Washington Post. He has four indictments pending against him in the United States for smuggling, RICO statute, and conspiracy charges.

CORRUPTION

The State Department's Statement of Explanation describes—again tepidly—Mexico's approach to combating corruption this way: ''The Government of Mexico wrestled with very serious corruption issues in 1997. . .'' Wrestled with them. It is not enough to wrestle with them. Mexico has to show a sustained commitment to rooting out corruption in the government, police, military, and judiciary. This is one tall order that will take decades to accomplish.

Again, it is important to acknowledge the progress that has occurred. Mexico did expose, arrest, and convict their former drug czar, General Gutierrez Rebollo, when it was shown that he was on the take from the Carrillo Fuentes organization. This was a painful move, and President Zedillo is to be commended for taking it forthrightly.

But the problems run so much deeper than a bad apple at the top of the heap. According to the DEA, in addition to the Gutierrez-Rebollo incident, which involve the arrest of 40 other officers, the following cases are indicative of the reach of cartel-funded corruption into the Mexican government:

On March 17, General Alfredo Navarra-Lara was arrested by Mexican authorities for making bribes on behalf of the Arellano-Felix organization. He offered a Tijuana official $1.5 million per month—or $18 million per year.

In September, the entire 18-person staff of a special Mexican military unit

set up to intercept air shipments of drugs was arrested for using one of its own planes to smuggle cocaine from the Guatemalan border to a hideout.

Bribery and corruption is believed to have been behind the withdrawal of Baja state police protection from a Tijuana new editor prior to his attempted assassination on November 27, 1997.

In December 1997, the appointment of Jesus Carrola-Gutierrez as Chief of the Mexico City Judicial Police was cut short when his ties to drug traffickers and human rights violations were made public.

The question of judicial corruption is a growing problem. Judges on the payroll of cartels can with the stroke of a pen undo the painstaking work of even the most honest and committed investigators and prosecutors. Yet it is totally out of control. According the testimony of the GAO at a joint House-Senate hearing last week at which I was present, U.S. law enforcement officials believe there is only one Mexican judge, in the entire country, who can be trusted not to compromise a wiretap investigation. One trustworthy judge. That is a devastating indictment of the level of corruption in Mexico.

Mexico has begun to take steps to deal with this problem. It has begun vetting officers for the most sensitive units, probing their backgrounds for hints of possible corruption. There has been some success in this process, but it is painfully slow going. And even some vetted agents have turned out to be corrupt.

But to make the argument that the very beginning of the implementation of a broad-based vetting program warrants the badge of ''full cooperation'' is to set the bar dangerously low. It sends a message to the Mexican government that partial measures are good enough, and it need not worry about carrying the program to its fullest implementation.

Perhaps the best possible measure of Mexico's commitment to combating corruption is how it deals with officials who have been found to be corrupt. Are they dismissed from their jobs? Are they then kept from other official work? Are they prosecuted?

Well, the story is not a good one. In an interview in December 1997, the Mexican Attorney General revealed that of 870 federal police officials dismissed for corruption, 700 of these were rehired because of problems in the Mexican legal system, which requires that the individuals remain at work during an appeal. In a police or military organization, this is a serious problem.

It gets worse. Not only were the vast majority of these corrupt officers reinstated, but not a single one of them was successfully prosecuted. Again, there is no way to read this statistic other than as a lack of seriousness in the fight against corruption. Can we really deem Mexico fully cooperative when it fails to make any serious effort to punish corrupt police officers?

Prosecuting corrupt officials is important because without fear of prosecution, there is little deterrence. Unfortunately, in 1997, there were only three police or military related corruption cases being prosecuted, including General Gutierrez Rebollo. Many more cases need to be brought to trial to have any deterrent effect.

MONEY-LAUNDERING

Money-laundering is another area in which, by lowering the bar significantly, the Administration has made it Mexico's certification a virtual foregone conclusion. Last year, the simple fact of the Mexican Congress having passed laws that made money-laundering a crime for the first time was enough to satisfy the Administration. It did not matter that the laws were being neither implemented nor enforced.

So this year, the State Department's Statement of Explanation highlights the publication of regulations needed to implement the new laws. It does not mention that there was a significant delay in the publication of these regulations.

But let us accept that the publication of these regulations is an important step that needed to be taken to advance Mexico's anti-money-laundering effort. The question then is, how well are these laws and regulations being implemented? And the answer is, we simply don't know yet.

While some investigations are underway, there has not yet been one successful prosecution on a charge of money-laundering under the new statutes. Perhaps it is too soon to expect such prosecutions to take place. But in that case, pronouncing the laws a success is wholly premature.

This is especially true when we know that there are questions about these regulations. For example, despite U.S. urging to make violations of the new banking regulations criminal offenses, Mexico has decided to make these offenses non-criminal violations, which severely undercuts their deterrent effect.

In addition, the fine to be imposed on banks who fail to report suspicious transactions—10 percent of the value of the transaction—may not be enough to pose a disincentive to cheat. Ten percent of the value of a transaction, and no criminal penalties, may be a pittance compared with the lucrative bribes often offered by the cartels.

My point is simply this: It is too early to look at Mexico's anti-money-laundering effort and declare it a success. There is no problem with acknowledging progress. But to declare full cooperation to have been achieved before there has been even one prosecution under the law, simply lowers the bar to an absurd level.

COOPERATION WITH U.S. LAW ENFORCEMENT

As I said before, law enforcement cooperation is where the rubber hits the road in counternarcotics, not in agreements reached at the political level. And this is a source of major concern to me because, unfortunately, law enforcement cooperation from Mexico has been severely lacking.

The State Department's Statement of Explanation is largely silent on the subject of law enforcement cooperation. Well it should be. To describe the extensive cooperation between the two sides, the State Department cites meetings of the High-Level Contact Group, and the Senior Law Enforcement Plenary, and their various technical working groups.

But the truth is that all the high-level meetings in the world do not amount to a hill of beans unless there is cooperation and coordination on the ground between the law enforcement agencies of the two sides. Once again, the State Department's assertion that these meetings are a sign of real progress misses the point. Whether or not our leaders can work together is less important than whether our police and intelligence operatives can work together.

And with few exceptions at the moment, they cannot. Again, I would like to acknowledge progress. In contrast to last year, when DEA testified that there was not a single Mexican law enforcement agency with whom it had a completely trusting relationship, it is encouraging to learn that there are now some Mexican officials with whom DEA believes they can build a trusting relationship.

A key aspect of this institution-building process is vetting, leading to the development and professionalization of the new drug enforcement units in the Organized Crime Unit, and the Special Prosecutor's Office for Crimes Against Health.

This vetting process, if fully implemented, could go a long way toward providing U.S. law enforcement officials with the level of trust in their counterparts necessary for an effective bilateral effort.

But it is still in its infancy, and even some officials who have been vetted have subsequently been arrested in connection with traffickers. So while this effort is critically important, it is not evidence of full cooperation by a long shot.

The small number of officers in the two units with which DEA now has a tentative, case-by-case trusting relationship, is a beginning, but only that.

Take the much-vaunted Bilateral Border Task Forces, for example. These joint U.S.-Mexican units have been widely touted for some two years as ''the primary program for cooperative law enforcement efforts.''

Based in Tijuana, Cuidad Juarez, and Monterrey, each Task Force was supposed to include Mexican agents and two agents each from the DEA, FBI, and the U.S. Customs Service. The Binational Drug Strategy listed these task forces as one of the key measures of cooperation between our two nations.

Today, as this chart indicates and as the Washington Post reported on

March 9, 1998, this program is a shambles. The Task Forces exist only on paper. Why did this happen?

Unfortunately, as DEA Administrator Constantine explained to the Foreign Relations Committee, these Task Forces never really got started. Several of the Mexican agents who were assigned to these units, including commandantes, were suspected of, and even arrested for, corruption and ties to criminal organizations.

Ignacio Weber Rodriguez, commander of the Tijuana task force, was arrested for his alleged involvement in the kidnaping of Alejandro Hodoyan Palacios, a DEA informant.

In May, the Mexican commander and four members of one of the Task Forces were arrested for their alleged involvement in the theft of a half-ton of cocaine from the Mexican Attorney General's office in San Luis Rio Colorado.

Horacio Brunt Acosta, a Mexican federal police officer in charge of intelligence operations for the Task Forces, was fired last year for allegedly taking bribes from drug traffickers.

Is it any wonder that, despite the creation of two small vetted units, the level of trust between DEA agents and their Mexican counterparts is very low?

After the arrest of General Gutierrez Rebollo, the old Task Forces were dismantled, and have since been rebuilt. But for months, the Mexican government did not provide the promised funding, leaving DEA to carry the full cost, which they did until last September.

Additionally, the issue of personal security for U.S. agents working with the Bilateral Task Forces in Mexico has not been resolved, and, as a result, the task forces are not operational and will not be until the security issue is resolved.

The bottom line is that the task forces cannot function properly without DEA and other federal law enforcement agents working side-by-side with their Mexican counterparts, as is the case with similar units in Colombia and Peru.

This critical joint working relationship is made impossible by Mexican policies that do not allow for adequate immunities or physical security for U.S. agents while working in Mexico. This is an inescapable sign of lack of cooperation.

A related problem for the Task Forces is the low quality of intelligence provided by Mexico. Mr. Constantine testified before the Foreign Relations Committee that he is not aware of a single occasion in the past year when meaningful intelligence leads from Mexican agents to their American counterparts led to a significant seizure of drugs coming across the border. Not one. Intelligence flows in only one direction—south.

U.S. law enforcement officials indicate that Mexico's drug intelligence facilities located near the Task Forces are manned by non-vetted, non-law enforcement civilians and military staff. These units have produced only leads from telephone intercepts on low-level traffickers. To date, none of the electronic intercepts conducted by the Task Forces have produced a prosecutable drug case in Mexican courts against any major Mexican criminal organization.

So when we look at the utter collapse of the primary joint law enforcement effort between our two countries, we see that it fell victim to a lack of trust, lack of concern for the security of U.S. agents, corruption on the Mexican side, and Mexico's insufficient commitment to the necessary funding.

Looking at all this evidence, I am baffled, to say the least, that anyone could describe our law enforcement cooperation with Mexico as ''full cooperation.''

I ask unanimous consent that the Washington Post article of March 9, 1998 be entered into the record following my remarks.

WHAT HAPPENS IF WE PASS THIS RESOLUTION?

I know that many of my colleagues are concerned about the prospect of imposing sanctions on Mexico if we pass this resolution of disapproval. Well, let me address this issue head on.

Senator COVERDELL and I, and our cosponsors, have no desire to punish Mexico or impose sanctions on Mexico. Indeed, the resolution we would prefer to be debating makes that explicit. S.J. Res. 43 contains a Presidential waiver authority, which allows the President to waive any sanctions that would result from Congress' reversal of his decision.

But some of our colleagues objected to that resolution coming up. They did so because they knew it would stand a good chance of passage. So they have forced us to turn to the only resolution that is guaranteed a straight up or down vote—S.J. Res. 42, a resolution of disapproval no waiver.

I would hope that Senators would vote their concern about drugs in this country. In reality, there is little chance, I believe, that Mexico will actually be decertified.

I believe that a statement from the Congress that we are not satisfied with the level of cooperation we receive, will—after the shouting and posturing—produce a renewed effort to prove that full cooperation is being achieved. I believe that the limited progress that was made this year is due in large part to the outcry in Congress over last year's decision, and the pressure that was kept on by Congress throughout the year.

Some of my colleagues do not like the certification law. They think it antagonizes allies, and that may be true. But I think the law, while perhaps imperfect, serves an important purpose, and I am gratified to be able to add these views to the record.

The New York Times editorial of February 28, 1998 criticized the certification process, but said that ''as long as certification remains on the books, the Administration has a duty to report truthfully to Congress and the American people. It has failed to do so in the case of Mexico.''

Clearly, the best option for Mexico, both last year and this, would have been to decertify but waive the sanctions on national interest grounds, as we did with Colombia this year. That is the appropriate category for an ally with whom we need to work, and who is making progress, but who has not met the standard of ''full cooperation.''

In the meantime, we should make very clear what we expect in the way of improved cooperation:

Improved enforcement and increased seizures and arrests across the board;

A strong and sustained effort to dismantle the cartels, including the arrest of their top leaders;

The actual extradition and surrender of Mexican nationals wanted on drug charges, without undue delays;

A sustained program to root out corruption, including more widespread vetting and prosecutions of corrupt officials;

Full implementation and enforcement of money-laundering statutes, with vigorous prosecution of violators; and

Cooperation at the law enforcement level that inspires trust and confidence in our agents, and includes intelligence sharing and adequate security measures.

If Mexico achieves each of these goals, or even makes significant and consistent strides toward them, the supply of drugs will undoubtedly be diminished. And I, for one, would be an enthusiastic supporter of Mexico's full certification.

While this is not the resolution I had hoped we would vote on, it is the Senate's only opportunity to render its verdict on the decision to certify Mexico. I urge my colleagues to support the resolution, and stand for genuine full cooperation.

I yield the floor at this time. I know others wish to speak.

Mr. BIDEN. Parliamentary inquiry. As I understand, I just learned that the allocation of time was based on Democrat-Republican, as opposed to supporting and opposing the amendment. Although I have a great affection and loyalty to my friend from California, I have a diametrically opposed position.

I ask unanimous consent the time she consumed be charged not to those in opposition to the amendment but those who support the amendment, meaning Senator COVERDELL. I am managing the time of those who are opposed to the amendment of Senators COVERDELL and FEINSTEIN.

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. BIDEN. And I ask for that unanimous consent.

The PRESIDING OFFICER. Is there objection?

Ms. MOSELEY-BRAUN. I will not object. I raise a point in that regard.

I am very strongly in support of the resolution to disapprove, and I am prepared to speak to that. I was not aware

there was a time agreement based on which side of the aisle you were on. I would very much like an opportunity to speak to this issue. I spoke earlier with Senator FEINSTEIN, and I thought there would be that opportunity.

At this point as you make your unanimous consent request, I would like to see if it is possible to reserve 15 minutes to speak to this issue.

Mr. BIDEN. Mr. President, I don't know if there is. I can almost assure the Senator that my friend from Georgia probably does not have 15 minutes.

Mr. COVERDELL. I have 15 minutes.

The PRESIDING OFFICER. If the unanimous consent request of the Senator from Delaware is accepted, the Senator from Georgia will then control 16 minutes and the Senator from Delaware will control 32 minutes.

Mr. COVERDELL. In good conscience, the time had to be divided by side. So I accept it, and I will get with the remaining Senators on our side, and we will try to accommodate them as best we can.

I might also suggest that the vote is occurring at 7:25 in order to accommodate Senators. There is nothing that would prohibit Senators from continuing to speak on this following the vote. In fact, it is anticipated. I think some of the longer remarks, if you are prepared to speak for 15 minutes, could be made after the vote.

The PRESIDING OFFICER. Is there objection?

Ms. MOSELEY-BRAUN. In that case, Mr. President, again, I will not object at this point, if I reserve the longer part of my remarks for following the vote, after the vote, or submitted in the RECORD, I would like an opportunity to be heard even briefly before the vote is taken. In that regard, I ask unanimous consent to have 5 minutes.

The PRESIDING OFFICER. The time in favor is under the control of the Senator from Georgia.

Mr. COVERDELL. That is fine.

The PRESIDING OFFICER. Without objection, the Senator from Illinois will receive 5 minutes of the time of the Senator from Georgia.

Is there objection to the request of the Senator from Delaware?

Mr. TORRICELLI. Reserving the right to object, if I could inquire as to the knowledge of the Senator from Georgia about how many speakers he has, so we have some idea how this might be allocated.

Mr. COVERDELL. I have, counting the Senator from Illinois, seven. They will have to be very brief.

Mr. TORRICELLI. Indeed.

I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Without objection, it is so ordered.

Mr. BIDEN. Further parliamentary inquiry. Has anyone spoken in opposition to the amendment yet, other than the Senator from Delaware who, I believe, spoke about 2 minutes?

The PRESIDING OFFICER. No.

Mr. BIDEN. I am confused then as to why I only have 32 minutes left. I thought there were 45 minutes on a side at the outset.

The PRESIDING OFFICER. The Chair will confer with the timekeeper.

Mr. BIDEN. In the meantime, I yield to my friend from Connecticut 15 minutes.

Mr. DODD. I will try to abbreviate my remarks in light of the fact this is going to be a truncated debate.

Let me begin very briefly by saying we are back at this again year after year after year after year dealing with a fundamentally flawed procedure. It is so flawed in my view that Senator MCCAIN and I tried last year to get rid of the current certification process and to try to encourage the administration to come up with some alternative mechanism by which we, as a body, in Congress could express our deep and legitimate concerns about the growing problem of drugs coming into our country, and their increased use throughout this country, without damaging the ability of the United States to obtain cooperation for other governments in combatting which is a transnational problem.

I fundamentally believe that while the certification process might have had some utility when it was first enacted in 1986, it has long ceased to be helpful in encouraging other governments to work with us in combatting the production, transit and consumption of illegal drugs. For those of us who were in the Senate at that time, we remember well why we crafted the existing statute. It was intended to get the attention of the executive branch on this issue, because at that time they were doing very little to work with other governments to put together credible bilateral counternarcotics programs.

The administration got the message, as have subsequent ones. Nevertheless, we continue to go through this process still. We find ourselves year in and year out coming back to this process again. Here we are again in a debate about whether or not we will cut off Mexico from getting IMF, World Bank, or Inter-America Development Bank assistance, which if we did would creating untold complications for us and for Mexico. Let's remember that Mexico is a close neighbor, one with which we share a 2000 mile border and a complex web of very important and complicated day to day relationships. Only one of these is the drug issue. It is a very serious issue, but only one of very many.

I see my colleague from New Mexico on the floor, and my colleague from Texas, both of whom are more well aware that most of us as to exactly what the nature of our overall relations with Mexico.

I hope, Mr. President—maybe in vain once again—to make a plea to our colleagues, as I did earlier today to representatives of the executive branch, to take some time this year, sit down with responsible people who care about this issue, and see if we cannot construct some better framework by which we can express our concerns about this issue. I want to ensure that we get the maximum cooperation with every major producer and transit country in this hemisphere and elsewhere around the world. But the current system of certification isn't doing that.

My colleague from Georgia has heard me say many times that I believe he has proposed the framework of a very good idea with his suggestion that we form an alliance with other countries in order to tackle this problem. I think I am becoming a stronger supporter of the COVERDELL idea than Senator COVERDELL is himself at this point.

I think we need to have a little more balanced perspective about what the U.S. part of the problem. United States consumers spend $55 billion annually on illegal drugs. Mr. President, $55 billion in drug revenues comes from American pockets. American monies are helping to bankroll the very Mexican corruption that my good friend and colleague from California is talking about. This isn't being funded by Mexican dollars; it is funded by U.S. dollars. We are 5 percent of the world's population, yet we consume over 50 percent of the illegal drugs in the world in this country.

So when we debate this issue in the context of the annual certification process, we need to focus on ourselves as well as on the activities of producing and transit countries and money laundering countries. Yet somehow our culpability seems to get lost in the debate. It is time for us to take a good look in the mirror. If we as a nation didn't consume these illegal substances in such great quantities and at such enormous human and monetary cost, then it would not be as profitable a business as it has become. That is not to excuse our neighbors who also must bear responsibility for failing to maintain credible law enforcement institutions to cope with the supply side of the equation.

We need to try to keep this in perspective. As angry as we get about what happens in nations and countries in Asia and Latin America, and especially with respect to our neighbors to the south, it would be healthy if we also would take some time to recognize that children in Chicago, or Hartford, or Atlanta, or Los Angeles are not consuming this illegal drugs solely because somebody in Mexico wants them to. It is also because we are not during enough here at home, to address some of the underlying reasons why these children are driven to use drugs.

The idea that if we scream loud enough at these other countries, we are going to somehow solve the problem here at home without doing anything else ourselves, I don't believe is a foolhardy notion. We need to figure out a way in which to get far better cooperation with other nations in addressing the supply side of the equation while at the same time working here at home on demand.

There are a lot of statistics, Mr. President, which the administration and others have put together here. General McCaffrey is not a lightweight or a weakling when it comes to being tough with other nations in insisting upon genuine cooperation. His appointment as the drug czar was overwhelmingly supported by those in this body. He has done an incredible job as the director of the office for national drug control policy. He believes that the Mexican government has been cooperating and he works at this everyday. If he thinks that Mexico should have been certified, and he did, than I have to agree with him.

The decision that was made on certification was made in consultation with the Attorney General, the Secretaries of State and Defense, and the Director of the Office of National Drug Policy, General McCaffrey. All concurred—knowledgeable people who care deeply about this issue—and believe that to decertify Mexico would be a major, major mistake and cause us major, major problems.

I believe that the President's decision was based on a realistic assessment of what Mexican authorities were capable of accomplishing last year and what, in fact, they did accomplish. Perfection? No. But there was real progress. They need to continue to move in the same direction this year.

That assessment, I might point out, appropriately took into account the institutional constraints that faced Mexico—a great deal of poverty, budgetary constraints, a weak judiciary, and corruption, things that my colleague from California has identified. Mexico is a country that is struggling economically.

I will outline quickly some of the major issues that were measured.

Trustworthiness of law enforcement counterparts. We are all well aware that corruption is a serious problem in Mexico, generally within the law enforcement and the military. The Mexican government has confronted that problem head on.

The Mexican authorities discovered in 1997 that the head of their anti-drug agency, General Jose Gutierrez Rebollo, was implicated in major narcotics-related corruption with Amado Carrillo Fuentes, one of Mexico's most significant drug traffickers. They moved quickly to arrest and prosecute him.

They did so even though, at the time, this was a major embarrassment to the Zedillo government.

Recognizing that the drug mafia had extensively penetrated its National Counternarcotics Institute—its primary drug enforcement agency, which General Rebollo headed, the Zedillo government totally dismantled that agency because they felt he wasn't the only problem, there were others. That was done over the last year and a half. That is an indication of progress.

U.S. law enforcement agencies have helped Mexico to rebuild its drug enforcement apparatus. Progress against corruption is the most visible evidence that Mexico is serious about routing out corruption, as was the handling of the Rebollo matter. He was expeditiously tried, convicted and sentenced.

Let me comment briefly on the story that ran in today's New York Times concerning certain allegations made by General Rebollo against other members of the Mexican military. First, I tell you, Mr. President, that there is nothing new in the story. General Rebollo made these same allegations during his trial in an effort to get off the hook. To say things self-serving is an understatement.

I have to doubt that the timing of the selective leak of portions of a classified report is not coincidental. It was obviously intended to influence today's vote.

The administration has stated for the record that available intelligence information does not support the Rebollo accusations. And I believe we should accept that assessment.

With respect to the judiciary, Mr. President, the Zedillo government has instituted new procedures for the selection of judges. No longer can the Mexican supreme court arbitrarily appoint judges; judicial appointments are now made based upon examinations. Under new review procedures, three sitting judges have been removed from the bench to date.

Leaving aside the Rebollo issue, there is other concrete evidence of the Zedillo government's commitment to addressing government corruption and cronyism.

With respect to the judiciary, the Zedillo government has instituted new procedures for the selection of judges. No longer can the Mexican Supreme Court arbitrarily appoint judges, rather judicial appointments are now made based upon examinations. Under new review procedures, three sitting judges have been removed from the bench to date.

Finally, some 777 Mexican Federal Police have been dismissed from their jobs because of drug-related or corruption charges.

However, Mexico is not China where government officials rule by fiat. Rather, just as in the United States, Mexican law makes available grievance and other appeals procedures to dismissed government personnel. Because of these appeals, the government has been forced to reinstate some 268 of these individuals.

And, despite what some of my colleagues would have you believe, not one of these individuals has been assigned to counter narcotics or other sensitive law enforcement duties. They've been given what we call here in the U.S. ''desk jobs,'' pending further action by Mexican authorities to seek to permanently dismiss them.

All of this represents progress on the corruption front.

EXTRADITION

With respect to extradition, for the very first time the Mexican government has approved the extradition to the United States of five Mexican nationals—wanted in the U.S. on drug-related charges. As in the United States, these cases are subject to habeas review and are currently on appeal in Mexican courts.

I would also remind my colleagues that Mexican authorities have sought to cooperate in other ways with the United States in this very sensitive area. They have availed themselves of various procedures at their disposal and have used other means of turning over fugitives to us, including deportation or expulsion, when that has been legally permissible under Mexican law.

In fact, it was through the expulsion process that the United States obtained custody of a major drug figure, Juan Garcia Abrego—a leader in the Gulf Cartel and someone who had the dubious distinction of being on the FBI's Ten Most Wanted List.

That is cooperation.

DRUG SEIZURES

There have been some real successes on the drug seizure front. Cocaine seizures were up by 48 percent over 1996—to 34.4 metric tons. This is the fourth year of improved cocaine seizure statistics.

Seizures of opium gums, a principle ingredient in heroin, were up as well, by 76 percent to 342 kilos. Again showing improvements over past years' performance.

Seizures of marijuana reached 1,038 metric tons last year, again a four year high and nearly double the quantities seized in 1994.

And let me point to another very interesting statistic. Based upon recent statistics of U.S. cocaine seizures on the Southwest border in comparison to Mexican cocaine seizures, for the first time, Mexican officials out performed U.S. border officials in the seizure of cocaine shipments.

ERADICATION

Opium eradication was also up last year to 17,416 hectares—a four year high. The eradication of marijuana crops was also on the rise. Some 23,385 hectares of marijuana fields were destroyed in 1997.

DISRUPTION OF TRAFFICKERS

We all recognize that the best way to disrupt drug organizations is to apprehend their mid-level and top leaders. There is clearly progress to report on that score as well.

Perhaps the most remarkable event last year was the death of drug kingpin Amado Carrillo Fuentes, the infamous head of the Juarez cartel, as he underwent surgery to alter his appearance in order to evade Mexican law enforcement authorities. Had he not felt that these authorities posed a credible threat, he would never have undergone this procedure. His death was a severe blow to the Juarez cartel organization.

I ask unanimous consent that a chart be printed in the RECORD.

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

MAJOR DRUG TRAFFICKERS ARRESTED—STATUS OF CASE

Name	Cartel	Role	US Status	MX status
Oscar Malherbe de Leon	Gulf/Juarez	Ops manager	US warrant	Extrad. Approved
Adan Amezcua Contreras	Amezcua/Colima	Lieutenant	US warrant	
Jaime Arturo Ladino Avila	Colima	Financier	US warrant	Extrad. Approved
Manuel Bitar Tafich	Juarez	Money Laund		
Jaime Gonzales-Castro	Juarez	Middle Mng	US warrant	Extrad. Approved
Noe Brito Guadarrama	Juarez	Security		
Arturo E. Paez-Martinex	Tijuana	Key LT	Extrad Req'd	Decision Pending
Rodrigo Villegas Bon	Tijuana	Assassin		
Tirso Angel Robles	Sonora		US warrant	Extrad. Approved
Rafael Caro Quintero	Sonora		US warrant	Pending
Hector Palma Salazar	Gulf		19 yrs, 6 mos..	
Joaquin Guzman Loera	Guzman-Loera		21 yrs..	
Arturo Martinez Herrera	Gulf		40 yrs..	
Miguel Angel Felix Gallardo	Tijuana		12 yrs..	
Raul Valladares del Angel	Gulf		29 yrs..	
Jose Luis Sosa Mayorga	Gulf		19 yrs..	
Gaston Ayala Beltran	Gulf		9 yrs.	
Humberto Garcia Abrego	Gulf	Arrested 1995. Released 0000.		

Mr. DODD. As you can see from the chart printed above, a number of major well known second-tier cartel figures, including Oscar Malherbe of the Gulf/Juarez Cartel, Adan Amerzcua of the Amezcua/Colina Cartel, and Manuel Bitar Tafich of the infamous Juarez cartel have also been arrested by Mexican authorities and their extraditions have been approved.

In addition, if you look further down on the same chart, seven major traffickers, including Felix Gallardo of the Tijuana Cartel, are behind bars and serving sentences anywhere from nine to forty years. Moreover, thanks to joint operations between United States and Mexican authorities, there have been extensive indictments of key players in the Tijuana cartel.

These events all represent significant advances in disrupting the major drug cartels.

ISSUE 7—MONEY LAUNDERING

In 1996, the Mexican Congress enacted new statutes criminalizing money laundering—heretofore, as in the case of many other countries, it was not a crime. The complicated regulations implementing that law were issued just last year.

Currently, Mexican authorities have more than seventy cases under investigation based upon these money laundering statutes—sixteen of them, jointly with U.S. Treasury officials.

Clearly that represents progress in the area of money laundering.

ISSUE 8—CHEMICAL CONTROLS

Last December, the Mexican Congress passed comprehensive legislation designed to regulate precursor and essential chemicals as well as equipment for making capsules and tablets. This law is very broad in scope, and once fully implemented should be very effective in monitoring and regulating important ingredients in the illegal drug trade.

ISSUES 9 AND 10—OVERFLIGHT AND MARITIME COOPERATION AND ASSET FORFEITURE

Overflight and maritime cooperation has steadily improved. Similarly the Mexican Congress is in the process of considering legislation to permit Mexican authorities to utilize asset seizures and forfeitures as tools in their prosecutions of drug criminals.

Mr. President, this has been a somewhat lengthy and detailed accounting of what has happened with respect to U.S.-Mexican counter narcotics cooperation during the past year. I believe that it paints a clearer and more accurate picture of what has transpired with respect to Mexican counter-narcotics cooperation. I believe that it demonstrates a clear pattern of genuine cooperation between our two governments. I would hope that my colleagues will ultimately come to the same judgement.

IMPLICATIONS OF PASSING RESOLUTION

Mr. President, as our colleagues digest the statistics and details of what has transpired over the past year, I would hope they would keep in mind the ''big picture'' as well.

What do I mean by that? I mean that first and foremost we should remind ourselves why the Congress enacted the drug certification law in the first place—namely to ensure that the United States would seek meaningful cooperation from other governments in the counter narcotics area.

And why did we seek to promote international counter narcotics cooperation?

We sought to do so, as Mr. Thomas Constantine, DEA Administrator testified in February of this year because, ''It is difficult—sometimes nearly impossible—for U.S. law enforcement to locate and arrest these (drug cartel) leaders without the assistance of law enforcement in other countries.'' Clearly Mr. Constantine must have had Mexican law enforcement in mind when he made that statement.

There are some very fundamental questions that I believe we should ask ourselves as we decide how to vote on the pending resolution. Will cutting offer economic assistance to that country improve counter narcotics cooperation? Will voting against loans to Mexico in the IMF, the World Bank, or the InterAmerican Development Bank encourage cooperation?

Will suspending export trade credits from the U.S. Export Import Bank or the Commodity Credit Corporation encourage cooperation? Most importantly, will voting to overturn the President's decision with respect to Mexico improve cooperation between Mexico and the United States?

I think the answer to each one of these questions is fairly obvious—No!

Each one of the sanctions that I have just enumerated will go into effect if the Senate passes the pending resolution and it is enacted into law.

Ironically, the sponsors of this resolution have stated that they don't want the Administration to implement any of the sanctions I have just mentioned. If that is the case, then I am at a loss as to why we are debating this resolution today. Moreover, Mr. President, it is all the more reason why our colleagues should vote against this resolution when we vote on it later today. In conclusion, Mr. President, I believe that the President made the right decision with respect to Mexico. I hope my colleagues have come to share that view as well.

Mr. BIDEN. Parliamentary inquiry, Mr. President. How much time remains in the control of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Delaware has 20 minutes left.

Mr. BIDEN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Georgia has 5 minutes 35 seconds.

Mr. BIDEN. Mr. President, I will do it any way the Senator from Georgia wishes. We usually go back and forth. Since he has so little time, would he like me to use up some more time?

Mr. COVERDELL. Let me yield 3 minutes to the Senator from Arkansas.

Mr. KERRY. Parliamentary inquiry, Mr. President. Is the remaining time divided between proponents and opponents, or Democrats and Republicans?

Mr. BIDEN. Proponents and opponents.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. Mr. President, I have a 20 minute speech I am going to condense to 2 minutes. I had no idea we had so little time. It is unfair to the others—

The PRESIDING OFFICER. The Chair states that debate is expected to continue after the vote, and statements can be made after the vote. He could be recognized for that purpose.

Mr. HUTCHINSON. Mr. President, I was interested in things that my good friend, the Senator from Connecticut, said. He said that the standard we were setting for Mexico was a standard of perfection. He said that twice, as if we

had held up some impossible standard for Mexico to meet. Well, if you look at the text of the Presidential determination certifying Mexico, signed by President Clinton, it is not a standard of perfection that we ask of Mexico. It is this:

I hereby determine and certify that Mexico has cooperated fully with the United States, or has taken adequate steps on their own to achieve full compliance with the goals and objectives of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs. . ..

That is the standard—''cooperated fully and taken adequate steps.'' I suggest to my colleagues that we have a moral and a legal obligation to measure this vote by that standard. It is not some standard of perfection. It is a standard of whether they have fully cooperated and whether they have taken adequate steps. I further suggest that if you look plainly and clearly at the compelling evidence, by every standard and measure Mexico has failed to fully cooperate and they have failed to take adequate steps.

The government of Mexico has yet to extradite or surrender a single Mexican national to the United States on drug charges, despite the fact that there are 27 outstanding requests. In fact, no Mexican national has been surrendered.

The Bilateral Border Task Force, which was described by the administration last September as the ''cornerstone of U.S.-Mexico cooperative enforcement efforts'' has yet to become fully operational, and has been completely ineffective. This failure is due to a lack of funding by the government of Mexico, corruption, and the failure of the Mexican Government to allow DEA agents to carry weapons. Is this what we consider ''cooperating fully and taking adequate steps?''

According to the Deputy Attorney General testifying before Congress, ''None of the senior members of the Arellano Felix Organization (AFO) has been arrested.'' In short, the AFO, part of the Tijuana Cartel—the second most powerful drug cartel in Mexico, continues to operate unimpeded. Is this what we consider ''taking adequate steps?''

Mr. President, the answer is obvious—the Government of Mexico has not cooperated fully in this most important war for the lives of our citizens, and has not taken adequate steps to engage in this war on their own.

In fact, seizures of methamphetamines in Mexico in 1997 was less than one-fourth the levels attained in 1996 and seizures of heroin have been cut in half. In all, Mexico's record of drug seizures this past year are far short of adequate and are best characterized as a dismal failure.

Coupled with these poor seizure rates, the number of drug related arrests were down in 1997—and were almost a third of the arrests made in 1992. Again, not adequate, but wholly inadequate—not progress but retrogression.

The failure of the Government of Mexico to move against the major drug producing and transporting Mexican Cartels, their failure to make significant drug seizures and arrests, and their failure to cooperate fully with U.S. counter-narcotic efforts has led to a dramatic increase in the supply of drugs entering the United States.

The results of these failures are both known and predictable. As the supply of drugs goes up, their prices go down. Street prices for cocaine, heroin and methamphetamines are at their lowest levels in years—making these deadly drugs more affordable for our children and more available for the troubled addicts lining our country's shattered neighborhoods. This cheap price may be why heroin use is increasing so rapidly—with those under the age of 25 being the largest new heroin user population. Likewise, according to the administration, cocaine use is again on the climb. With the new users falling in the age of 12 to 17.

Mr. President, there are real faces of real children behind these stark numbers. They live in urban and rural in Arkansas, and across the country. This was is one that we cannot afford to loose. Drugs are the hidden impetus to much of this country's crime, poverty and violence. Every day more children start down the drug path to ruin. If we lose this war, it will be lost on the backs of our children and our families.

Today's debate is too important to call a totally inadequate effort—adequate! We must not lower our standards in this test of international will to win the war on drugs. Based on the facts, I would urge a vote for the resolution to decertify Mexico.

If words have meaning at all, and they do, Mexico has failed—they have not taken ''adequate steps'' and they have not ''cooperated fully.'' If the annual certification of Mexico is anything more than an empty political exercise, one must vote to decertify in view of the clear and convincing evidence. We must not be like the ostrich—head in the sand—pretending everything is O.K.

Mr. President, honesty demands a yes vote on this resolution to decertify.

So, Mr. President, I could go on and on. Senator FEINSTEIN did it very well. By every measure, Mexico has failed. It is not a standard of perfection. Have they cooperated? Have they taken steps? They have not. We do not have not some fantasy obligation; we have a moral and legal obligation. If words mean anything, we must judge Mexico simply by whether they have cooperated and whether they have taken adequate steps. And they have not.

My friends, if this is anything more than a political exercise that we go through every year, anything more than a political joke, we have a moral and legal obligation to vote yes on this issue of decertification.

I thank the Senator from Georgia for the time.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. Mr. President, I yield 3 minutes to my distinguished friend from New Mexico, who should have 20 minutes, but there is not much time left.

Mr. DOMENICI. Mr. President, I don't need more than 3 minutes. Mr. President, my State borders Mexico. A year and a month ago, I was on the floor of the Senate complaining about a failure on the part of Mexico to do its job in terms of restricting drugs coming across the border. We all got into a tremendous argument with the republic of Mexico. And, as a matter of fact, it did no good whatsoever.

So to those who have taken the time of the U.S. Senate, in very brilliant ways, with wonderful charts, and told us how badly Mexico has failed to pass the test, I just ask this: If we vote to decertify them, are they going to get better? Is there a correlation between saying they should not be certified and getting some real cooperation out of Mexico? I ask any Senator who says, ''let's go ahead and decertify and say to Mexico, you are not cooperating,'' to stand up and tell the Senate that if we did that, things would really get better.

As a matter of fact, Mr. President, there is a good chance, because this process is so outrageously stupid, that if we decertify Mexico, things will get worse. All of these things people are worried about—and I see them in my State and I am worried about them, too—are just going to get worse rather than better. If you pound the Mexican economy and penalize Mexico because they haven't been cooperating, do things like take away IMF, the World Bank, and other assistance, all in the name of making Mexico cooperate, do you know what will happen? Every headline across their country will clearly state: ''Los Americanos no quieren los Mexicanos,'' ''They don't like Mexicans.'' That is what it will say in big headlines this thick. That is not going to result in cooperation.

What we need to do is repeal the certification statute. It is useless. And we need to replace it with something that will measure cooperation by law enforcement people.

Let me ask you one more time. If things are not going well between Mexico and America regarding drugs, you stand up and tell the U.S. Senate that you will vote with us to de-certify and things will get better. You stand up and say that—any Senator. Just give us a minute or two so we can get up and tell you they will get worse, and that is because this certification law is some kind of an anomaly that doesn't really fit the relationship between Mexico and America today.

Let me close. For the Mexicans who are listening, don't think the Senator from New Mexico is excusing your lack of performance. I was the first one to jump on Mexico for not extraditing Mexican drug lords back here to be tried.

But let me tell you, they have to do better. I don't believe they will do one bit better if we decertify. I don't believe the President ought to sign the

decertification, and we ought to get on with doing something constructive, instead of destructive which will cause no good to America or Mexico.

Thank you for the time.

Mr. COVERDELL. Mr. President, I yield 3 minutes to the Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the chairman.

Mr. President, I rise today to strongly urge my colleagues to support this resolution to disapprove the certification of Mexico under the Foreign Assistance Act for Fiscal Year 1998.

On February 26th, the President certified that Mexico had ''fully cooperated'' with the United States in its drugfighting activities.

Even a cursory examination of Mexico's recent anti-drug record demonstrates that it has clearly not earned that certification.

Because it has become so plentiful in our country, in many areas it is easier to purchase cocaine than cigarettes. Drugs are destroying our children's futures and eating away at the fabric of our society.

Yesterday it was announced that a new anti-drug strike force created by the city of Chicago and Cook County seized 700 pounds of cocaine worth $40 million in a single home in a Chicago suburb.

Cook County States Attorney Dick Devine said that the cache of drugs seized was enough to ''provide a hit for every man, woman, and child in Chicago.''

I applaud the strike force for hitting the jackpot in this seizure. They have given law enforcement and our community some hope that we have not become complacent in our efforts to get this poison off of our streets.

It is plentiful. It is poison.

The raid was the fourth, and the largest, that the new strike force has conducted since it was created last January.

To date, it has seized nearly 1,200 pounds of cocaine valued at $66.6 million, along with $4.4 million in cash, jewelry and cars.

But consider what that strike force is up against. It is astonishing that 700 pounds of cocaine was seized in a single home. Imagine the amount of illegal drugs that are out on the street if the police could seize that much in one residence.

Local police forces cannot be expected to stand as the primary bulwark against a major international scourge—those drugs should never have been able to make their way into the United States.

A significant degree of the blame for the fact that huge quantities of drugs continue to enter our country can be directed at the impotence of Mexican government's antidrug efforts.

Mexico is the primary transit country for cocaine entering the United States from South America, as well as a major source of heroin, marijuana, and methamphetamines.

The truth is, the Mexican government's efforts to stop the flow of drugs into our country have been insufficient. Consider the fact that last year, heroin seizures in Mexico fell by 68 percent compared with 1996 (from 363 kilos to 115 kilos), and that last year, methamphetamine seizures in Mexico fell by 77 percent compared with 1996 and 92 percent compared with 1995 (from 496 kilos to only 39).

There is more to this story than just the declining amount of drugs seized by Mexican authorities. Consider the Mexican government's disgraceful institutional response to the problems of drug trafficking and drug-related police corruption:

Despite the existence since 1980 of a mutual extradition treaty between the United States and Mexico, the Mexican government has not yet surrendered a single one of its nationals to the U.S. Government for prosecution on drug charges. Currently there are 27 outstanding requests for extradition.

How can Mexican officials argue that it is making progress in the fight against illegal drug trafficking and the corruption that it breeds when, of a total of 870 Mexican federal agents that have been dismissed on drug-related corruption charges, 700 have been rehired and none have been prosecuted?

In a recent hearing, Benjamin Nelson of the Government Accounting Office stated that ''No country poses a more immediate narcotics threat to the United States than Mexico.'' He was testifying regarding a recently-released GAO report stating that drug-related corruption of Mexican officials remains ''pervasive and entrenched within the criminal justice system.''

Bilateral Border Task Forces have been crippled by inadequate funding by Mexico, a shortage of full-screened Mexican agents, and the refusal of Drug Enforcement Administration agents to participate so long as Mexico denies them permission to carry firearms for their own protection. Certification for Mexico would clearly represent a slap in the face of DEA agents who have communicated their feeling that little is being done to combat drug trafficking in that nation.

I am aware that, in a few areas, a degree of progress has been made. For instance, Mexico has instituted new vetting procedures for the hiring of police officers and it has entered into an agreement with the United States regarding a bilateral drug strategy.

Unfortunately, these measures are not sufficient to offset Mexico's otherwise exceptionally poor anti-drug record.

What is really at issue here is not whether Mexico has met the requirements of the Foreign Assistance Act. It clearly has not. The reason that some hesitate to decertify Mexico is that many other aspects of our relationship with Mexico would change if it were not certified.

In aid, in trade and in commerce, billion's of dollars in public and private money are at risk with this issue.

For fiscal year 1998, the U.S. has appropriated $15.38 million in standard foreign assistance to Mexico that would be cut off. This assistance includes funding for programs which seek to stabilize population growth; assist health education initiatives; encourage the environmentally sound use of resources; engender legal reforms related to NAFTA; and strengthen democracy.

In indirect assistance, Mexico could lose billions of dollars. Mexico's economy would likely be severely affected as financial markets react to the United States vote of no confidence in the government. The United States would be required to withhold support for multilateral development bank loans to Mexico. Also at stake are hundreds of millions of dollars of export financing through the export-import bank. In fiscal year 97, the ExIm Bank authorized $1.05 billion for Mexico that would not be available.

There would be other financial ramifications, and it would change the nature of our relationship.

The law providing for certification states in Section 490 of the Foreign Assistance Act, that the President must submit to Congress by March 1 of each year a list of major illicit drug producing and transiting countries that he has certified as fully cooperative and therefore eligible to continue to receive U.S. foreign aid and other economic assistance. This sets in motion a 30-calendar day review process in which Congress can disapprove the President's certification and stop U.S. foreign aid and other benefits from going to specific countries. The ball is now in our court.

If we are concerned about sending signals, disrupting commerce, or chilling our economic partnership with Mexico, then we should admit that this law is not enforceable and we should amend or repeal it.

Perhaps, under current law, the President's choices are too limited. I know that Senator HUTCHISON and Senator DOMENICI would like to pass a law creating a new option for the President that would be known as ''Qualified Certification.''

But if we are going to follow the dictates of the current law, the answer is not to pretend that the facts are other than what they clearly are.

Mexico has simply not met the standards necessary to qualify for certification.

We have an obligation to the people of the United States to do everything in our power to stop drugs from coming into the United States.

So, until Mexico gets tough with its drug traffickers, we must get tough with Mexico.

Mr. President, this is why I stand here. I have seen firsthand the effects of the poison that is coming across our borders in community after community after community. I have seen families destroyed by the prevalence of cocaine and heroin methamphetamine to the extent that in some communities it

is almost easier—the popular wisdom is that it is easier—to get cocaine than it is to get cigarettes.

We have to at some point stand up and say reality is what it is. We as the Senate have a responsibility to say, our relationships notwithstanding, that you have to do better. And the only way we are going to get that process started is to pass this resolution.

Last year this debate went on, and we were going to give them a pass for another year. It hasn't gotten any better, Mr. President.

I encourage strong support for the resolution.

I thank the Chair.

I yield the floor.

Mr. BIDEN. Mr. President, I yield 7½ minutes to my friend from Massachusetts.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 16 minutes 50 seconds.

Mr. BIDEN. I yield 8 minutes to my friend from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Chair.

Mr. President, I come at this somewhat differently from a number of my colleagues. I do not agree with those who say that the certification process does not work. I have been involved in this issue deeply for all the years that I have been in the Senate. I think the debate we had in the Senate last year sent a very clear signal to the Mexican government that we expected some real movement on the counter narcotics front this year and that certification could be in jeopardy if there was no movement. I think they got the message.

Last year, I believed very strongly that the President should not certify that Mexico was fully cooperating because I believed that the Mexican government's performance did not measure up to the standard. During the Senate's debate I argued that if he was going to do anything, he should certify Mexico on the basis of a national interest waiver. That would have more accurately reflected the situation that we found ourselves in at that time and the real rationale underlying the certification decision. The President didn't do that. We had a vigorous debate here on the Senate floor and ultimately, we expressed our concern about the lack of progress through a joint resolution which was overwhelmingly supported. And I supported it. But it was because of that effort that I believe we are, in fact, in a different position this year.

For those who say that the certification process doesn't work, just look at Colombia. This year the President was able to certify Colombia with a national interest waiver. Nobody is here screaming about decertifying Colombia, because, in fact, because of the prior years' decertification, we finally were able to elicit some progress from Colombia.

So I am not in that camp that comes to the floor suggesting that certification has no meaning and cannot affect behavior. I am in that group that comes to the floor suggesting that the debate we had last year did send the signal to Mexico, and that, in fact, there are differences that you can measure this year, which in fairness we ought to measure and make a judgment about.

I have the deepest respect for the Senator from Georgia and the Senator from California. I think they do a great service by pointing out all of the weaknesses. I think the Senator from California has done an incredible job of researching, understanding, and laying out for the Senate the very clear set of deficiencies which need to be addressed. But when we come to the floor one year and criticize them for corruption in their law enforcement agencies, and then they reconstitute their whole structure for law enforcement in an effort to reverse years of corruption, we cannot come back this year and suggest that what they have done is not enough and will not enable them to make progress on the rest of the things that we want them to do.

I believe that the Mexican government has made a genuine effort over the last year and that Mexico's record has improved in a way that is measurable. By no means is Mexico's performance anywhere near perfect, but I believe that the responsible action by the U.S. Senate is to say to them that they are on the right track and to give more time to see if they can make further improvements. I believe that the balance sheet before us today is significantly different from the one before us a year ago. If my colleagues look at this balance sheet fairly, I think they will agree that decertification is not the right approach this year.

As my colleagues know, last February, shortly before President Clinton made his decision on certification, Mexican authorities arrested General Jesus Gutierrez Rebollo, then head of the National Counternarcotics Institute (INCD). Gutierrez Rebollo, as we now know, was on the payroll of one of Mexico's most powerful and notorious drug traffickers, Amado Carillo Fuentes. The arrest of Gutierrez symbolized the endemic drug corruption among Mexican law enforcement officials including those charged with fighting the war on drugs. As the facts of the case emerged, it became apparent that Gutierrez had arrested only those traffickers who worked for rivals of Carillo Fuentes—a development which suggested that arrests were more a product of inter-cartel rivalries than legitimate law enforcement activities. As I have said, only time and further investigation will demonstrate whether there were alliances between other senior military officials and major traffickers involved in this case.

Throughout 1996 the Mexican government had taken no meaningful steps to address the problem of drug corruption within the law enforcement agencies. Although federal police officers were fired for corruption, none had been successfully prosecuted. Nor was Mexico's performance much better with respect to other indicators such as extraditions to the US, drug related arrests or implementation of laws dealing with money laundering and organized crime.

The threat posed to the United States in 1998 from drug trafficking organizations in Mexico is little different from that posed in 1997. What is different, however, is the effort made by the Mexican government over the last year to deal with the primary obstacle to successful counter narcotics efforts: drug corruption within its own ranks.

After the arrest of Gutierrez Rebollo on corruption charges, the Mexican government moved to reconstitute its drug law enforcement structure and to institute new vetting procedures to deal with the problem of corruption. The National Counternarcotics Institute (INCD), Mexico's leading anti-drug agency, was abolished and a new agency, the Special Prosecutor for Crimes Against Public Health (FEADS), was created under the Office of the Attorney General (PRG). A new Organized Crime Unit (OCU), established pursuant to the 1996 Organized Crime Law, has been established in the FEADs headquarters under the Attorney General's Office. When fully constituted, the OCU will have sub-units for each of the areas covered by Mexico's organized crime law including organized crime, money laundering, narcotics, kidnapping and terrorism.

A Financial Crimes Unit has been set up under the Ministry of Finance, airmobile special counter-drug units now operate under the Secret of National Defense and riverine units under the Mexican Navy. The Mexican government is also rebuilding the Bilateral Border Task Forces, although at present it is fair to say that the accomplishments in this area are few and that our own Drug Enforcement Agency refuses to allow American agents to cross the border for fear of their own security.

Changing of the organizational chart means little unless steps are taken to ensure that the individuals working in these agencies are not corrupt. Since August 1996 the Mexican government has dismissed 777 federal police for corruption. Of these 268 have been ordered reinstated because of procedural errors in the dismissal process. However, it is important to note that their charges on drug corruption have not been dropped, and they have not been reassigned to counterdrug jobs. I know my colleagues who oppose certification regard these reinstatements as evidence of Mexico's failure or lack of political will to deal with the corruption problem.

While I understand their skepticism, and perhaps share some of it, I believe

that it is too early to rush to this judgment. Our own Civil Service law provides an appeals process for US government employees who have been dismissed, and our Foreign Service Act allows officers who have been dismissed to remain in the job throughout the appeals process. The real test on this issue is the ultimate fate of these individuals who have been reinstated and whether they are dismissed for corruption in the end and whether they are prosecuted.

Last year the Office of the Attorney General opened corruption or abuse of authority cases against over 100 members of the federal judicial police and over 20 federal prosecutors. Links between the traffickers and judges as well as the judiciary's lenient attitude toward narco-traffickers and others brought up for drug related offenses are major obstacles to an effective counter narcotics effort in Mexico. The Mexican government has finally begun to deal with this problem. The National Judicial Council has recommended that charges be brought against three sitting judges for corruption and five judges have already been dismissed. The selection process for Supreme Court judges has now been changed to provide for judicial appointments based on examination. Last year the first group of judges selected by this method was seated. Admittedly these are small steps, but they are positive ones.

The Mexican government has also put into place new, more rigorous processes for vetting those who will work in the newly established law enforcement structures. The Attorney General's office requires that all personnel assigned to FEADS (the Special Prosecutor's Office) pass suitability examinations. Those in sensitive units like the Organized Crime Unit are now screened through procedures which include extensive background checks; psychological, physical, drug and financial examinations; and polygraphs. According to Mexican officials, these checks will be repeated periodically during their tenure. Ultimately all employees working in the Attorney General's office are to be screened but those working in most sensitive units like FEADS and the OCU are the first to be screened. To date, 1300 have been through the screening process.

US law enforcement agencies including DEA, the FBI and the Customs Service are assisting the Mexican government, at its request, in establishing comprehensive vetting processes and training those who conduct polygraphs and other technical examinations. For example, according to DEA Administrator Constantine, DEA has provided assistance to the Organized Crime Unit in the development of personnel selection systems and provided extensive narcotics enforcement training to the new OCU agents.

I believe the very fact that US law enforcement agencies are working closely with Mexican government officials on this vetting process is enormously important to the ultimate goal of establishing corruption-free law enforcement agencies in Mexico. That cooperation could be seriously jeopardized if we decertify Mexico at this point.

Since the Mexicans have chosen to put thorough screening processes in place, these new law enforcement entities are not fully staffed, and as a result their capacity to undertake investigations is somewhat limited. Nevertheless, by the end of last year, FEADS was conducting investigations and enforcement actions both unilaterally and in conjunction with US law enforcement agencies.

Only time will tell whether these entities will be up to the task and whether the vetting processes now being followed will eliminate the corruption that has thwarted the Mexican government's ability to deal with drug traffickers effectively. However, I believe fairness requires that we recognize the effort Mexico has made in this last year to revamp its structure and personnel and that we give it some time to produce results. This year, in my judgment, is a transitional year for Mexico. If these entities are not fully staffed and functioning and if they fail to make some major inroads on the trafficking problem, then this Senator, for one, will find it very difficult to support certification next year.

I know that many of my colleagues who oppose this year's certification make the argument that Mexico's cooperation is only at the political level and that at the working level, it is simply insufficient to warrant certificates. They cite various arguments including the fact that Mexico has not extradited and surrendered one Mexican national to the US on drug charges, that none of the top leaders of the Carrillo-Fuentes, Arellano-Felix, Caro-Qunitero or Amezcua-Contreras cartels have been arrested; and that seizures of heroin and methamphetamines and its precursor chemicals are down.

I totally agree with their argument that Mexico needs to do more in these areas, but I believe if you look at the overall record, it is mixed. Take extraditions. In 1997 Mexico ordered more extraditions to the United States (27) than in the previous two years—a positive step. Fourteen of these are fugitives, whose extradition has been complicated by pending appeals or the need to complete sentences. Five of the 14 are Mexican nationals wanted for drug crimes but none of these have yet been surrendered. Notwithstanding these circumstances, the fact remains that Mexico has yet to turn over a Mexican national wanted for drug crimes to the US. Clearly we need improvement in this area.

Turning to the question of arrests, it is true that Mexican officials have not apprehended the leadership of the major trafficking organizations. However, it is also true that pressure from Mexican law enforcement agencies forced the head of the Carriillo-Fuentes organization, Amado Carrillo-Fuentes, to disguise his appearance through cosmetic surgery—an operation which resulted in his death—and move some of his organization's operations. Mexican law enforcement operations, many in cooperation with US law enforcement officials, have resulted in the some significant arrests of middle level cartel operators, such as: Oscar Malherbe de Leon, operations manager for the Gulf cartel; Adan Amezcua Contreras, a lieutenant in the Amezcua organization which trafficks in methamphetamine; Jamie Gonzales-Castro and Manuel Bitar Tafich, middle manager and money launderer respectively of the Juarez cartel; and Arturo E. Paez-Martinex, a key lieutenant in the Tijuana cartel. While these individuals are not the kingpins, their apprehension has kept some pressure on the cartels and caused some disruption. Another test for Mexico's new law enforcement institutions in the next year will be their ability and willingness to go after the kingpins.

I have always been skeptical of seizure statistics because they are valid only if one knows the universe of product available and often we do not. Nevertheless, the conventional wisdom seems to be that statistics have a story to tell so I will take a moment to review some of the statistics relevant to this debate. Although heroin seizures were down last year, seizures of opium increased. Mexican eradication efforts led to a decrease in the number of hectares of opium poppy and consequently the potential amount of opium and heroin on the market. Mexican efforts to deal with marijuana production are similar. Mexican eradication efforts decreased the number of hectares of marijuana dramatically; at the same time, seizures went up to the highest level ever. Seizures of cocaine increased by 48 percent in 1997 as well. What is noteworthy in all of these areas is that Mexican efforts demonstrate a positive, upward trend. However, the statistics for seizures of methamphetamine and ephedrine, its precursor chemical, are down, as some of my colleagues have pointed out. Given the growing methamphetamine market in the US, we must insist that Mexico's efforts in this area improve. I, for one, am persuaded that seizures alone will not address the problem. The producers and traffickers must be targeted.

Mexico has taken some steps to improve its ability to deal with money laundering, including the passage of a money laundering law and the subsequent promulgation of regulations for currency transaction reports. Regulations to deal with suspicious transactions are said to be imminent. Laws and regulations, regulations are meaningful only if they are implemented. Mexico has reopened some 70 cases and entered into 16 joint investigations with the US. I am prepared to give Mexico some time in this area, with the caveat that we must see some results by this time next year.

Mr. President, last year, when the certification of Mexico was allowed to stand, we made it clear that genuine progress had to be made in 1997 if Mexico was to be certified again this year. On balance, I believe that Mexico has made progress and that fairness requires us to recognize that fact. If we decertify Mexico now, in the face of that progress, we run the risk of jeopardizing that progress and of cutting off the very cooperation with US law enforcement agencies that has encouraged and helped Mexico to make progress this year. That outcome makes no sense in terms of our counter narcotics goals.

I am prepared to see the President's certification stand this year. However, it is essential that we make it clear that this is a transitional year for Mexico—a year in which to build its new law enforcement agencies into effective institutions unaffected by drug corruption and dedicated to making some serious progress on the ground. The vetting process must be accelerated. Greater efforts must be made to target the leadership of the cartels. The problem of security for US agents working across the border must be adequately addressed and the border task forces must be reconstituted in a meaningful, productive manner. Prosecutions of those charged with drug corruption or drug related crimes must take place and efforts to root out drug corruption in all Mexican agencies dealing with counter narcotics activities must be accelerated. Absence progress in these critical areas, it will be difficult for Mexico to be certified next year.

The PRESIDING OFFICER (Mr. MCCAIN). The Senator's time has well expired.

Mr. BIDEN. Mr. President, I yield 3 minutes to my colleague from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Thank you, Mr. President.

Mr. President, the question is not whether we are winning the war on drugs. If that were the question, the answer would be no, and everybody who has spoken would be in agreement. The question is, What is our best strategy to win the war against drugs? I just submit to you that the answer is not making an enemy of Mexico. Mexico is not 2,000 miles from our border. Mexico is our border. Mexico is our second largest trading partner.

We are not dealing with an easy issue. The sophistication of the drug dealers who are coming in from South America through Mexico into our country is phenomenal. We have found tunnels as deep as 60 feet below ground through solid rock across our border. We have found stashes of illegal drugs buried on the beaches. We have found high-performance boats and satellite communication.

It is not like someone isn't trying. It is a very difficult problem. If we are going to win the war on drugs, or have any chance, the only way we can do it is through cooperation. And I don't think harsh rhetoric against our neighbor is the best way to do it.

Do I think we are successful? No; we are not successful. We are not successful in controlling demand. And certainly Mexico has not been successful in controlling supply.

Mr. President, it isn't the time to start hurling charges back and forth across the Senate Chamber to solve this problem. What we must do is try to sit down in cooperation.

If President Zedillo was saying, ''Go fly a kite, we are not going to work with you,'' that would be one thing. He isn't. He is trying desperately. He doesn't want a criminal element in Mexico any more than we want a criminal element on the schoolgrounds of America.

So I hope we will not do something intemperate, which is not what the U.S. Senate normally does. I hope we will not act in haste and do something that would hurt our cause more than it would help.

Mr. President, I am urging my colleagues to vote against the Coverdell-Feinstein resolution because I think the better way is cooperation.

I yield the floor.

Mrs. BOXER. Mr. President, I would like to begin my remarks by commending the distinguished senior senator from California, Senator FEINSTEIN, for her hard work and leadership on this important issue.

Each year, the President must make a determination with respect to every nation that has been identified as either a major drug-producing or drug transit nation. He has three options: he can (1) certify that the country is fully cooperating with the U.S. or has taken steps on its own against drug activities; (2) decertify the country for failing to meet the ''fully cooperating'' standard; or (3) find that the country has not met the requirements, but that it is in the ''vital national interest'' of the U.S. to waive the requirement.

For the country to continue receiving U.S. aid of various kinds, it must either be certified as ''fully cooperating'' or a national interest waiver must be provided.

Last year, I opposed certification of Mexico. The evidence at that time was clear that Mexico had not cooperated fully with the United States in fighting drug activities, either within Mexico or on our mutual border.

While Mexico made some progress in 1997 in its anti-drug efforts, I believe it has not been enough to warrant certification.

Mexico is still a major transit point for cocaine shipments from South America. It is a major producer of marijuana and heroin, most of which is shipped to U.S. markets.

Most disturbing, the drug cartels based in Mexico are as powerful as ever. While some cartel members have been arrested, according to the head of the U.S. Drug Enforcement Administration, ''unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders.''

In fact, the cartels are getting stronger. According to the State Department's Bureau of International Narcotics and Law Enforcement Affairs the Mexican drug trafficking organizations' criminal activities and corrupting influence are ''significant enough to threaten Mexico's sovereignty and democratic institutions. . . . They have developed such a level of influence and intimidation in Mexico that the Government classifies them as the nation's principal national security threat.''

In light of this extremely dangerous situation, I believe the efforts made by the Government of Mexico to respond are inadequate. New laws on money laundering have been adopted, but have not been put into effect. Bilateral Border Task Forces were created to be the primary program for cooperative Mexico-U.S. law enforcement efforts, but were never really implemented, due to corruption, lack of security for U.S. officials, and the failure of Mexico to bear its fair share of the costs.

Mexico can and must do better in the fight against drugs in order to merit a full certification under our drug law.

Mr. ASHCROFT. Mr. President, no President of the United States would declare war on a foreign nation and send young Americans into harm's way overseas without ensuring that they were properly armed and that they had a clear objective.

And yet, here at home, the Clinton Administration has declared war on illegal drugs while pursuing a policy of defeatism that is turning young children into sitting targets for international drug lords and domestic suppliers.

The President has utterly failed to announce worthy goals or to commit sufficient resources to fighting drug use. We are left with the rhetoric—but not the reality—of a war on drugs.

The President's decision to certify Mexico is just the latest sign of surrender in the drug war. Since taking office, the Clinton Administration's record on combating illegal drugs has been a national disgrace.

The first sign of surrender in the President's war on drugs came within weeks of his first inauguration. After attacking President Bush for not fighting a real drug war, President Clinton announced that he was going to slash the Office of National Drug Control Policy staff from 146 to 25.

The ONDCP, commonly known as the Drug Czar's office, is singularly responsible for coordinating our nation's anti-drug efforts and the new President's first act was to cut the agency by more than 80 percent.

But the reductions in the Drug Czar's office foreshadowed more dangerous cuts in federal law enforcement and interdiction agencies. In its fiscal year 1995 budget, the Clinton Administration proposed cutting 621 drug enforcement positions from the DEA, INS,

Customs Service, FBI, and Coast Guard.

Even worse, between 1992 and September 1995, the Drug Enforcement Administration—the nation's primary drug-fighting agency—lost 227 agent positions, a reduction of more than 6 percent of its force.

Mr. President, the Clinton Administration by 1996 had cut the drug interdiction budget 39 percent below the level spent during the last year of the Bush Administration—the same Administration that, four years earlier, candidate Clinton attacked for being soft on drugs.

But the signs of the Clinton Administration's surrender are not found solely in budget tables and staffing decisions.

The power of the President to curb illicit drug use within our country can also be found in the President's unique platform from which he can implore, persuade, and encourage the American people to make good and moral decisions. He can use what Teddy Roosevelt called the bully pulpit to call Americans to their highest and best, rather than accommodate behavior at its lowest and least.

Yet, in this regard, the signs of surrender are everywhere.

After more than five years in office, this President's most memorable pronouncements on drug use remain his admission to smoking, but not inhaling marijuana and his later clarification —provided live before MTV's largely teen audience—that if given the opportunity to do it again, he would have inhaled. The President laughed as he made the latter remark.

I plan to discuss the consequences of the Administration's drug war surrender in just a moment, but let me just make one point here. Since President Clinton's first year in office, marijuana use among 8th graders has increased 99 percent. I have the feeling the parents of those 8th graders are not laughing, Mr. President.

The President also can use his appointment power to influence public policy. Indeed, the President has the authority to choose the Surgeon General of the United States, a person we often hear referred to as our nation's family doctor.

When it comes to issues of human health and welfare, the Surgeon General enjoys a bully pulpit similar to that of the President.

The President's first choice for Surgeon General was Dr. Jocelyn Elders. Dr. Elders will long be remembered as the Condom Queen for her vocal support of condom distribution in elementary schools.

But when Dr. Elders was not busy distributing condoms in schools or extolling the ''public health benefits'' of abortion, she found the time to call for a study of drug legalization, a truly dangerous idea.

Until very recently, the President also failed to use his office's power of persuasion to chart an international drug control strategy that included specific performance measures and identifiable goals.

As recently as the end of last year, the President and his allies were criticizing the House-passed plan to reauthorize the Drug Czar's office because the plan included hard targets for the Administration to achieve.

The only way Members of Congress—and more importantly, American taxpayers—can judge whether or not a government agency is doing its job effectively is to compare its performance to identifiable goals. We spend more than $16 billion annually on anti-drug programs and we need a way to determine whether or not we are getting our money's worth.

Although the Administration finally conceded that performance goals are needed, they objected to the standards passed by the House. Among the specific targets the President found objectionable:

By the year 2001, overall drug use should be cut in half, down to 3 percent; The availability of cocaine, heroin, marijuana, and methamphetamine should be reduced by 80 percent;

The purity levels for the same drugs should be reduced by 60 percent; and drug-related crime should be reduced by 50 percent.

After the House passed these targets, the Clinton Administration balked. General McCaffrey said the goals were unrealistic and would be counterproductive to the anti-drug effort.

Now I recognize that these goals will be difficult to achieve. But it seems to me, Mr. President, that if our goal is to save children from lives marked by drugs, crime, and violence, we have no choice other than to strive for the noble, not just the doable.

The Clinton Administration contends that it should set its own objectives and targets. Unfortunately, this Administration does not set the bar high enough.

Judging from the goals and targets recently proposed by the Drug Czar's office, it is clear that this Administration has no confidence in its ability to counteract the rise in illegal drug use.

Whereas overall teen-age drug abuse has doubled since 1992, the Clinton Administration now proposes to cut such abuse during the next 5 years by just 20 percent. In other words, by 2002—two years after he has completed his second term—the President hopes to reduce youth drug use to 130% of the level when he first took office. If that is victory, I would hate to experience the President's idea of defeat.

Unfortunately, if we look around us, we can see overwhelming evidence of defeat. The Clinton Administration's cease-fire in the war on drugs has had all-too-predictable consequences:

The proportion of 8th graders using any illicit drug in the prior 12 months has increased 56 percent since President Clinton's first year in office. Marijuana use by 8th graders has increased 99 percent over that same time.

Since President Clinton took office, cocaine use among 10th graders has doubled, as has heroin use among 8th graders and 12th graders.

LSD use by teens has reached the highest rate since record-keeping started in 1975.

The list goes on and on, and yet, Mr. President, the numbers don't tell even half the story. The young lives lost to overdose, the marriages and families torn apart by drug abuse, the high-school dropouts, the children born with little hope of surviving because of her mother's deadly addiction, the victims of crime-filled inner-city streets . . . these are the real casualties of the President's surrender in the drug war. And their numbers are growing.

Seen against this history of failure, it becomes clear that the President's decision to certify Mexico is just the latest sign of the President's surrender.

Consider for a moment the following:

Over the last year, there has not been a single extradition of a Mexican national to the United States on drug charges.

Drug-related corruption among Mexican law enforcement officials continues to escalate, with the most obvious and devastating example being the arrest and conviction of Mexico's drug czar on charges of drug trafficking, organized crime and bribery, and association with one of the leading drug-trafficking cartels in Mexico.

The Mexican Government also failed to make progress in dismantling drug cartels. In testimony given before a Senate Subcommittee a month ago, DEA Director Thomas Constantine said that major drug cartels in Mexico are stronger today than they were a year ago.

Mexican seizures of heroin and methamphetamine were down sharply last year and drug-related arrests declined from an already low level.

By any objective criteria, the efforts of the Mexican Government over the past year do not warrant certification.

The Senate today could reverse the President's judgment and vote to decertify Mexico, but if history is any guide, we won't. Congress has never overridden a Presidential certification.

It seems that some of my colleagues are reluctant to do anything that might possibly embarrass the Mexican Government. Every year, they take to the floor to denounce the corruption and the lack of cooperation by the Mexican officials, but then get weak-kneed when it comes time to withhold the smallest amount of foreign aid or actually sanction Mexico.

While these towers of timidity propose launching another warning shot across the bow of the Mexican ship of state, they fail to see that our own culture is sinking under the weight of an illicit drug supply that flows through our porous Southwest border.

The facts prove conclusively that the Mexican government has not ''cooperated fully'' with U.S. narcotics reduction goals nor has it taken ''adequate steps on its own'' to achieve full compliance with the goals and objectives

established by the 1988 U.N. anti-drug trafficking convention. Under current law, this is the standard by which we are to decide whether or not to certify a foreign government.

Mexico's efforts over the past year do not come close to warranting certification. The time for threats and warning shots is over. We should vote today to disapprove of the President's inexplicable decision to certify Mexico.

We cannot afford to surrender the war against drugs in America through policies of accommodation and defeatism. Rather than challenging America to her highest and best, the Clinton Administration's drug policy accommodates behavior at its lowest and least. We can and must do better.

Mr. LEAHY. Mr. President, on February 26, 1998, the White House announced that it had certified Mexico as a partner in combating international drug trafficking, stating that the Mexican government was ''fully cooperating'' in the war on drugs. However, in stark contrast to this claim, an assessment by the Drug Enforcement Agency (DEA) prepared in January and obtained by the New York Times states that, ''the Government of Mexico has not accomplished its counter narcotics goals or succeeded in cooperation with the United States Government * * * The scope of Mexican drug trafficking has increased significantly along with the attendant violence.''

I believe the yearly certification process is a misguided way to deal with the international drug problem. It applies a black and white standard to a complex problem that, more than anything else, is caused by the seemingly insatiable demand for drugs here in our own country. I am encouraged by Senator DODD's efforts and of other senators to pursue a new approach. I want to support that effort. In addition to bipartisan criticism in the Congress, foreign officials have called the certification process demeaning and ineffectual. However, until that process is changed—and I hope it is—it remains U.S. law and the administration is bound to implement it in good faith.

There are examples of cooperation by the Mexican Government in reducing narcotics trafficking. Opponents of this resolution have mentioned several ways in which the Mexican Government has made progress. The administration reports increases in drug seizures, improved anti-narcotics intelligence, and implementation of new laws on money laundering, asset forfeiture, electronic surveillance and witness protection. Yet drug-related violence and corruption at the highest levels of the Mexican anti-narcotics police continues unabated—affecting every aspect of life and every level of society in Mexico and spilling over the border into the United States. We also receive persistent reports of human rights abuses by Mexican security forces.

I have a great deal of respect for General Barry McCaffrey. He has taken on the immense job of directing our drug control program with enthusiasm and boundless energy and the best of intentions. I particularly support the efforts he has made to emphasize the importance of drug prevention and treatment. However, I have to respectfully disagree with his assessment of the cooperation between the United States and Mexico as ''absolutely superlative.''

According to a February 26, 1998, article in the New York Times the DEA reports that none of the changes by and to Mexican law enforcement institutions ''have resulted in the arrest of the leadership or the dismantlement of any of the well-known organized criminal groups operating out of Mexico.'' In addition, no Mexican national was extradited to the United States to face drug charges, and the corruption of Mexican law-enforcement officials, judges, and government employees continues to frustrate United States efforts to build cases and apprehend drug traffickers. Mr. President, if the administration deems this to be ''superlative'' cooperation, I am concerned. And that is why I will support the resolution to decertify Mexico. I do not believe that a faithful interpretation of the law can lead to any other conclusion than that the Mexican Government has failed to fully cooperate with United States drug control efforts.

Mr. President, I support this resolution reluctantly. It is very important that we continue to work with the Mexican Government in the fight against drug trafficking. I applaud the May 1997 Declaration of the United States-Mexico Alliance Against Drugs, signed by President Clinton and President Zedillo, and the ongoing collaborative efforts between American and Mexican law enforcement officers. I do not minimize the efforts the Mexican Government is making. However, it falls far short of full cooperation. And while I am mindful that decertification could strain relations between our two nations, that is not a justification for interpreting the law in a manner that is not supported by the facts. I am hopeful that Mexico will not view this decision as a condemnation of its counter-narcotics efforts, but as a challenge to work more closely with the United States to improve them.

Mr. MURKOWSKI. Mr. President, I rise today to express my support for S.J. Res. 42, a resolution to disapprove the President's certification that Mexico is fully cooperating in the War on Drugs.

Last year, the Administration convinced Congress not to vote on a similar resolution, arguing that voting on such a resolution would hinder cooperative efforts with Mexico. So here we are, one year later, and the situation in Mexico is the same, if not worse than it was last year.

Just today, a front page New York Times story cites a Drug Enforcement Administration report that indicates that the Mexican military is helping drug traffickers. As one anonymous official observed, if the indications of wider military involvement with traffickers are borne out, ''it points to much of our work in Mexico being an exercise in futility.''

Mr. President, I have not seen this report so I can't say how accurate this story is, but it does raise the same concerns I had last year about the level of corruption in Mexico.

Last year, I joined 38 of my colleagues in signing a letter initiated by Senators COVERDELL and FEINSTEIN, the sponsors of today's resolution, calling on the President not to certify that Mexico was cooperating fully in anti-narcotics efforts. That letter went through in detail 6 examples of where Mexico was unable or unwilling to deal with drug trafficking problems effectively. Those areas were: cartels; money laundering; law enforcement, cooperation with U.S. law enforcement; extraditions; and, corruption.

Based on the information I have received, it does not appear that the situation is improved in any of these 6 areas: Mexican cartels continue to expand their ties, operations, and violence in the U.S.; anti-money-laundering legislation is on the books, but is not being enforced; concerns about the safety of DEA agents in Mexico remain unresolved; the much-touted cooperative Bilateral Task Forces are not operational; no Mexican nationals whatsoever have been extradited to the U.S. on drug-related charges; and corruption remains chronic at every level in the military, the police and the government.

Therefore, I think the President made the wrong choice to simply say that Mexico was ''fully cooperating'' in efforts to combat international narcotics trafficking.

Mr. President, I do not make this decision lightly. Mexico is an important neighbor and we share a 1600 mile border. I do not want to cut off our relations with Mexico over this issue, but I also think we make a mockery of our law by simply glossing over issues to make a certification.

I believe we would be better off if the President would say that Mexico is not fully cooperating, but then exercise his authority to waive the restrictions on bilateral assistance on national security grounds, as he did with Colombia this year.

Unfortunately, the President did not choose that path, and we in Congress are left with only one option—a straight up or down vote on decertifying Mexico. Although it is not a perfect solution, I will vote for telling the truth to Mexico. She can and must do better to combat the nagging problem plaguing our borders.

Mr. HELMS. Mr. President, I am confident that all Senators—indeed millions of Americans—are deeply grateful to the able Senator from Georgia, Mr. COVERDELL, for his remarkable leadership on the drug issue. As chairman of the Foreign Relations Subcommittee

with jurisdiction over international narcotics affairs, Senator COVERDELL has developed an expertise here at home and overseas. He is a credit to both the Foreign Relations Committee and the Senate.

The joint resolution that Senator COVERDELL and I have brought before the Senate today concerns a very complex issue. But, it can be boiled down in terms of its significance to 6 words: ''The President should tell the truth.''

The subject before us is Mexico—specifically, the President's unwise and unjustified decision to certify to the U.S. Congress that the Government of Mexico is ''cooperating fully'' with America's anti-drug efforts. That is precisely what Mr. Clinton told us on February 26.

Since then, we have heard the rest of the story. Regarding the role Mexico plays in the drug trade, the President's own State Department tells us that ''Mexico is a major transit point for U.S.-bound cocaine shipments from South America,'' and ''(Mexico) is a major producer of marijuana and a significant producer of heroin, most of which is destined for the U.S.,'' and ''Criminal organizations based in Mexico are now the most significant wholesale and retail distributors of methamphetamine.''

These facts warn us that the United States simply cannot let the Mexican government off the hook when it comes to fighting drugs.

When the President certified Mexico's full cooperation, he told us, ''The U.S. is convinced of the Zedillo Administration's firm intention to persist in its campaign against the drug cartels.''

A few weeks later, the story changed. Mary Lee Warren, a senior Justice Department official, told a House Committee on March 18, ''None of the senior members of the (Tijuana Cartel) has been arrested.''

She also noted that charges dating from 1992 against the head of the Sonora Cartel ''were dismissed.''

And, she said that ''Mexico had not charged or apprehended any principal'' of Mexico's third cartel (the Amezcua organization).

Senators surely will ask themselves, why does the President tell us that Mexico will ''persist in its campaign against the drug cartels'' when his own Justice Department and his own DEA tell us that Mexico is not waging such a campaign?

In certifying Mexico, the President told us, ''Drug seizures in 1997 generally increased over 1996 levels.''

Not true. The State Department's statistics tell a different story. Mexico's 1997 seizures of heroin, marijuana, and methamphetamine are at, or well below, 1996 levels.

Although cocaine seizures are up from last year, they total well below the 50 metric tons of cocaine seized in 1991. And, despite the growing role of Mexican traffickers in the methamphetamine market, Mexico's seizure of that product has dropped significantly to one-fifth of 1996 levels and one-tenth of 1995 levels.

Another troubling subject is extradition. Most of us believe that Mexico will become a safe-haven for drug kingpins as long as that government refuses to turn over Mexican drug lords to face justice in American courts.

All told, there are about 120 requests for ''provisional arrest'' and ''extradition'' pending in Mexico.

But, not one Mexican national was extradited and surrendered to U.S. custody on drug charges throughout 1997 and so far this year. In fact, no Mexican has been surrendered to U.S. custody on any crime since April 1996. The State Department reports that all 5 Mexican nationals approved for extradition on drug charges have appealed their extradition orders.

There is, obviously, a pattern here. A Mexican wanted for child molestation can be surrendered to U.S. justice. A foreigner wanted for drug crimes may be handed over, as well. But a Mexican drug trafficker is made to feel very much at home in Mexico.

Another problem is corruption. Mr. President, we must not forget the February 1997 scandal when Mexico's drug czar was found to be on the payroll of one of Mexico's most blood-thirsty cartels.

The Administration has cited repeatedly Mexico's handling of this scandal as evidence of Mexico's commitment to ferreting out corruption. Indeed, a senior Justice Department official told Congress just law week, ''The [corrupt drug czar's] arrest is a noteworthy testimony to President Zedillo's anti-corruption commitment.''

In light of these rosey commendations, we were surprised by a report in today's New York Times that U.S. law enforcement officials have concluded privately that this scandal and the way the Mexican government handled it may be just the tip of the iceberg of drug corruption in Mexico's military.

One unnamed U.S. official told the New York Times that this news of deeper corruption ''point to much of our work in Mexico being an exercise in futility.''

According to this published report, U.S. officials discussed these findings with Attorney General Janet Reno more than 2 weeks before the President's certification of Mexico.

The fact that this assessment comes to Congress' attention through the media and not in the President's ''certifications'' to the Congress suggests an appalling lack of candor on the part of the Administration. The Committee on Foreign Relations intends to investigate this revelation.

More recent examples of alleged corruption border on being countless.

Mexico's attorney general admitted last September that he had to turn to the military for law enforcement because, in his words, he ''couldn't find civilians who could demonstrate the honesty and efficiency for the work.''

But military men—as well as civilian police—have themselves been accused of stealing cocaine that had been seized by the government. Also, last year, the federal police commander in charge of intelligence for the border task forces—which are supposed to cooperate closely with our DEA—was accused of taking bribes and trafficking in drugs in Arizona.

Such flagrant examples of corruption remind us that meaningful anti-drug cooperation will never be possible without honest, competent people with the skills and resources to do their job.

Beginning 12 months ago, Mexico's anti-drug forces were dismantled entirely. It takes time to put these units back in place—which is what we have been helping the Mexicans do for most of last year.

Today, fewer than one-third of the 3,000 employees of the special anti-drug prosecutor's office are on duty. About one-third of the 300 staff members of the organized crime unit are in place. And only two-thirds of the small border task forces staff have been cleared for duty.

It is fair to point out that these new anti-drug units also lack the experience and the resources to do their jobs.

It is fair to ask whether Mexico has the ability to ''cooperate fully'' to fight drugs—even if it had the political will to do so, which it obviously does not.

Finally, Mr. President, let's turn to an issue that speaks eloquently to the Mexican government's lack of political will to work with us. Despite numerous threats and several attacks on U.S. and Mexican police, President Zedillo has insisted that our DEA agents cannot carry weapons for their self-defense while in Mexico. The Mexicans argue that this is a question of ''sovereignty.''

Baloney. I have two questions for the officials in Mexico City: Where were these questions of sovereignty in the 1970s and 1980s, when the Mexican government allowed Marxist Central American guerrillas to operate freely in Mexican territory?

And, why does that government fear having a couple of dozen American DEA and FBI agents carrying weapons for their own protection?

Mr. President, I hope Senators will consider the facts so clearly evident. Under the law, the President of the United States has the duty to certify a country's full cooperation when there has been ''full cooperation.'' The sad truth is that there has been no ''full cooperation.''

Therefore, Senate Joint Resolution 42 deserves the support of all Senators who truly want to bring drug trafficking under control. This will send a message to the Mexican government that it can no longer be A.W.O.L. in the war on drugs.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I yield 3 minutes to the good Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. GREGG. Mr. President, I would have to say at the outset that I believe the certification process is a mistake because clearly it isn't working. But the fact is that as long as we have it, we ought to have integrity in it. And the fact is that, if we are going to look at the question of whether or not there has been an effort to comply that meets the terms of the certification process by Mexico, we would have to conclude that they have failed.

We can wish that they had complied. We can hope that they had complied. We can say as a matter of public policy we truly wanted them to comply. But the fact is that they have not complied. To claim they have complied is to delude ourselves. Essentially it would be the same as suggesting that the Red Sox are going to win the World Series. We want it to happen, but we know it isn't going to happen. The fact is that Mexico and the core elements that are necessary for us to pursue the drug war in Mexico have been undermined by the cartels which earn so much money from the sale of drugs.

The real problem here isn't Mexico, though. The real problem is ourselves. We could use that phrase, ''We have met the enemy and it is us.'' The fact is that our consumption of narcotics has corrupted not only much of the mechanism of Mexico but has corrupted the mechanism of Belize, Colombia, a series of countries in the Central American area, Peru, and in the Caribbean. We, as a nation, should truly be ashamed of what we are doing to these nations.

Were I a Mexican or were I a citizen of Belize or Colombia or Peru, or a citizen of many of our Caribbean neighbors, I would be angered and outraged at the fact that my nation and the government of my nation, as a result of the demand for drugs in this country, the United States, has become so debilitated. It is really our utilization of those drugs which has undermined those nations. But the fact is that we do have the certification process, and the integrity of the certification process requires that we at least comply with its terms. Under the terms of the certification process, there is no way that we should be certifying Mexico.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. I yield 4 minutes to the senior Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise today in opposition to legislation that would completely decertify Mexico as being fully cooperative in the war against drugs.

I certainly agree with the sponsors of this resolution that Mexico is not adequately fulfilling its role in fighting international narcotics trade: they have failed to take serious action against the Juarez, Tijuana, and Sonora Cartels which dominate the drug trade; there has been no substantial progress to prosecute the leaders of major narcotrafficking groups, even those indicted by U.S. prosecutors; the number of heroin, methamphetamine, and ephedrine seizures are down from the 1996 levels; in all of 1997 and thus far in 1998, not one Mexican national has been extradited and surrendered to U.S. custody on drug charges. In addition, corruption within their law enforcement community, government institutions, and criminal justice system is rampant. This is just not acceptable.

However, Mr. President, if we decertify Mexico, the problem will not go away but will only be exacerbated. The progress that Mexico has made thus far, albeit modest, will come to a standstill. With the assistance of the Department of Defense (DoD), Mexico has countered extensive drug-related official corruption with unprecedented reform efforts, including identifying and punishing corrupt Mexican officials; increased their effectiveness against drug trafficking, significantly disrupting a number of organizations; completely overhauled their counterdrug law enforcement agency; and participated in interdiction and information sharing.

It is of vital importance that the DoD continue to provide assistance to the Mexican military to combat drugs. If the Senate votes to disapprove the certification of Mexico, the progress that the DoD has made will be seriously undermined.

As such, I ask my colleagues to join me in opposition to S.J. Res. 42.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Georgia.

Mr. COVERDELL. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I think we all wish we had additional options, but the law is very clear. The law says, have they cooperated fully? Have they taken adequate steps?

For 12 years, knowing that the answer to both of those questions was no, I voted yes because I thought we wanted to encourage Mexico, we wanted to work with Mexico. I still want to work with Mexico. I still want to encourage Mexico. But you reach a point where it cannot be good public policy to say publicly something that is clearly untrue.

I am going to vote tonight to decertify Mexico. I know the strategy we are following today is failing. I know from 12 years of hoping, wishing the best, that hoping and wishing the best does not change reality. We are either going to change strategy or we are going to lose the war. That is why I intend to vote to decertify. I hope by doing that we can induce Mexico to do more.

I am not apologizing for what we are doing. I think our war on drugs is phony and a sham and an embarrassment. We have taken no real efforts to try to stop people from consuming drugs in this country, and we have, from the point of view of public policy, a more serious, more dedicated policy to stop people from smoking than we do to stop people from using illegal drugs. But the point is, the law is very clear. Have they cooperated fully? Have they taken adequate steps? And the answer to both those questions, regrettably, is, ''No.'' Maybe by telling the truth, maybe by saying ''No,'' in the future the answer will be ''Yes.'' And I hope it will be.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Whatever time I have left I yield to my friend from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, I thank my distinguished colleague from Delaware.

Mr. President, I rise this evening not to offer a ringing endorsement of Mexico's cooperation on drug interdiction in the last year, but to make the simple observation that we should proceed with extraordinary care before using the stick of decertification on a good friend and ally. Initially, I gave serious consideration to supporting the effort to decertify based on the lack of any tangible results on extradition: not a single Mexican national has yet been extradited to the United States for drug trafficing. Not one, even though I realize progress is being made.

Notwithstanding my concerns on that singular issue, however, and the fact that progress on stemming the flow of drugs has been modest at best, I believe it's important to continue working in close quarters with President Zedillo in hopes of building a better record over the long-term.

Let's not fool ourselves, Mr. President. Harsh rhetoric, threats, and punitive actions taking the form of decertification will not create goodwill between Mexico City and Washington—just the opposite: bilateral tensions will rise, drug cooperation will decrease, and once more America will be perceived as a sanctions bully.

That is not a healthy approach to sustaining a crucial relationship with a country that sits right on our border. It's one thing to let unilateral sanctions fly in distant countries and places, but we ought to be very careful to not stir the pot of anti-Americanism, an inevitable result of decertification, with our nearest neighbor. We simply don't need to increase tensions and decrease cooperation with a country with which we share a 2,000 mile border.

The basic point is as follows: breaking down the Mexican drug cartels is critically important, but lets forego the short-term political bashing of Mexico, Mr. President, and agree to work harder and better with our friends South of the Border.

I won't review all the minutia—methamphetamine seizure rates, drug related arrests, Mexican cartel behavior, prosecution of corruption, street

pricing of heroin, cocaine and all the rest—because I think that misses the point. There are a few simple considerations that come to mind in judging whether to decertify Mexico.

First, do we believe that the political leadership in Mexico is honestly committed to solving this problem and working with us toward that goal? I believe the answer is ''yes''. President Zedillo appears willing to engage in comprehensive efforts to seize and eradicate drugs destined for our streets. He's committed to arresting and prosecuting major traffickers and kingpins . . . and I understand that such individuals have received stiff sentences recently, ranging from 9 to 40 years. He's scrapped the discredited National Drug Control Institute and replaced it with a new Special Prosecutor's Office. He's begun the process of weeding out corrupt officials in the Mexican judicial system, dumping three judges so far. He's helped to increase marijuana eradication to record levels, and armed law enforcement allowing cocaine seizure rates to jump 47%. And Mexico has worked closely with us in developing new overflight clearance procedures, while common ground is being established in the areas of money laundering controls and asset forfeiture issues.

Second, will economic and diplomatic sanctions on Mexico improve our chances of stemming the tide of drugs? The answer is no.

Let's be clear on this point: sanctioning Mexico will likely invite retaliation in a variety of forms . . . anti-Americanism . . . additional political ostracism in the hemisphere . . . and could, over the long-term, have the consequence of creating a broader national security threat right on our border.

Third, a Democrat House colleague thoughtfully observed in today's Los Angeles Times that ''It's hard for the United States to cast the first stone.'' Perhaps it's time we take a stone-cold look in the mirror and admit that until we take massive, comprehensive steps to address the demand side of this problem, trying to sort it out, principally on the supply side is doomed to failure.

Fourth and lastly, sometime soon I hope we can carefully examine whether we should annually engage in this painful exercise in self-flagellation by openly ripping countries with which we might have strong disagreements on the drug issue but share a great deal in common as well. The present mechanism for evidencing our concerns is self-defeating when it comes to Mexico and deleterious, I believe, to the overall relationship.

Mr. President, Mexico's record on drug interdiction has to improve, and I don't fault colleagues in the Senate for demanding results. Many of their concerns are legitimate and deserve to be heard. Like them, I am particularly concerned about the lack of extraditions of Mexican nationals from Mexico, and have been personally assured by officials at the highest level of our government that they will redouble their efforts to get the ball moving in this area. I understand five individuals are presently appealing their extraditions, and I intend to watch closely to see that the Mexican government lives up to its part of the bargain should those appeals fail.

For now, however, I believe decertifying Mexico will do more to reverse the limited progress we've made to date, and virtually eliminate any hope we have about future cooperation. That's a risk too great to take.

Let's treat Mexico as a friend and partner in this process, instead of blaming it for a problem that starts and ends with the insatiable appetite for drugs on our own streets.

We are just about to vote on this particular issue. Mr. President, I must confess I came very close to agreeing with the decertification provision that we are going to be voting on this evening. But upon more mature reflection, I have decided that the consequences for our friends in Mexico and the efforts that President Zedillo and others are putting forward, that would be counterproductive for a neighbor with whom we share a 2,000 mile border and for the kind of reaction that it would elicit from not only our neighbors in Mexico, who are trying, but from neighbors throughout South America.

So I urge my colleagues on this particular resolution to vote against the resolution, notwithstanding the fact that I share very real concerns, particularly the failure to extradite a single Mexican national to the United States on drug charges to date. I know there are some in the pipeline. Hope springs eternal. I may come to a different conclusion on this same resolution next year.

With that, Mr. President, I yield any time remaining to the distinguished Senator from Delaware and I yield the floor.

Mr. COVERDELL. Mr. President, I yield the time remaining.

Mr. BIDEN. I yield back whatever time is left.

The PRESIDING OFFICER. All time has expired.

Are the yeas and nays requested?

Mr. BIDEN. 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.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is on the passage of the joint resolution. 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 Oklahoma (Mr. INHOFE) is necessarily absent.

The result was announced, yeas 45, nays 54, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—45

Allard	Faircloth	Moseley-Braun
Ashcroft	Feingold	Murkowski
Bond	Feinstein	Murray
Boxer	Frist	Nickles
Brownback	Gramm	Santorum
Byrd	Grams	Sessions
Coats	Gregg	Shelby
Collins	Harkin	Smith (NH)
Conrad	Helms	Snowe
Coverdell	Hollings	Specter
Craig	Hutchinson	Stevens
D'Amato	Kempthorne	Thomas
Dorgan	Kohl	Thompson
Durbin	Leahy	Torricelli
Enzi	McConnell	Wyden

NAYS—54

Abraham	Ford	Lieberman
Akaka	Glenn	Lott
Baucus	Gorton	Lugar
Bennett	Graham	Mack
Biden	Grassley	McCain
Bingaman	Hagel	Mikulski
Breaux	Hatch	Moynihan
Bryan	Hutchison	Reed
Bumpers	Inouye	Reid
Burns	Jeffords	Robb
Campbell	Johnson	Roberts
Chafee	Kennedy	Rockefeller
Cleland	Kerrey	Roth
Cochran	Kerry	Sarbanes
Daschle	Kyl	Smith (OR)
DeWine	Landrieu	Thurmond
Dodd	Lautenberg	Warner
Domenici	Levin	Wellstone

NOT VOTING—1

Inhofe

The joint resolution (S.J. Res. 42) was rejected.

Mrs. FEINSTEIN. Mr. President, I move to reconsider the vote by which the resolution was rejected.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER (Mr. FRIST). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, March 25, 1998, the federal debt stood at $5,544,337,068,114.14 (Five trillion, five hundred forty-four billion, three hundred thirty-seven million, sixty-eight thousand, one hundred fourteen dollars and fourteen cents).

One year ago, March 25, 1997, the federal debt stood at $5,374,777,000,000

(Five trillion, three hundred seventy-four billion, seven hundred seventy-seven million).

Five years ago, March 25, 1993, the federal debt stood at $4,222,072,000,000 (Four trillion, two hundred twenty-two billion, seventy-two million).

Ten years ago, March 25, 1988, the federal debt stood at $2,480,270,000,000 (Two trillion, four hundred eighty billion, two hundred seventy million).

Fifteen years ago, March 25, 1983, the federal debt stood at $1,223,791,000,000 (One trillion, two hundred twenty-three billion, seven hundred ninety-one million) which reflects a debt increase of more than $4 trillion—$4,320,546,068,114.14 (Four trillion, three hundred twenty billion, five hundred forty-six million, sixty-eight thousand, one hundred fourteen dollars and fourteen cents) during the past 15 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:56 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1178. An act to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2589. An act to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes.

At 5:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1757) to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, to preserve the prerogatives of the Congress with respect to certain arms control agreements, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 2589. An act to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on March 26, 1998 he had presented to the President of the United States, the following enrolled bill:

S. 758. An act to make certain technical corrections to the Lobbying Disclosure Act of 1995.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4424. A communication from the Chairman of the Long-Range Air Power Panel, transmitting, pursuant to law, the report of recommendations; to the Committee on Armed Services.

EC–4425. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Veterans' Affairs.

EC–4426. A communication from the Secretary of Labor and the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the annual report for the fiscal year 1997; to the Committee on Labor and Human Resources.

EC–4427. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1997; to the Committee on Governmental Affairs.

EC–4428. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1997; to the Committee on Governmental Affairs.

EC–4429. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1997; to the Committee on Governmental Affairs.

EC–4430. A communication from the Acting Chairman of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1997; to the Committee on the Judiciary.

EC–4431. A communication from the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1997; to the Committee on the Judiciary.

EC–4432. A communication from the Chief of the Regulations Unit, Department of the Treasury, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Finance.

EC–4433. A communication from the Chief of the Regulations Unit, Department of the Treasury, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Finance.

EC–4434. A communication from the Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4435. A communication from the Manager of the Federal Crop Insurance Corporation, Department of Agriculture, transmitting, pursuant to law, the report of a rule received on March 25, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4436. A communication from the Acting Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report relative to the Wabash River project in New Harmony, Indiana; to the Committee on Environment and Public Works.

EC–4437. A communication from the Deputy Director for Policy and Programs, transmitting, pursuant to law, the report relative to notice of funds availability and technical assistance component; to the Committee on Banking, Housing, and Urban Affairs.

EC–4438. A communication from the Deputy Director for Policy and Programs, transmitting, pursuant to law, the report relative to notice of funds availability and the Core Component; to the Committee on Banking, Housing, and Urban Affairs.

EC–4439. A communication from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule received on March 24, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–4440. A communication from the Secretary of the Security and Exchange Commission, transmitting, pursuant to law, the report relative to use of web sites in securities transactions; to the Committee on Banking, Housing, and Urban Affairs.

EC–4441. A communication from the President of the Export-Import Bank of the United States, transmitting, pursuant to law, the report relative to exports to Uzbekistan; to the Committee on Banking, Housing, and Urban Affairs.

EC–4442. A communication from the President of the Export-Import Bank of the United States, transmitting, pursuant to law, the report relative to exports to the People's Republic of China; to the Committee on Banking, Housing, and Urban Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–368. A resolution adopted by the Senate of the Legislature of the State of Arizona; ordered to lie on the table.

SENATE MEMORIAL 1001

Whereas, Ronald Wilson Reagan, the fortieth president of the United States, was one of this nation's greatest and most beloved presidents and a true world leader; and

Whereas, through his leadership and dedication to principle, President Reagan ushered in a new era of sustained peace, prosperity, optimism and freedom for both our nation and much of the world; and

Whereas, President Reagan established fiscal policies that invigorated the American economy, stimulating growth, employment and investment while curbing federal spending, inflation and interest and tax rates; and

Whereas, when confronted by increasingly tense relations with the former Soviet Union, President Reagan implemented a policy of ''peace through strength'' that restored national security, ensured peace and paved the way for the successful end of the Cold War; and

Whereas, in 1986' President Reagan persuaded Congress to end the inefficiency and expense resulting from federal ownership of Washington National Airport and to transfer control to an independent state-level authority. This paved the way for long overdue airport modernization projects, including construction of the airport's new terminal; and

Whereas, legislation (H.R. 2625 and S. 1297) is pending in both houses of Congress that would redesignate Washington National Airport as ''Ronald Reagan Washington National Airport''. Renaming the travel gateway into the nation's capital after Ronald Reagan is a fitting tribute to his legacy of leadership and prosperity.

Wherefore your memorialist, the Senate of the State of Arizona, prays:

1. That the Congress of the United States redesignate Washington National Airport as ''Ronald Reagan Washington National Airport'' in recognition of President Reagan's exceptional leadership on behalf of the citizens of this nation and all freedom-loving people throughout the world.

2. That the Congress of the United States expedite the legislation that would effect this redesignation so that the dedication can be completed before February 6, 1998. Ronald Reagan's eighty-seventh birthday.

3. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.

POM–369. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Commerce, Science, and Transportation.

HOUSE JOINT MEMORIAL 4039

Whereas, Washington state has sought to leverage the state's purchasing power in its procurements of telecommunications and information services; obtain the lowest prices for telecommunications services for state agencies, local governments, and schools and libraries, and avoid unnecessary duplication of resources; and

Whereas, the legislature created the Department of Information Services and directed it to aggregate the demand for telecommunications services purchased from the private sector, add value, and make such services available to public entities at significantly reduced costs; and

Whereas, through such efforts the Department of Information Services has saved the taxpayers of Washington millions of dollars each year; and

Whereas, the Washington Legislature in 1996 authorized and funded the development of the K–20 Educational Telecommunications Network, a fifty-four and one-half million dollar state-wide backbone network linking K–12 school districts, educational service districts, baccalaureate institutions, public libraries, and community and technical colleges; and

Whereas, this network will provide schools and libraries with enhanced function and increased efficiencies in their use of telecommunications services; and

Whereas, the Federal Communications Commission, pursuant to the Telecommunications Act of 1996, has begun implementation of a two and one-quarter billion dollar universal service fund program to discount the cost of telecommunications and information services to schools and libraries; and

Whereas, on December 30, 1997, the Federal Communications Commission ruled that state networks, such as the K–20 educational network, may not recover directly from the fund for telecommunications services, other than Internet services and internal connections, provided and billed to schools and libraries; and

Whereas, by its order, the Commission also determined that schools and libraries served by state telecommunications networks will not be able to obtain discounts on the value added by the state to these telecommunications services procured from the private sector; and

Whereas, this ruling potentially creates incentives for Washington schools and libraries to forego the less costly state-provided services, and instead buy more expensive services directly from private providers in order to be assured of federal subsidies; and

Whereas, this ruling creates a severe administrative burden on Washington state government, and will contravene longstanding Legislative policy; and

Whereas, this ruling could increase the costs to the universal service fund since discounts will be based on higher costs negotiated one-by-one between individual schools and libraries and private telecommunications companies;

Now, therefore, Your Memorialists respectfully pray that the members of the Committee on Commerce, Science, and Transportation of the United States Senate; and members of the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, United States House of Representatives urge the Federal Communications Commission to review and amend its ruling barring direct reimbursement to state agencies that provide telecommunications services.

Be it resolved, That copies of this Memorial be transmitted immediately to the Honorable William J. Clinton, President of the United States, the members of the Committee on Commerce, Science, and Transportation of the United States Senate, the members of the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, United States House of Representatives, the President of the United States Senate, the Speaker of the House of Representatives, each member of Congress from the State of Washington, and the members of the Federal Communications Commission.

POM–370. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Finance.

SENATE JOINT MEMORIAL 8019

Whereas, the policy of the state of Washington is to assure the health, safety, and welfare of its citizens; and

Whereas, an adequate supply of tax-exempt private activity bond volume cap is essential and critically important in financing affordable, decent first-time home ownership opportunities and low-income and moderate-income rental housing in this state and the nation, as well as several other critically important purposes that contribute to the well-being of the citizens of the state; and

Whereas, an adequate supply of low-income housing tax credits is essential and critically important to financing affordable, decent, rental housing units that contribute to the well-being of the citizens of the state; and

Whereas, the United States Congress, in the Tax Reform Act of 1986, established restrictions on tax-exempt private activity municipal bonds, effective January 1, 1988, that imposed a limit, based on each state's population, not to exceed the greater of fifty dollars per capita per calendar year, but failed to include an automatic inflationary multiplier to ensure that the purchasing power of this resource did not become dilute; and

Whereas, the amount of tax-exempt private activity bonding for this state is inadequate to meet the tax-exempt private activity financing demands of the state of Washington, and its agencies and political subdivisions; and

Whereas, the United States Congress, in the Tax Reform Act of 1986, established restrictions on the Low-Income Housing Tax Credit that imposed a limit based on each state's population to be equal to one dollar and twenty-five cents per capita per calendar year, but failed to include an automatic inflationary multiplier to ensure that the purchasing power of this resource did not become diluted; and

Whereas, since 1987 the effects of annual inflation have diluted the purchasing power of Washington's tax-exempt private activity bonding cap and the low-income housing tax credits by forty-six percent; and

Whereas, such loss has been devastating to the ability of this state and the nation to provide adequate, affordable housing opportunities to its lower-income constituents by reducing nearly in half the number of single-family housing units and multifamily rental housing units available and affordable to the ever-increasing number of lower-income, first-time home buyers and renters in Washington, thus causing many of these families to remain in substandard or expensive housing, among other negative impacts; and

Whereas, if the state and its agencies and political subdivisions continue to be unable to provide adequate levels of tax-exempt private activity bond financing and low-income housing tax credit financing for these purposes, the health, safety, and welfare of the citizens of the state of Washington will be further negatively impacted;

Now, therefore, Your Memorialists respectfully pray that the United States Congress increase immediately the tax-exempt private activity bond volume cap and the allocation of low-income housing tax credits available to each state, including Washington, to levels that would fully restore the tax-exempt private activity bond volume cap purchasing power and the lower-income housing tax credit purchasing power of each state, including Washington, to levels that would offset the diluted effects of inflation since 1987, and index increases for these resources to inflation in future years.

Be it resolved, That copies of this Memorial be immediately transmitted to the Honorable William J. Clinton, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.

POM–371. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on the Judiciary.

SENATE RESOLUTION NO. 155

Whereas, current laws governing foreign-child adoptions and immigration are complex and necessary to provide certain safeguards. Included in those safeguards is the stipulation that a person entering the United States of America on a Visitor's Visa cannot be enrolled in a public school; and

Whereas, Wojtek Tokarcyzk spent nearly two years as a member of the family of Walter and Teresa Tokarcyzk, Michigan residents from the community of Alger. His adoptive parents, Walter and Teresa Tokarcyzk, had enrolled him at Ogemaw Heights High School. Wojtek Tokarcyzk was not allowed to re-enter this country following a 1997 Christmas visit to his native Poland; and

Whereas, using the seldom-used method commonly known as Private Relief Legislation, the Congress can act swiftly to allow Wojtek Tokarcyzk to re-enter the United States of America, and be legally adopted by his aunt and uncle, Walter and Teresa Tokarcyzk; and

Whereas, Wojtek Tokarcyzk has become a boy without a country. This is not an instance where the Immigration and Naturalization Service has acted to protect the resources of this nation from an undesirable illegal alien. He is missed dearly by his family, his soccer teammates and friends, and the community at large. Wojtek is also missed by the local fire department where he served as a volunteer firefighter. This is a matter of family values and a sense of community. The prompt return of Wojtek Tokarcyzk would be one small victory for the American notion that families are our most important resource and that close-knit communities still exist, now, therefore, be it

Resolved by the Senate, That we memorialize the President of the United States and the Congress of the United States to take immediate and necessary action to provide for United States citizenship for Wojtek Tokarcyzk; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States of America, the Speaker of the United States House of Representatives, the members of the Michigan congressional delegation, and the Immigration and Naturalization Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 927. A bill to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Garr M. King, of Oregon, to be United States District Judge for the District of Oregon.

Kermit Lipez, of Maine, to be United States Circuit Judge for the First Circuit.

Robert T. Dawson, of Arkansas, to be United States District Judge for the Western District of Arkansas.

Johnnie B. Rawlinson, of Nevada, to be United States District Judge for the District of Nevada.

Gregory Moneta Sleet, of Delaware, to be United States District Judge for the District of Delaware.

(The above nominations were reported with the recommendation that they be confirmed.)

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 Ms. MIKULSKI (for herself, Mrs. MURRAY, and Mr. WYDEN):

S. 1864. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the medicare skilled nursing facility prospective payment system; to the Committee on Finance.

By Mr. BAUCUS:

S. 1865. A bill to amend title IV of the Social Security Act to provide safeguards against the abuse of information reported to the National Directory of New Hires; to the Committee on Finance.

By Mr. DEWINE:

S. 1866. A bill to provide assistance to improve research regarding the quality and effectiveness of health care for children, to improve data collection regarding children's health, and to improve the effectiveness of health care delivery systems for children; to the Committee on Labor and Human Resources.

By Ms. COLLINS:

S. 1867. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses; to the Committee on Governmental Affairs.

By Mr. NICKLES (for himself, Mr. MACK, Mr. LIEBERMAN, Mr. KEMPTHORNE, Mr. CRAIG, Mr. HUTCHINSON, and Mr. DEWINE):

S. 1868. A bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes; to the Committee on Foreign Relations.

By Mr. CLELAND (for himself, Mr. COVERDELL, Mr. KERRY, Mr. HOLLINGS, and Mr. HARKIN):

S. 1869. A bill to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration; to the Committee on Small Business.

By Mr. CAMPBELL:

S. 1870. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 1871. A bill to provide that the exception for certain real estate investment trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Finance.

By Mr. NICKLES:

S. 1872. A bill to prohibit new welfare for politicians; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. INOUYE:

S. Res. 200. A resolution designating March 26, 1998, as ''National Maritime Arbitration Day''; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI (for herself, Mrs. MURRAY and Mr. WYDEN):

S. 1864. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the Medicare skilled nursing facility prospective payment system; to the Committee on Finance.

THE MEDICARE SOCIAL WORK EQUITY ACT OF 1998

Ms. MIKULSKI. Mr. President, I rise today to introduce the ''Medicare Social Work Equity Act of 1998''. I am proud to sponsor this legislation which will amend section 4432 in the Balanced Budget Act of 1997 which prevents social workers from directly billing Medicare for mental health services provided in skilled nursing facilities. I am honored to be joined by my good friends Senator MURRAY and Senator WYDEN who care equally about correcting this inequity for social workers.

Last year's Balanced Budget Act changed the payment method for skilled nursing facility care. Under current law, reimbursement is made after services have been delivered for the reasonable costs incurred. However, this ''cost-based system'' was blamed for inordinate growth in Medicare spending at skilled nursing facilities.

The Balanced Budget Act of 1997 phases in a prospective payment system for skilled nursing facilities beginning July 1, 1998. Payments for Part B services for skilled nursing facility residents will be consolidated. This means that the provider of the services must bill the facility instead of directly billing Medicare.

Congress was careful to not include psychologists and psychiatrists in this new consolidated billing provision. Social workers were included, I think by mistake. Clinical social workers are the primary providers of mental health services to residents of nursing homes, particularly in underserved urban and rural areas. Clinical social workers are also the most cost effective mental health providers.

This legislation is important for three reasons: First, I am concerned that section 4432 will inadvertently reduce mental health services to nursing home residents. Second, I believe that the new consolidated billing requirement will result in a shift from using social workers to other mental health professionals who are reimbursed at a higher cost. This will result in higher costs to Medicare. Finally, I am concerned that clinical social workers will lose their jobs in nursing homes or will be inadequately reimbursed.

I like this bill because it will correct an inequity for America's social workers, it will assure quality of care for nursing home residents, and will assure cost efficiency for Medicare. I look forward to the Senate's support of this worthy legislation.

By Mr. BAUCUS:

S. 1865. A bill to amend title IV of the Social Security Act to provide safeguards against the abuse of information reported to the National Directory of New Hires; to the Committee on Finance.

THE SAFEGUARD OF NEW EMPLOYEE INFORMATION ACT OF 1998

Mr. BAUCUS. Mr. President, today I am introducing the Safeguard of New Employee Information Act of 1998. This bill will ensure that the mechanisms created in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) to enhance our child support enforcement system will not lead to a misuse of personal information. I believe that my bill will assure that new employee information is kept confidential without compromising the usefulness of the National Directory of New Hires. The legislation provides clear safeguards against the abuse of personal employee information, and makes sure that the information is erased two years after entry.

As we all know, child support is a critical part of welfare reform. I strongly support the measures in PRWORA that help states track and crack down on parents who fail to pay court-ordered child support. In response to the fact that over 30 percent of child support cases involve parents who do not live in the same state as their children, a National Directory of New Hires was created to assist states in locating parents who reside in other states.

Thus far, the new data base has been very successful in enabling states to locate delinquent parents, enforcing payment orders and reducing the number of welfare families. However, many folks are concerned about the confidentiality of the registry, and the fact that this information is never deleted.

Last year, for example, the Montana State Legislature passed a child support bill to comply with the new federal regulations. I must add, this bill was passed in the final hours of the legislative session and under the threat of losing $52 million a year in federal funds. At that time, the legislature was hesitant to pass the bill because of concerns regarding confidentiality.

Mr. President, the Safeguard of New Employee Information Act of 1998 makes needed changes to the National Directory to alleviate these fears and ensure the registry's continuation. The bill provides penalties for misuse of information by federal employees. Specifically, it establishes a fine of $1,000 for each act of unauthorized access to, disclosure, or use of information in the National Directory of New Hires.

The bill also establishes a 24-month limit on retention of New Hire data. This two year limit gives Child Support Enforcement agencies the necessary time to determine paternity, establish a child support order or enforce existing orders. A shorter period of data retention would impede enforcement activities, and a longer period of retention increases the potential for abuse.

Mr. President, in my state of Montana, 90 percent of families on welfare are headed by single parents. That is why it is so important to require that the absent mothers or fathers provide money to feed, clothe and care for their children. The National Directory of New Hires is a good idea—we just need to ensure new employee confidentiality. I urge my colleagues to protect new hire confidentiality and support this important legislation.

By Mr. DEWINE:

S. 1866. A bill to provide assistance to improve research regarding the quality and effectiveness of health care for children, to improve data collection regarding children's health, and to improve the effectiveness of health care delivery systems for children; to the Committee on Labor and Human Resources.

THE CHILD HEALTH CARE QUALITY RESEARCH IMPROVEMENT ACT

Mr. DEWINE. Mr. President, I rise today to introduce the Child Health Care Quality Research Improvement Act. We have been hearing a great deal recently about the quality of health care in this country. Most of the debate, both here in Congress and back home in our States, has been driven, at least in part, by a fear among consumers that efforts to control costs and move people into managed care has compromised quality. This fear has driven legislation such as the bill we passed just last year to provide for 48-hour maternity stays. This year a whole host of health care quality bills have been introduced in the Congress. Even more such legislation has been moving forward at the State level as well.

As I have learned more and more about the concerns about the quality of health care, I have tried to focus particular attention on children, how their health care is delivered and whether its quality has been compromised. Frankly, I have learned something that I find very interesting.

While the drive to improve quality and reduce cost has driven a great deal of new research over the past several years, relatively little has been done for children in this area. While we are getting better at measuring quality of health care for adults, we have made little such progress for our children.

Between 1993 and 1995, only some 5 percent of the health services research study outcomes focused on our children. This is highly alarming because I frankly cannot think of anything more critical to our Nation's future than the quality of our children's health. Clearly we need to correct this serious lack of good health care quality measures.

I have spoken with experts in the field of pediatric research and they agree with this assessment. They tell me that we have to do more in this field if we expect to improve the care that our children receive. Many times, frankly, we don't know exactly which treatments are cost effective or best improve a child's quality of life. We don't know how to manage children's complicated health problems in ways that will allow them to lead normal lives

We can answer many of these questions if the patient is an adult, but we have far fewer answers for our children. Here is one example. One study recently found that children have three times greater chance of dying after heart surgery at some hospitals than they have at other hospitals—three times. We must fix this. That means we have to find out why, why one hospital loses three times as many children as another. As both a parent and a grandparent, I can speak from firsthand experience about the stress and the uncertainty that goes along with any childhood illness. To think that a parent's choice of a hospital could actually be harmful to a child is certainly a very scary thought for a parent.

Another example is asthma. Asthma is the most common chronic health condition in children, affecting 5 million children in this country, and that percentage, tragically, is rising. We are not sure why this has been happening, but we do know that the quality of health care a child receives can dramatically affect the severity of his or her asthma. As a result, the better the quality of health care, the less time that child spends in the hospital, the fewer visits to the emergency room, and the less time a child has to miss from school. If we do not even know what kinds of treatment work best for children or that different treatments work better in different environments, we cannot help. We certainly can't begin to debate how to improve quality if we can't even define it or measure it. For that, we need to conduct research in real world settings.

As a means of getting this research into real world settings and improving the quality of health care that our children receive, I am introducing a bill today entitled the Child Health Care Quality Research Improvement Act. This legislation was developed with the help of leaders in the pediatric community, child advocates, and health services researchers. My bill takes a three-pronged approach to address this issue: One, focusing on training; two, research; and three, data collection for child health outcomes and effectiveness research.

Let me start with the first one.

In order for us to make advances in the study of pediatric health outcomes, it is essential that we have researchers who have received training in this field. This bill I am introducing today promotes research training programs in child health services research at the doctoral, post-doctoral, and junior faculty levels. By bringing professionals into this very important field, we can ensure that issues that affect the lives of children are receiving the attention they deserve.

The second component of this bill establishes research centers and networks. The goal of the centers and networks will be to foster collaboration among experts in the field of pediatric health care quality and effectiveness.

We envision that these centers and networks will bring together pediatric specialists from children's hospitals, physicians in managed care plans, statisticians from schools of public health, and other experts in the field to work together on research projects and to translate these findings into real-world settings where children are receiving health care.

Third, and finally, this legislation contains a component that adds supplements to existing national health surveys that are today administered by the National Center for Health Statistics and the Maternal and Child Health Bureau. In addition to not knowing how to measure health care quality in children, other data, like that measuring children's use of health care systems and health care expenditures, are lacking. Adding supplements to existing surveys is a very sensible measure. This bill does not require yet another survey to be administered. Rather, it simply adds questions to existing surveys, to allow us to collect valuable data on children. This is the type of information that we need if we want to look at trends in children's health and what we can do to improve their health.

Mr. President, we are all well aware that children have medical conditions and health care needs that are different from those of adults. It doesn't make sense to do health services research for adults and hope that one size fits all—that the things we learn will make sense for children. Federal support for child health quality and effectiveness research is vital to ensure that children are receiving appropriate health care. We owe it to our Nation's children to train health professionals in this important filed, and to support these very important research initiatives.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1866

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Child Health Care Quality Research Improvement Act''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) There is increased emphasis on using evidence of improved health care outcomes and cost effectiveness to justify changes in our health care system.

(2) There is a growing movement to use health care quality measures to ensure that health care services provided are appropriate and likely to improve health.

(3) Few health care quality measures exist for children, especially for the treatment of acute and chronic conditions.

(4) A significant number of children in the United States have health problems, and the percentage of children with special health care needs is increasing.

(5) Children in the health care marketplace have unique health attributes, including a child's developmental vulnerability, differential morbidity, and dependency on adults, families, and communities.

(6) Children account for less than 15 percent of the national health care spending, and do not command a large amount of influence in the health care marketplace.

(7) The Federal government is the major payer of children's health care in the United States.

(8) Numerous scientifically sound measures exist for assessing quality of health care for adults, and similar measures should be developed for assessing the quality of health care for children.

(9) The delivery structures and systems that provide care for children are necessarily different than systems caring for adults, and therefore require appropriate types of quality measurements and improvement systems.

(10) Improving quality measurement and monitoring will—

(A) assist health care providers in identifying ways to improve health outcomes for common and rare childhood health conditions;

(B) assist consumers and purchasers of health care in determining the value of the health care products and services they are receiving or buying; and

(C) assist providers in selecting effective treatments and priorities for service delivery.

(11) Because of the prevalence and patterns of children's medical conditions, research on improving care for relatively rare or specific conditions must be conducted across multiple institutions and practice settings in order to guarantee the validity and generalizability of research results.

SEC. 3. DEFINITIONS.

In this Act:

(1) HIGH PRIORITY AREAS.—the term ''high priority areas'' means areas of research that are of compelling scientific or public policy significance, that include high priority areas of research identified by the Conference on Improving Quality of Health Care for Children: An Agenda for Research (May, 1997), and that—

(A) are consistent with areas of research as defined in paragraphs (1)(A) and (2) of section 1142(a) of the Social Security Act;

(B) are relevant to all children or to specific subgroups of children; or

(C) are consistent with such other criteria as the Secretary may require.

(2) LOCAL COMMUNITY.—The term ''local community'' means city, county, and regional governments, and research institutes in conjunction with such cities, counties, or regional governments.

(3) PEDIATRIC QUALITY OF CARE AND OUTCOMES RESEARCH.—The term ''pediatric quality of care and outcomes research'' means research involving the process of health care delivery and the outcomes of that delivery in order to improve the care available for children, including health promotion and disease prevention, diagnosis, treatment, and rehabilitation services, including research to—

(A) develop and use better measures of health and functional status in order to determine more precisely baseline health status and health outcomes;

(B) evaluate the results of the health care process in real-life settings, including variations in medical practices and patterns, as well as functional status, clinical status, and patient satisfaction;

(C) develop quality improvement tools and evaluate their implementation in order to establish benchmarks for care for specific childhood diseases, conditions, impairments, or populations groups;

(D) develop specific measures of the quality of care to determine whether a specific health service has been provided in a technically appropriate and effective manner, that is responsive to the clinical needs of the patient, and that is evaluated in terms of the clinical and functional status of the patient as well as the patient's satisfaction with the care; or

(E) assess policies, procedures, and methods that can be used to improve the process and outcomes of the delivery of care.

(4) PROVIDER-BASED RESEARCH NETWORKS.—The term ''provider-based research network'' refers to 1 of the following which exist for the purpose of conducting research:

(A) A hospital-based research network that is comprised of a sufficient number of children's hospitals or pediatric departments of academic health centers.

(B) A physician practice-based research network that is comprised of a sufficient number of groups of physicians practices.

(C) A managed care-based research network that is comprised of a sufficient number of pediatric programs of State-licensed health maintenance organizations or other State certified managed care plans.

(D) A combination provider-based research network that is comprised of all or part of a hospital-based research network, a physician practice-based research network, and a managed care-based research network.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

SEC. 4. EXPANSION OF THE HEALTH SERVICES RESEARCH WORKFORCE.

(a) GRANTS.—The Secretary shall annually award not less than 10 grants to eligible entities at geographically diverse locations throughout the United States to enable such entities to carry out research training programs that are dedicated to child health services research training initiatives at the doctoral, post-doctoral, and junior faculty levels.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a public or nonprofit private entity; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(c) LIMITATION.—A grant awarded under this section shall be for an amount that does not exceed $500,000.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $5,000,000 for each of the fiscal years 1999 through 2003.

SEC. 5. DEVELOPMENT OF CHILD HEALTH IMPROVEMENT RESEARCH CENTERS AND PROVIDER-BASED RESEARCH NETWORKS.

(a) GRANTS.—In order to address the full continuum of pediatric quality of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Secretary shall award grants to eligible entities for the establishment of—

(1) not less that 10 national centers for excellence in child health improvement research at geographically diverse locations throughout the United States; and

(2) not less than 5 national child health provider quality improvement research networks at geographically diverse locations throughout the United States, including at least 1 of each type of network as described in section 3(4).

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) for purposes of—

(A) subsection (a)(1), be a public or nonprofit entity, or group of entities, including universities, and where applicable their

schools of Public Health, research institutions, or children's hospitals, with multi-disciplinary expertise including pediatric quality of care and outcomes research and primary care research; or

(B) subsection (a)(2), be a public or nonprofit institution that represents children's hospitals, pediatric departments of academic health centers, physician practices, or managed care plans; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

(A) in the case of an application for a grant under subsection (a)(1), a demonstration that a research center will conduct 2 or more research projects involving pediatric quality of care and outcomes research in high priority areas; or

(B) in the case of an application for a grant under subsection (a)(2)—

(i) a demonstration that the applicant and its network will conduct 2 or more projects involving pediatric quality of care and outcomes research in high priority areas;

(ii) a demonstration of an effective and cost-efficient data collection infrastructure;

(iii) a demonstration of matching funds equal to the amount of the grant; and

(iv) a plan for sustaining the financing of the operation of a provider-based network after the expiration of the 5-year term of the grant.

(c) LIMITATIONS.—A grant awarded under subsection (a)(1) shall not exceed $1,000,000 per year and be for a term of more that 5 years and a grant awarded under subsection (a)(2) shall not exceed $750,000 per year and be for a term of more than 5 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) to carry out subsection (a)(1), $10,000,000 for each of the fiscal years 1999 through 2003; and

(2) to carry out subsection (a)(2), $3,750,000 for each of the fiscal years 1999 through 2003.

SEC. 6. RESEARCH IN SPECIFIC HIGH PRIORITY AREAS.

(a) ADDITIONAL FUNDS FOR GRANTS.—From amounts appropriated under subsection (c), the Secretary shall provide support, through grant programs authorized on the date of enactment of this Act, to entities determined to have expertise in pediatric quality of care and outcomes research. Such additional funds shall be used to improve the quality of children's health, especially in high priority areas, and shall be subject to the same conditions and requirements that apply to funds provided under the existing grant program through which such additional funds are provided.

(b) ADVISORY COMMITTEE.—

(1) IN GENERAL.—To evaluate progress made in pediatric quality of care and outcomes research in high priority areas, and to identify new high priority areas, the Secretary shall establish an advisory committee which shall report annually to the Secretary.

(2) MEMBERSHIP.—The Secretary shall ensure that the advisory committee established under paragraph (1) includes individuals who are—

(A) health care consumers;

(B) health care providers;

(C) purchasers of health care;

(D) representative of health plans involved in children's health care services; and

(E) representatives of Federal agencies including—

(i) the Agency for Health Care Policy and Research;

(ii) the Centers for Disease Control and Prevention;

(iii) the Health Care Financing Administration;

(iv) the Maternal and Child Health Bureau;

(v) the National Institutes of Health; and

(vi) the Substance Abuse and Mental Health Services Administration.

(3) EVALUATION OF RESEARCH.—The advisory committee established under paragraph (1) shall evaluate research in high priority areas using criteria that include—

(1) the generation of research that includes both short and long term studies;

(2) the ability to foster public and private partnerships; and

(3) the likelihood that findings will be transmitted rapidly into practice.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $12,000,000 for each of the fiscal years 1999 through 2003.

SEC. 7. IMPROVING CHILD HEALTH DATA AND DEVELOPING BETTER DATA COLLECTION SYSTEMS.

(a) SURVEY.—The Secretary shall provide assistance to enable the appropriate Federal agencies to—

(1) conduct ongoing biennial supplements and initiate and maintain a longitudinal study on children's health that is linked to the appropriate existing national surveys (including the National Health Interview Survey and the Medical Expenditure Panel Survey) to—

(A) provide for reliable national estimates of health care expenditures, cost, use, access, and satisfaction for children, including uninsured children, poor and near-poor children, and children with special health care needs;

(B) enhance the understanding of the determinants of health outcomes and functional status among children with special health care needs, as well as an understanding of these changes over time and their relationship to health care access and use; and

(C) monitor the overall national impact of Federal and State policy changes on children's health care; and

(2) develop an ongoing 50-State survey to generate reliable State estimates of health care expenditures, cost, use, access, satisfaction, and quality for children, including uninsured children, poor and near-poor children, and children with special health care needs.

(b) GRANTS.—The Secretary shall award grants to public and nonprofit entities to enable such entities to develop the capacity of local communities to improve child health monitoring at the community level.

(c) ELIGIBILITY.—To be eligible to receive a grant under subsection (b), an entity shall—

(1) be a public or nonprofit entity; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $14,000,000 for each of the fiscal years 1999 through 2003, of which—

(1) $6,000,000 shall be made available in each fiscal year for grants under subsection (a)(1);

(2) $4,000,000 shall be made available in each fiscal year for grants under subsection (a)(2);

(3) $4,000,000 shall be made available in each fiscal year for grants under subsection (b).

SEC. 8. OVERSIGHT.

Not later than _____ after the date of enactment of this Act, The Secretary shall prepare and submit a report to Congress on progress made in pediatric quality of care and outcomes research, including the extent of ongoing research, programs, and technical needs, and the Department of Health and Human Services' priorities for funding pediatric quality of care and outcomes research.

By Ms. COLLINS:

S. 1867. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses; to the Committee on Governmental Affairs.

THE SMALL BUSINESS PAPERWORK REDUCTION ACT

Ms. COLLINS. Mr. President, today I am introducing the Small Business Paperwork Reduction Act Amendments of 1998, a companion bill to legislation pending in the House of Representatives.

This legislation has five components. First, it requires the Office of Management and Budget to publish annually in the Federal Register and on the Internet all of the Federal paperwork requirements imposed on small business. This will not only serve as a valuable tool for those who must comply with these mandates, but it will also make it far easier for policy makers to monitor, and I would hope check, the growth in the paperwork burden.

Second, under the bill, each agency will have to establish one point of contact to act as a liaison with small businesses on paperwork requirements. In an era when serving the customer has become recognized by the private sector as critical, this is a modest step to ask of our government.

Third, the legislation provides for the suspension of civil fines imposed on small enterprises for first-time paperwork violations, except under certain circumstances, such as when the violation causes serious harm to the public or presents an imminent danger to the public health or safety. In dealing with America's entrepreneurs, we need to move away from a culture that seems to place a higher priority on imposing punishment than on facilitating compliance.

Fourth, in addition to meeting the mandates of the Paperwork Reduction Act, agencies will have to make further efforts to reduce the burden on enterprises with fewer than 25 employees. There must be some measure of proportionality between the size of a business and its costs of complying with government regulation.

Fifth, a task force will be established to examine the feasibility of requiring agencies to consolidate their paperwork mandates in a manner that will allow small businesses to satisfy those mandates through a single filing, in a single format, and on the same date. By reducing the amount of time currently devoted to these tasks, our companies will have more to spend on the activities for which they were formed.

Mr. President, all too often the relationship between the owners of small businesses and government is an adversial one. That benefits no one—not the owners of these enterprises, not the many Americans they employ, not

the government they help to support, and not the public at large.

The problem often is not with the goals which underlie our regulations, but rather in how we seek to achieve those goals. We should not forget that we are dealing with Americans who make a great contribution to the prosperity of our nation. In seeking to meet our regulatory objectives, we should be reaching out to these entrepreneurs with a helping hand and not a heavy hand. That, Mr. President, is the purpose of this legislation.

By Mr. NICKLES (for himself, Mr. MACK, Mr. LIEBERMAN, Mr. KEMPTHORNE, Mr. CRAIG, Mr. HUTCHINSON, and Mr. DEWINE):

S. 1868. A bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes; to the Committee on Foreign Relations.

THE INTERNATIONAL RELIGIOUS FREEDOM ACT OF 1998

Mr. NICKLES. Mr. President, today I am prompted to speak by both a tragic reality, and also what I would think is a promising hope. The tragic reality is that literally millions of religious believers around the world live gripped by the incessant, terrifying prospect of persecution, of being tortured, arrested, imprisoned or even killed for simply practicing their faith. A promising hope, I believe, might perhaps be found in the bill that I am introducing today with Senator LIEBERMAN, Senator MACK, Senator KEMPTHORNE, Senator CRAIG, Senator HUTCHINSON and Senator DEWINE. It is called the International Religious Freedom Act. The International Religious Freedom Act will establish a process to ensure that on an ongoing basis the United States closely monitors religious persecution worldwide.

It is wrong for a country to persecute, to prosecute, to imprison, harass individuals for simply practicing their faith, whether that faith is Jewish or Christian or Muslim or Hindu. It is absolutely wrong for them to be persecuted for practicing their faith. This act requires the U.S. Government to take action against all countries engaging in religious persecution.

What kind of persecution am I talking about? First, three facts command attention.

One reliable estimate indicates that more Christian martyrs have perished in this century than all previous centuries combined. That is a staggering, staggering statement.

A recent book reports that 200 million Christians around the world live under daily fear and threat of persecution, including interrogation, imprisonment, torture and in some cases death.

Finally, over half the world's population lives under regimes which severely restrict if not prohibit their ability to believe in and practice the religious faith of their choice and conviction.

Of course, religious persecution goes beyond facts and figures. It happens to real people in real places. Let me point out just four compelling examples.

At this very moment one of China's leading house church pastors, Pastor Peter Xu, is languishing in a Chinese prison under a 3-year term for the so-called ''crime'' of ''disturbing public order.'' Hundreds, perhaps thousands of other believers in China currently suffer similar treatment.

Again, at this very moment, 13 courageous Christians are imprisoned by the Communist authorities in Laos. What was their ''crime''? Simply that they organized an ''unauthorized'' Bible study in the privacy of a home.

In Pakistan, just a few months ago, Pastor Noor Alam was brutally stabbed to death by anti-Christian assailants. Shortly before that, they had destroyed Pastor Alam's church building. Meanwhile, Christians and other religious minorities in Pakistan continue to sufferer under the notorius ''blasphemy laws.''

Or consider Russia, which, as many of my colleagues will remember, just last summer passed a draconian law that will effectively shut down the vast majority of independent churches and other religious organizations and severly curtail the religious freedom of the Russian people.

I could go on and on. However, I do want to share just a few highlights of what we humbly but earnestly hope our bill can do to begin to address the scourge of religious persecution worldwide.

I should also mention that, in 1996, I was honored to sponsor a Senate resolution on religious persecution, which passed by unanimous consent. In that resolution, the Senate made a strong recommendation ''that the President expand and invigorate the United States' international advocacy on behalf of persecuted Christians, and initiate a thorough examination of all United States' policies that affect persecuted Christians.''

What was a mere resolution in 1996, I hope it will become a reality in 1998. While then we acted with words, I hope that this year we can act with deeds.

In short, this bill seeks to ensure that the U.S. Government aggressively monitors religious oppression around the world and takes decisive action against those regimes engaged in persecution, all the while maintaining the integrity and credibility of the U.S. foreign policy system.

The International Religious Freedom Act establishes an ''Ambassador-at-Large for Religious Liberty'' at the State Department. The Ambassador will be responsible for representing our Government in vigorous diplomacy with nations guilty of religious persecution. In addition, the Ambassador will oversee an annual report on religious persecution which will specify the details on religious persecution around the world. This report will name names. And those countries named will be held accountable.

For any country cited in the report, the Act presents a menu of diplomatic and economic options, and the President is required to select from at least one of those actions. Silence or passivity are not options. At the same time, the Act seeks to provide the President maximum flexibility entailing the most appropriate, effective response to that particular situation in a particular country. Furthermore, because we desire good results to follow our good intentions, the Act requires a consideration of how the action taken by America will affect American economic and security interests and, most important, how it will affect the very people that it purports to help.

The International Religious Freedom Act has other provisions—improved reporting, improved training for immigration and foreign service officials, a commission on international religious liberty to provide more attention and expertise on the issue. I invite all my colleagues, and certainly those who are deeply concerned about the plight of persecuted religious believers, to join me in supporting this bill. Not because it might be popular or expedient or convenient to support this legislation, but because it is the right thing to do and because I believe it will make a real difference in protecting the lives of some of the most vulnerable people in the world, those people who wish to express their religious beliefs and convictions.

Mr. President, I thank my cosponsors, particularly Senator LIEBERMAN, also Senator MACK, in addition to Senator HUTCHINSON and Senator CRAIG and Senator KEMPTHORNE, for helping us put this legislation together.

Mr. President, I ask unanimous consent that the text of the bill printed in the RECORD.

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

S. 1868

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''International Religious Freedom Act of 1998''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings; policy.
Sec. 3. Definitions.

TITLE I—DEPARTMENT OF STATE ACTIVITIES

Sec. 101. Office on International Religious Freedom; Ambassador at Large for International Religious Freedom.

Sec. 102. Reports.
Sec. 103. Establishment of a religious freedom Internet site.
Sec. 104. Training for Foreign Service officers.
Sec. 105. High-level contacts with NGOs.
Sec. 106. Programs and allocations of funds by United States missions abroad.
Sec. 107. Equal access to United States missions abroad for conducting religious activities.
Sec. 108. Prisoner lists and issue briefs on religious persecution concerns.

TITLE II—COMMISSION ON INTERNATIONAL RELIGIOUS PERSECUTION

Sec. 201. Establishment and composition.
Sec. 202. Duties of the Commission.
Sec. 203. Report of the Commission.
Sec. 204. Termination.

TITLE III—NATIONAL SECURITY COUNCIL

Sec. 301. Special Adviser on Religious Persecution.

TITLE IV—SANCTIONS

Subtitle I—Targeted Responses to Religious Persecution Abroad

Sec. 401. Executive measures and sanctions in response to findings made in the Annual Report on Religious Persecution.
Sec. 402. Presidential determinations of gross violations of the right to religious freedom.
Sec. 403. Consultations.
Sec. 404. Report to Congress.
Sec. 405. Description of Executive measures and sanctions.
Sec. 406. Contract sanctity.
Sec. 407. Presidential waiver.
Sec. 408. Publication in Federal Register.
Sec. 409. Congressional review.
Sec. 410. Termination of sanctions.

Subtitle II—Strengthening Existing Law

Sec. 421. United States assistance.
Sec. 422. Multilateral assistance.
Sec. 423. Exports of items relating to religious persecution.

TITLE V—PROMOTION OF RELIGIOUS FREEDOM

Sec. 501. Assistance for promoting religious freedom.
Sec. 502. International broadcasting.
Sec. 503. International exchanges.
Sec. 504. Foreign Service awards.

TITLE VI—REFUGEE, ASYLUM, AND CONSULAR MATTERS

Sec. 601. Use of Annual Report.
Sec. 602. Reform of refugee policy.
Sec. 603. Reform of asylum policy.
Sec. 604. Inadmissibility of foreign government officials who have engaged in gross violations of the right to religious freedom.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Business codes of conduct.
Sec. 702. International Criminal Court.

SEC. 2. FINDINGS; POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) Freedom of religious belief and practice is a fundamental human right articulated in numerous international agreements and covenants, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the Helsinki Accords, the Declaration on the Elimination of All Forms of Intolerance and Discrimination Based on Religion or Belief, the United Nations Charter, and the European Convention for the Protection of Human Rights and Fundamental Freedoms.

(2) The right to freedom of religion undergirds the very origin and existence of the United States. Many of our Nation's founders fled religious persecution abroad, cherishing in their hearts and minds the ideal of religious freedom. They established in law, as a fundamental right and as a pillar of our Nation, the right to freedom of religion. From its birth to this day, the United States has prized this legacy of religious freedom and honored this heritage by standing for religious freedom and offering refuge to those suffering religious persecution.

(3) Article 18 of the Universal Declaration of Human Rights recognizes that ''Everyone has the right to freedom of thought, conscience, and religion. This right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship, and observance.''. Article 18(1) of the International Covenant on Civil and Political Rights recognizes that ''Everyone shall have the right to freedom of thought, conscience, and religion. This right shall include freedom to have or to adopt a religion or belief of his choice, and freedom, either individually or in community with others and in public or private, to manifest his religion or belief in worship, observance, practice, and teaching''. Governments have the responsibility to protect the fundamental rights of their citizens and to pursue justice for all. Religious freedom is a fundamental right of every individual, regardless of race, country, creed, or nationality, and should never be arbitrarily abridged by any government.

(4) The right to freedom of religion is under renewed and, in some cases, increasing assault in many countries around the world. More than one-half of the world's population lives under regimes that severely restrict or prohibit the freedom of their citizens to study, believe, observe, and freely practice the religious faith of their choice. Religious believers and communities suffer both government-sponsored and government-tolerated violations of their rights to religious freedom. Among the many forms of such violations are state-sponsored slander campaigns, confiscations of property, surveillance by security police, including by special divisions of ''religious police'', severe prohibitions against construction and repair of places of worship, denial of the right to assemble and relegation of religious communities to illegal status through arbitrary registration laws, prohibitions against the pursuit of education or public office, and prohibitions against publishing, distributing, or possessing religious literature and materials.

(5) Even more abhorrent, religious believers in many countries face such severe and violent forms of religious persecution as detention, torture, beatings, forced marriage, rape, imprisonment, enslavement, mass resettlement, and death merely for the peaceful belief in, change of or practice of their faith. In many countries, religious believers are forced to meet secretly, and religious leaders are targeted by national security forces and hostile mobs.

(6) Though not confined to a particular region or regime, religious persecution is often particularly widespread, systematic, and heinous under totalitarian governments and in countries with militant, politicized religious majorities.

(7) Congress has recognized and denounced acts of religious persecution through the adoption of the following resolutions:

(A) House Resolution 515 (104th), expressing the sense of the House of Representatives with respect to the persecution of Christians worldwide.

(B) Senate Concurrent Resolution 71 (104th), expressing the sense of the Senate regarding persecution of Christians worldwide.

(C) House Concurrent Resolution 102, concerning the emancipation of the Iranian Baha'i community.

(b) POLICY.—It shall be the policy of the United States, as follows:

(1) To condemn religious persecution, and to promote, and to assist other governments in the promotion of, the fundamental right to religious freedom.

(2) To seek to channel United States security and development assistance to governments other than those found to be engaged in gross violations of human rights, including the right to religious freedom, as set forth in the Foreign Assistance Act of 1961, in the International Financial Institutions Act of 1977, and in other formulations of United States human rights policy.

(3) To be vigorous and flexible, reflecting both the unwavering commitment of the United States to religious freedom and the desire of the United States for the most effective and principled response, in light of the range of violations of religious freedom by a variety of persecuting regimes, and the status of the relations of the United States with different nations.

(4) To work with foreign governments that affirm and protect religious freedom, in order to develop multilateral documents and initiatives to combat religious persecution and promote the right to religious freedom abroad.

(5) Standing for liberty and standing with the persecuted, to use and implement appropriate tools in the United States foreign policy apparatus, including diplomatic, political, commercial, charitable, educational, and cultural channels, to promote respect for religious freedom by all governments and peoples.

SEC. 3. DEFINITIONS.

In this Act:

(1) AMBASSADOR AT LARGE.—The term ''Ambassador at Large'' means the Ambassador at Large on International Religious Freedom appointed under section 101(b).

(2) ANNUAL REPORT ON RELIGIOUS PERSECUTION.—The term ''Annual Report on Religious Persecution'' means the report described in section 102(b).

(3) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and, in the case of any determination made with respect to the imposition of a sanction under paragraphs (9) through (16) of section 405, the term ''appropriate congressional committees'' includes those committees, together with the Committee on Ways and Means and the Committee on Banking and Financial Services of the House of Representatives and the Committee on Finance of the Senate.

(4) COMMISSION.—The term ''Commission'' means the United States Commission on International Religious Persecution established in section 201(a).

(5) GOVERNMENT OR FOREIGN GOVERNMENT.—The term ''government'' or ''foreign government'' includes any agency or instrumentality of the government.

(6) GROSS VIOLATIONS OF THE RIGHT TO FREEDOM OF RELIGION.—The term ''gross violations of the right to freedom of religion'' means a consistent pattern of gross violations of the right to freedom of religion that include torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges, causing the disappearance of persons by the abduction or clandestine detention of those persons, or other flagrant denial of the right to life, liberty, or the security of persons, within the meaning of section 116(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(a)).

(7) HUMAN RIGHTS REPORTS.—The term ''Human Rights Reports'' means the reports submitted by the Department of State to Congress under sections 116 and 502B of the Foreign Assistance Act of 1961.

(8) OFFICE.—The term ''Office'' means the Office on International Religious Freedom established in section 101(a).

(9) RELIGIOUS PERSECUTION.—The term ''religious persecution'' means any violation of the internationally recognized right to freedom of religion, as defined in Article 18 of the Universal Declaration of Human Rights and Article 18 of the International Covenant on Civil and Political Rights, including violations such as—

(A) arbitrary prohibitions on, restrictions of, or punishment for—

(i) assembling for peaceful religious activities such as worship, preaching, and prayer, including arbitrary registration requirements,

(ii) speaking freely about one's religious beliefs,

(iii) changing one's religious beliefs and affiliation,

(iv) possession and distribution of religious literature, including Bibles, or

(v) raising one's children in the religious teachings and practices of one's choice,

as well as arbitrary prohibitions or restrictions on the grounds of religion on holding public office, or pursuing educational or professional opportunities; and

(B) any of the following acts if committed on account of an individual's religious belief or practice: detention, interrogation, harassment, imposition of an onerous financial penalty, forced labor, forced mass resettlement, imprisonment, beating, torture, mutilation, rape, enslavement, murder, and execution.

(10) SPECIAL ADVISER.—The term ''Special Adviser'' means the Special Adviser to the President on Religious Persecution established in section 101(i) of the National Security Act of 1947, as added by section 301 of this Act.

TITLE I—DEPARTMENT OF STATE ACTIVITIES

SEC. 101. OFFICE ON INTERNATIONAL RELIGIOUS FREEDOM; AMBASSADOR AT LARGE FOR INTERNATIONAL RELIGIOUS FREEDOM.

(a) ESTABLISHMENT OF OFFICE.—There is established within the Department of State an Office on International Religious Freedom that shall be headed by the Ambassador at Large on International Religious Freedom appointed under subsection (b).

(b) APPOINTMENT.—The Ambassador at Large shall be appointed by the President, by and with the advice and consent of the Senate.

(c) DUTIES.—The Ambassador at Large shall have the following responsibilities:

(1) IN GENERAL.—The primary responsibility of the Ambassador at Large shall be to advance the right to freedom of religion abroad, to denounce the violation of that right, and to recommend appropriate responses by the United States Government when this right is violated.

(2) ADVISORY ROLE.—The Ambassador at Large shall be the principal adviser to the President and the Secretary of State regarding matters affecting religious freedom abroad and, with advice from the Commission on International Religious Persecution, shall make recommendations regarding the policies of the United States Government toward governments that violate the freedom of religion or that fail to ensure the individual's right to religious belief and practice.

(3) DIPLOMATIC REPRESENTATION.—The Ambassador at Large is authorized to represent the United States in matters and cases relevant to religious persecution in—

(A) contacts with foreign governments, international organizations, intergovernmental organizations, and specialized agencies of the United Nations, the Organization on Security and Cooperation in Europe, and other organizations of which the United States is a member; and

(B) multilateral conferences and meetings relevant to religious persecution.

(4) REPORTING RESPONSIBILITIES.—The Ambassador at Large shall have the reporting responsibilities described in section 102.

(d) FUNDING.—The Secretary of State shall provide the Ambassador at Large with such funds as may be necessary for the hiring of staff for the Office, for the conduct of investigations by the Office, and for necessary travel to carry out the provisions of this section.

SEC. 102. REPORTS.

(a) PORTIONS OF ANNUAL HUMAN RIGHTS REPORTS.—The Ambassador at Large shall assist the Secretary of State in preparing those portions of the Human Rights Reports that relate to freedom of religion and discrimination based on religion and those portions of other information provided Congress under sections 116 and 502B of the Foreign Assistance Act of 1961 (22 U.S.C. 2151m, 2304) that relate to the right to religious freedom.

(b) ANNUAL REPORT ON RELIGIOUS PERSECUTION.—

(1) IN GENERAL.—

(A) DEADLINE FOR SUBMISSION.—Not later than May 1 of each year, the Ambassador at Large shall submit to the appropriate congressional committees an Annual Report on Religious Persecution, expanding upon the most recent Human Rights Reports. Each Annual Report on Religious Persecution shall contain the following:

(i) An identification of each foreign country the government of which engages in or tolerates acts of religious persecution.

(ii) An assessment and description of the nature and extent of religious persecution, including persecution of one religious group by another religious group, religious persecution by governmental and nongovernmental entities, persecution targeted at individuals or particular denominations or entire religions, and the existence of government policies violating religious freedom.

(iii) A description of United States policies in support of religious freedom, including a description of the measures and policies implemented during the preceding 12 months by the United States under title IV of this Act in opposition to religious persecution and in support of religious freedom.

(iv) A description of any binding agreement with a foreign government entered into by the United States under section 402(c).

(B) CLASSIFIED ADDENDUM.—If the Ambassador determines that it is in the national security interests of the United States or is necessary for the safety of individuals to be identified in the Annual Report, any information required by subparagraph (A), including measures taken by the United States, may be summarized in the Annual Report and submitted in more detail in a classified addendum to the Annual Report.

(C) DESIGNATION OF REPORT.—Each report submitted under this subsection may be referred to as the ''Annual Report on Religious Persecution''.

(2) FOREIGN GOVERNMENT INPUT.—Prior to submission of each report under this subsection, the Secretary of State may offer the government of any country concerned an opportunity to respond to the relevant portions of the report. If the Secretary of State determines that doing so would further the purposes of this Act, the Secretary shall request the Ambassador at Large to include the country's response as an addendum to the Annual Report on Religious Persecution.

(c) PREPARATION OF REPORTS REGARDING RELIGIOUS PERSECUTION.—

(1) STANDARDS AND INVESTIGATIONS.—The Secretary of State shall ensure that United States missions abroad maintain a consistent reporting standard and thoroughly investigate reports of religious persecution.

(2) CONTACTS WITH NGOS.—In compiling data and assessing the respect of the right to religious freedom for the Human Rights Reports and the Annual Report on Religious Persecution, United States mission personnel shall seek out and maintain contacts with religious and human rights nongovernmental organizations, with the consent of those organizations, including receiving reports and updates from such organizations and, when appropriate, investigating such reports.

(d) AMENDMENTS TO THE FOREIGN ASSISTANCE ACT.—

(1) CONTENT OF HUMAN RIGHTS REPORTS FOR COUNTRIES RECEIVING ECONOMIC ASSISTANCE.—Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended—

(A) by striking ''and'' at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting''; and ''; and

(C) by adding at the end the following:

''(6) wherever applicable, the practice of religious persecution, including gross violations of the right to religious freedom.''.

(2) CONTENTS OF HUMAN RIGHTS REPORTS FOR COUNTRIES RECEIVING SECURITY ASSISTANCE.—Section 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended—

(A) by inserting ''and with the assistance of the Ambassador at Large for Religious Freedom'' after ''Labor''; and

(B) by inserting after the second sentence the following new sentence: ''Such report shall also include, wherever applicable, information on religious persecution, including gross violations of the right to religious freedom.''.

SEC. 103. ESTABLISHMENT OF A RELIGIOUS FREEDOM INTERNET SITE.

In order to facilitate access by nongovernmental organizations (NGOs) and by the public around the world to international documents on the protection of religious freedom, the Ambassador at Large shall establish and maintain an Internet site containing major international documents relating to religious freedom, the Annual Report on Religious Persecution, and any other documentation or references to other sites as deemed appropriate or relevant by the Ambassador at Large.

SEC. 104. TRAINING FOR FOREIGN SERVICE OFFICERS.

Chapter 2 of title I of the Foreign Service Act of 1980 is amended by adding at the end the following new section:

''SEC. 708. TRAINING FOR FOREIGN SERVICE OFFICERS.

''The Secretary of State and the Ambassador at Large on International Religious Freedom, appointed under section 101(b) of the International Religious Freedom Act of 1998, acting jointly, shall establish as part of the standard training for officers of the Service, including chiefs of mission, instruction in the field of internationally recognized human rights. Such instruction shall include—

''(1) standards for proficiency in the knowledge of international documents and United States policy in human rights, and shall be mandatory for all members of the Service having reporting responsibilities relating to human rights, and for chiefs of mission; and

''(2) instruction on the international right to freedom of religion, the nature, activities,

and beliefs of different religions, and the various aspects and manifestations of religious persecution.''.

SEC. 105. HIGH-LEVEL CONTACTS WITH NGOS.

United States chiefs of mission shall seek out and contact religious nongovernmental organizations to provide high-level meetings with religious nongovernmental organizations where appropriate and beneficial. United States chiefs of mission and Foreign Service officers abroad shall seek to meet with imprisoned religious leaders where appropriate and beneficial.

SEC. 106. PROGRAMS AND ALLOCATIONS OF FUNDS BY UNITED STATES MISSIONS ABROAD.

It is the sense of Congress that—

(1) United States diplomatic missions in countries the governments of which engage in or tolerate religious persecution should develop, as part of annual program planning, a strategy to promote the respect of the internationally recognized right to freedom of religion; and

(2) in allocating or recommending the allocation of funds or the recommendation of candidates for programs and grants funded by the United States Government, United States diplomatic missions should give particular consideration to those programs and candidates deemed to assist in the promotion of the right to religious freedom.

SEC. 107. EQUAL ACCESS TO UNITED STATES MISSIONS ABROAD FOR CONDUCTING RELIGIOUS ACTIVITIES.

(a) IN GENERAL.—Subject to this section, the Secretary of State shall permit, on terms no less favorable than that accorded other nongovernmental activities, access to the premises of any United States diplomatic mission or consular post by any United States citizen seeking to conduct an activity for religious purposes.

(b) TIMING AND LOCATION.—The Secretary of State shall make reasonable accommodations with respect to the timing and location of such access in light of—

(1) the number of United States citizens requesting the access (including any particular religious concerns regarding the time of day, date, or physical setting for services);

(2) conflicts with official activities and other nonofficial United States citizen requests;

(3) the availability of openly conducted, organized religious services outside the premises of the mission or post; and

(4) necessary security precautions.

(c) DISCRETIONARY ACCESS FOR FOREIGN NATIONALS.—The Secretary of State may permit access to the premises of a United States diplomatic mission or consular post to foreign nationals for the purpose of attending or participating in religious activities conducted pursuant to this title.

SEC. 108. PRISONER LISTS AND ISSUE BRIEFS ON RELIGIOUS PERSECUTION CONCERNS.

(a) SENSE OF CONGRESS.—To encourage involvement with religious persecution concerns at every possible opportunity and by all appropriate representatives of the United States Government, it is the sense of Congress that officials of the executive branch of Government should promote increased advocacy on such issues during meetings between executive branch and congressional leaders and foreign dignitaries.

(b) RELIGIOUS PERSECUTION PRISONER LISTS AND ISSUE BRIEFS.—The Secretary of State, in consultation with United States chiefs of mission abroad, regional experts, the Ambassador at Large, and nongovernmental human rights and religious groups, shall prepare, and maintain issue briefs on religious freedom, on a country-by-country basis, consisting of lists of persons believed to be imprisoned for their religious faith, together with brief evaluations and critiques of policies of the respective country restricting religious freedom. The Secretary of State shall exercise appropriate discretion regarding the safety and security concerns of prisoners in considering the inclusion of their names on the lists.

(c) AVAILABILITY OF INFORMATION.—The Secretary shall provide these religious freedom issue briefs to executive branch and congressional officials and delegations in anticipation of bilateral contacts with foreign leaders, both in the United States and abroad.

TITLE II—COMMISSION ON INTERNATIONAL RELIGIOUS PERSECUTION

SEC. 201. ESTABLISHMENT AND COMPOSITION.

(a) GENERALLY.—There is established the United States Commission on International Religious Persecution.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of—

(A) the Ambassador at Large, who shall serve as Chair; and

(B) 6 other members, who shall be appointed as follows:

(i) 2 members of the Commission shall be appointed by the President.

(ii) 2 members of the Commission shall be appointed by the President pro tempore of the Senate, upon the recommendations of the Majority Leader and the Minority Leader.

(iii) 2 members of the Commission shall be appointed by the Speaker of the House of Representatives upon the recommendations of the Majority Leader and the Minority Leader.

(2) SELECTION.—Members of the Commission shall be selected among distinguished individuals noted for their knowledge and experience in fields relevant to the issue of international religious persecution, including foreign affairs, human rights, and international law.

(3) TIME OF APPOINTMENT.—The appointments required by paragraph (1) shall be made not later than 120 days after the date of enactment of this Act.

(c) TERMS.—The term of office of each member of the Commission shall be 2 years, except that an individual may not serve more than 2 terms.

(d) QUORUM.—Four members of the Commission constitute a quorum of the Commission.

(e) MEETINGS.—No more than 15 days after the issuance of the Annual Report on Religious Persecution, the Commission shall convene.

(f) ADMINISTRATIVE SUPPORT.—The Ambassador at Large shall provide to the Commission such staff and administrative services of the Office as may be necessary for the Commission to perform its functions. The Secretary of State shall assist the Ambassador at Large and the Commission by detailing staff resources as needed and as appropriate.

(g) FUNDING.—

(1) TRAVEL EXPENSES.—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.

(2) NO COMPENSATION FOR GOVERNMENT EMPLOYEES.—Any member of the Commission who is an officer or employee of the United States shall not be paid compensation for services performed as a member of the Commission.

SEC. 202. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall have as its primary responsibility the consideration of the facts and circumstances of religious persecution presented in the Annual Report on Religious Persecution, as well as information from other sources as appropriate, and to make appropriate policy recommendations to the President, the Secretary of State, and Congress.

(b) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO VIOLATIONS.—The Commission, in evaluating the United States Government policies in response to religious persecution, shall consider and recommend policy options, including diplomatic inquiries, diplomatic protest, official public protest, demarche of protest, condemnation within multilateral fora, cancellation of cultural or scientific exchanges, or both, cancellation of state visits, reduction of certain assistance funds, termination of certain assistance funds, imposition of targeted trade sanctions, imposition of broad trade sanctions, and withdrawal of the chief of mission.

(c) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO PROGRESS.—The Commission, in evaluating the United States Government policies with respect to countries found to be taking deliberate steps and making significant improvement in respect for religious freedom, shall consider and recommend policy options, including private commendation, diplomatic commendation, official public commendation, commendation within multilateral fora, an increase in cultural or scientific exchanges, or both, termination or reduction of existing sanctions, an increase in certain assistance funds, and invitations for official state visits.

(d) EFFECTS ON RELIGIOUS COMMUNITIES AND INDIVIDUALS.—Together with specific policy recommendations provided under subsections (b) and (c), the Commission shall also indicate its evaluation of the potential effects of such policies, if implemented, on the religious communities and individuals whose rights are found to be violated in the country in question.

(e) MONITORING.—The Commission shall, on an ongoing basis, monitor facts and circumstances of religious persecution, in consultation with independent human rights groups and nongovernmental organizations, including churches and other religious communities, and make such recommendations as may be necessary to the appropriate officials and offices in the United States Government.

SEC. 203. REPORT OF THE COMMISSION.

(a) IN GENERAL.—Not later than August 1 of each year, the Commission shall submit a report to the President and to Congress setting forth its recommendations for changes in United States policy based on its evaluations under section 202.

(b) CLASSIFIED FORM OF REPORT.—The report may be submitted in classified form, together with a public summary of recommendations.

(c) INDIVIDUAL OR DISSENTING VIEWS.—Each member of the Commission may include the individual or dissenting views of the member.

SEC. 204. TERMINATION.

The Commission shall terminate 4 years after the initial appointment of Commissioners.

TITLE III—NATIONAL SECURITY COUNCIL

SEC. 301. SPECIAL ADVISER ON RELIGIOUS PERSECUTION.

Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by adding at the end the following new subsection:

''(i) It is the sense of the Congress that there should be within the staff of the National Security Council a Special Adviser to the President on Religious Persecution, whose position should be comparable to that of a director within the Executive Office of

the President. The Special Adviser should serve as a resource for executive branch officials, compiling and maintaining information on the facts and circumstances of religious persecution and violations of religious freedom, and making policy recommendations. The Special Adviser should serve as liaison with the Ambassador at Large on International Religious Freedom, the United States Commission on International Religious Persecution, Congress and, as advisable, religious nongovernmental organizations.''.

TITLE IV—SANCTIONS

Subtitle I—Targeted Responses to Religious Persecution Abroad

SEC. 401. EXECUTIVE MEASURES AND SANCTIONS IN RESPONSE TO FINDINGS MADE IN THE ANNUAL REPORT.

(a) IN GENERAL.—For each foreign country the government of which engages in or tolerates religious persecution, as described in the Annual Report on Religious Persecution, the President shall oppose such persecution and promote the right to freedom of religion in that country through the actions described in subsection (b).

(b) PRESIDENTIAL ACTIONS.—As expeditiously as practicable, but not later than one year after the date of submission of each Annual Report on Religious Persecution, the President, in consultation with the Ambassador at Large, the Special Advisor, and the Commission, shall take one or more of the actions described in paragraphs (1) through (16) of section 405(a) with respect to a foreign government described in subsection (a).

(c) EXECUTIVE MEASURES.—The President shall notify the appropriate congressional committees and, as appropriate, the Commission, of any measure or measures taken by the President under paragraphs (1) through (8) of section 405(a).

(d) SANCTIONS.—Any measure imposed under paragraphs (9) through (16) of section 405(a) may only be imposed in accordance with the procedures set forth in section 409 after the requirements of sections 403 and 404 have been satisfied.

(e) IMPLEMENTATION.—

(1) IN GENERAL.—In carrying out subsection (b), the President shall—

(A) take the action or actions that most appropriately respond to the nature and severity of the religious persecution;

(B) seek to the fullest extent possible to target action as narrowly as practicable with respect to the agency or instrumentality of the foreign government, or specific officials thereof, that are responsible for such persecution; and

(C) make every reasonable effort to conclude a binding agreement concerning the cessation of such persecution.

(2) GUIDELINES FOR SANCTIONS.—In addition to the guidelines under paragraph (1), the President, in determining whether to impose a sanction under paragraphs (9) through (16) of section 405(a) or commensurate action under section 405(b), shall seek to minimize any adverse impact on—

(A) the population of the country whose government is targeted by the sanction or sanctions; and

(B) the humanitarian activities of United States and foreign nongovernmental organizations in such country.

SEC. 402. PRESIDENTIAL DETERMINATIONS OF GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.

(a) DETERMINATION OF GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.—Not more than 30 days after transmittal of the Annual Report on Religious Persecution to the appropriate congressional committees, the President, in consultation with the Ambassador at Large, the Special Advisor, and the Commission shall determine whether any of the governments of the countries described in the Annual Report on Religious Persecution have engaged in a consistent pattern of gross violations of the right to religious freedom.

(b) DETERMINATION OF RESPONSIBLE PARTIES.—The President shall at the same time as the determination under subsection (a) identify, to the extent practicable for each foreign government under that subsection, the responsible agency or instrumentality thereof and specific officials thereof that are responsible for such gross violations, in order to appropriately target sanctions in response.

(c) SANCTIONS AGAINST GOVERNMENTS ENGAGED IN GROSS VIOLATIONS OF RELIGIOUS FREEDOM.—

(1) IN GENERAL.—Subject to paragraph (2) of this subsection, in the case of a determination under subsection (a) with respect to a foreign government, unless Congress enacts a joint resolution of disapproval in accordance with section 409, the President shall carry out one or more of the following actions after the requirements of sections 403 and 404 have been satisfied:

(A) SANCTIONS.—One or more of the sanctions described in paragraphs (9) through (16) of section 405(a), to be determined by the President.

(B) COMMENSURATE ACTIONS.—Commensurate action, as described in section 405(b).

(2) SUBSTITUTION OF BINDING AGREEMENTS.—In lieu of carrying out action under paragraph (1), the President may conclude a binding agreement with the respective foreign government concerning the cessation of such violations. The existence of a binding agreement under this paragraph with a foreign government shall be considered by the President prior to making any determination under section 401 or this section.

SEC. 403. CONSULTATIONS.

(a) DUTY TO CONSULT WITH FOREIGN GOVERNMENTS PRIOR TO IMPOSITION OF SANCTIONS.—

(1) IN GENERAL.—The President shall—

(A) as soon as practicable after a determination is made under section 402(a) or a sanction is proposed to be taken under section 401(d), request consultation with each respective foreign government regarding the violations determined under those sections; and

(B) if agreed to, enter into such consultations, privately or publicly.

(2) USE OF MULTILATERAL FORA.—If the President determines it to be appropriate, such consultations may be sought and may occur in a multilateral forum.

(3) ELECTION OF NONDISCLOSURE OF NEGOTIATIONS TO PUBLIC.—If negotiations are undertaken or an agreement is reached with a foreign government regarding steps to alter the pattern of violations by that government, and if public disclosure of such negotiations or agreement would jeopardize the negotiations or the implementation of such agreement, as the case may be, the President may refrain from disclosing such negotiations and such agreement to the public, except that the President shall inform the appropriate congressional committees of the nature and extent of such negotiations and any agreement reached.

(b) DUTY TO CONSULT WITH HUMANITARIAN ORGANIZATIONS.—The President shall consult with appropriate humanitarian and religious organizations concerning the potential impact of the intended sanctions.

(c) DUTY TO CONSULT WITH UNITED STATES INTERESTED PARTIES.—The President shall consult with United States interested parties as to the potential impact of the intended sanctions on the economic or other interests of the United States. The President shall provide the opportunity for consultation with, and the submission of comments by, those United States interested parties likely to be affected by intended United States measures.

SEC. 404. REPORT TO CONGRESS.

(a) IN GENERAL.—Subject to subsection (b), not later than September 1 of any year in which a determination is made under section 402(a) with respect to a foreign country, or not later than 90 days after the President may determine to take action under section 401(d) with respect to a foreign country, as the case may be, the President shall submit a report to Congress containing the following:

(1) IDENTIFICATION OF SANCTIONS.—An identification of the sanction or sanctions described in paragraphs (9) through (16) of section 405(a) proposed to be taken against the foreign country.

(2) DESCRIPTION OF VIOLATIONS.—A description of the violations giving rise to the sanction or sanctions proposed to be taken.

(3) PURPOSES OF SANCTIONS.—A description of the purpose of the sanction.

(4) EVALUATION.—An evaluation, in consultation with the Ambassador at Large, the Commission, the Special Advisor, and the parties described in section 403 (b) and (c) of (A) the impact upon the foreign government, (B) the impact upon the population of the country, and (C) the impact upon the United States economy and other interested parties. The President may withhold part or all of such evaluation from the public but shall provide the entire evaluation to the appropriate congressional committees.

(5) EXHAUSTION OF POLICY OPTIONS.—A statement that other policy options designed to bring about alteration of the gross violations of the right to religious freedom have reasonably been exhausted, including the consultations required in section 403.

(6) DESCRIPTION OF MULTILATERAL NEGOTIATIONS.—A description of multilateral negotiations sought or carried out, if appropriate and applicable.

(b) DELAY IN TRANSMITTAL OF REPORT FOR THE PURPOSE OF CONTINUING NEGOTIATIONS.—If, on or before the date that the President would (but for this subsection) submit a proposal under subsection (a) to Congress to impose any sanction under paragraphs (9) through (16) of section 405(a) against a foreign country—

(1) negotiations are still taking place with the government of that country, and

(2) the President determines and certifies to Congress that a single, additional period of time not to exceed 90 days is necessary for such negotiations to continue,

then the President shall not be required to submit the proposal to Congress until the expiration of that period of time.

SEC. 405. DESCRIPTION OF EXECUTIVE MEASURES AND SANCTIONS.

(a) DESCRIPTION OF MEASURES AND SANCTIONS.—Except as provided in subsection (d), the Executive measures and sanctions referred to in this subsection are the following:

(1) A private demarche.

(2) An official public demarche.

(3) A public condemnation.

(4) A public condemnation within one or more multilateral fora.

(5) The cancellation of one or more scientific exchanges.

(6) The cancellation of one or more cultural exchanges.

(7) The denial of one or more state visits.

(8) The cancellation of one or more state visits.

(9) The withdrawal, limitation, or suspension of United States development assistance in accordance with the provisions of section 116 of the Foreign Assistance Act of 1961.

(10) Directing the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the Trade and Development Agency not to approve the issuance of any (or a specified number of) guarantees, insurance, extensions of credit, or participations in the extension of credit with respect to the specific government, agency, instrumentality, or official determined by the President to be responsible for gross violations of the right to religious freedom.

(11) The withdrawal, limitation, or suspension of United States security assistance in accordance with the provisions of section 502B of the Foreign Assistance Act of 1961.

(12) The withdrawal, limitation, or suspension of preferential tariff treatment accorded under—

(A) title V of the Trade Act of 1974 (relating to the Generalized System of Preferences);

(B) the Caribbean Basin Economic Recovery Act;

(C) the Andean Trade Preference Act; or

(D) any other law providing preferential tariff treatment.

(13) Consistent with section 701 of the International Financial Institutions Act of 1977, directing the United States executive directors of international financial institutions to vote against loans primarily benefiting the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for such persecution.

(14) Ordering the heads of the appropriate United States agencies not to issue any (or a specified number of) specific licenses and not to grant any other specific authority (or a specified number of authorities) to export any goods or technology to the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for such persecution under—

(A) the Export Administration Act of 1979;

(B) the Arms Export Control Act;

(C) the Atomic Energy Act of 1954; or

(D) any other statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or services.

(15) Prohibiting any United States financial institution from making loans or providing credits totaling more than $10,000,000 in any 12-month period to the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for the violations.

(16) Prohibiting the United States Government from procuring, or entering into any contract for the procurement of, any goods or services from the foreign government, entities, or officials determined by the President to be responsible for the violations.

(b) COMMENSURATE ACTION.—Except as provided in subsection (d), the President may substitute any other action authorized by law for any action described in paragraphs (1) through (16) of subsection (a) if such action is commensurate in effect to the action substituted and if the action would further the policy of the United States set forth in section 2 of this Act. The President shall seek to take all appropriate and feasible actions authorized by law to obtain the cessation of the violations. In the case of the development of commensurate action as a substitute for any sanction described in paragraphs (9) through (16) of subsection (a), the President shall conduct all consultations described in section 403 prior to taking such action. If commensurate action is taken, the President shall report such action, together with an explanation for taking such action, to the appropriate congressional committees.

(c) BINDING AGREEMENTS.—The President may negotiate and enter into a binding agreement with a foreign government that obligates such government to cease, or take substantial steps to address and phase out, the act, policy, or practice constituting the religious persecution. The entry into force of a binding agreement for the cessation of the violations shall be a primary objective for the President in responding to a foreign government that engages in a consistent pattern of gross violations of the right to religious freedom.

(d) EXCEPTIONS.—Any action taken pursuant to subsection (a) or (b) may not—

(1) prohibit or restrict the provision of medicine, medical equipment or supplies, food, or other humanitarian assistance; or

(2) impede any action taken by the United States Government to enforce the right to maintain intellectual property rights.

SEC. 406. CONTRACT SANCTITY.

The President shall not be required to apply or maintain any sanction under this subtitle—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(B) if the President determines in writing that the person or other entity to which the sanction would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines in writing that such articles or services are essential to the national security under defense coproduction agreements; or

(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction.

SEC. 407. PRESIDENTIAL WAIVER.

The President may waive the requirement to take an action under this subtitle with respect to a country, if—

(1) the President determines and so reports to the appropriate congressional committees that—

(A) the respective foreign government has ceased or taken substantial steps to cease the violations giving rise to the imposition of the measure or sanction;

(B) the exercise of such waiver authority would better further the purposes of this Act; or

(C) the national security of the United States requires the exercise of such waiver authority; and

(2) the requirements of congressional review under section 409 have been satisfied.

SEC. 408. PUBLICATION IN FEDERAL REGISTER.

The President shall cause to be published in the Federal Register the following:

(1) DETERMINATIONS OF VIOLATOR GOVERNMENTS, OFFICIALS, AND ENTITIES.—Consistent with section 654(c) of the Foreign Assistance Act of 1961, any determination that a government has engaged in gross violations of the right to religious freedom, together with, when applicable and possible, the officials or entities determined to be responsible for the violations. Such a determination shall include a notification to all interested parties to provide consultation and submit comments concerning sanctions that may be taken by the United States in response to the violations.

(2) SANCTIONS.—A description of any sanction that takes effect pursuant to section 409, and the effective date of the sanction. A description of the sanction may be withheld if disclosure is deemed to jeopardize national security.

(3) DELAYS IN TRANSMITTAL OF SANCTION REPORTS.—Any delay in transmittal of a sanction report, as described in section 404(b).

(4) WAIVERS.—Any waiver under section 407.

SEC. 409. CONGRESSIONAL REVIEW.

(a) IN GENERAL.—

(1) PROPOSALS SUBJECT TO CONGRESSIONAL REVIEW.—Each of the following proposals shall take effect 30 session days of Congress after the President transmits the proposal to Congress unless, within such period, Congress enacts a joint resolution disapproving the sanction, waiver, or termination of a sanction, as the case may be, in accordance with subsection (b):

(A) Any sanction proposed under section 404(a).

(B) Any waiver proposed under section 407(2).

(C) Any proposed termination of a sanction under section 410(2).

(2) SUBMISSION OF REVISED PROPOSALS TO CONGRESS.—In the event that Congress enacts a joint resolution of disapproval under paragraph (1), the President shall, within 30 days of the date of any override of the President's veto of that resolution, revise the proposed sanction, waiver, or termination of sanction and submit the revised proposal to Congress for consideration in accordance with subsection (b).

(b) CONGRESSIONAL PRIORITY PROCEDURES.—

(1) JOINT RESOLUTION DEFINED.—

(A) DISAPPROVAL RESOLUTIONS FOR SANCTION PROPOSALS.—For the purpose of subsection (a)(1)(A), the term ''joint resolution'' means only a joint resolution introduced after the date on which the report of the President under section 404 is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress disapproves the sanction or sanctions proposed by the President in the report transmitted under section 404(a) of the International Religious Freedom Act of 1998 on _____.'', with the blank filled in with the appropriate date.

(B) DISAPPROVAL RESOLUTIONS FOR PRESIDENTIAL WAIVERS.—For the purpose of subsection (a)(1)(B), the term ''joint resolution'' means only a joint resolution introduced after the date on which the report of the President under section 407(1) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress disapproves the waiver proposed by the President in the report transmitted under section 407(1) of the International Religious Freedom Act of 1998 on _____.'', with the blank filled in with the appropriate date.

(C) DISAPPROVAL RESOLUTIONS FOR PROPOSALS TO TERMINATE SANCTIONS.—For the purpose of subsection (a)(1)(C), the term ''joint resolution'' means only a joint resolution introduced after the date on which the certification of the President under section 410(2) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress disapproves the termination of sanction or sanctions proposed by the President in the certification transmitted under section 410(2) of the International Religious Freedom Act of 1998 on _____.'', with the blank filled in with the appropriate date.

(2) DEFINITION.—In this section, the term ''session day'' means a day on which either House of Congress is in session.

(3) REFERRAL TO COMMITTEE.—A resolution described in paragraph (1) introduced in the House of Representatives shall be referred to the Committee on International Relations of the House of Representatives. A resolution described in paragraph (1) introduced in the

Senate shall be referred to the Committee on Foreign Relations of the Senate. Such a resolution may not be reported before the eighth day after its introduction.

(4) DISCHARGE FROM COMMITTEE.—If the committee to which is referred a resolution described in paragraph (1) has not reported such resolution (or an identical resolution) at the end of fifteen calendar days after its introduction, such committee shall be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(5) FLOOR CONSIDERATION.—

(A) MOTION TO PROCEED.—When the committee to which a resolution is referred has reported, or has been deemed to be discharged (under paragraph (4)) from further consideration of, a resolution described in paragraph (1), notwithstanding any rule or precedent of the Senate, including Rule 22, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(B) DEBATE ON THE RESOLUTION.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) APPEALS OF RULINGS.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

(6) TREATMENT OF OTHER HOUSE'S RESOLUTION.—If, before the passage by one House of Congress of a resolution of that House described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

(A) REFERRAL OF RESOLUTIONS OF SENDING HOUSE.—The resolution of the sending House shall not be referred to a committee in the receiving House.

(B) PROCEDURES IN RECEIVING HOUSE.—With respect to a resolution of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the sending House; but

(ii) the vote on final passage shall be on the resolution of the sending House.

(C) DISPOSITION OF RESOLUTIONS OF RECEIVING HOUSE.—Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution originated in the receiving House.

(7) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If the House receiving a resolution from the other House after the receiving House has disposed of a resolution originated in that House, the action of the receiving House with regard to the disposition of the resolution originated in that House shall be deemed to be the action of the receiving House with regard to the resolution originated in the other House.

(8) RULES OF THE SENATE AND THE HOUSE.—This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it 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 a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; 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.

SEC. 410. TERMINATION OF SANCTIONS.

Any sanction imposed under section 409 with respect to a foreign country shall terminate on the earlier of the following dates:

(1) TERMINATION DATE.—Within 2 years of the effective date of the sanction unless expressly reauthorized by law.

(2) FOREIGN GOVERNMENT ACTIONS.—Upon the determination by the President and certification to Congress that the foreign government has ceased or taken substantial steps to cease the gross violations of religious freedom, subject to the congressional review procedures described in section 409.

Subtitle II—Strengthening Existing Law

SEC. 421. UNITED STATES ASSISTANCE.

(a) IMPLEMENTATION OF PROHIBITION ON ECONOMIC ASSISTANCE.—Section 116(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(c)) is amended—

(1) in the text above paragraph (1), by inserting ''and in consultation with the Ambassador at Large for Religious Freedom'' after ''Labor''.

(2) by striking ''and'' at the end of paragraph (1);

(3) by striking the period at the end of paragraph (2) and inserting ''; and''; and

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

''(3) whether the government—

''(A) has engaged in gross violations of the right to freedom of religion; or

''(B) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.''.

(b) IMPLEMENTATION OF PROHIBITION ON MILITARY ASSISTANCE.—Section 502B(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)) is amended by adding at the end the following new paragraph:

''(4) In determining whether the government of a country engages in a consistent pattern of gross violations of internationally recognized rights, the President shall give particular consideration to whether the government—

''(A) has engaged in gross violations of the right to freedom of religion; or

''(B) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.''.

SEC. 422. MULTILATERAL ASSISTANCE.

Section 701 of the International Financial Institutions Act (22 U.S.C. 262d) is amended by adding at the end the following new subsection:

''(g) In determining whether a country is in gross violation of internationally recognized human rights standards, as described in subsection (a), the President, in consultation with the Ambassador at Large, shall give particular consideration to whether a foreign government—

''(1) has engaged in gross violations of the right to freedom of religion; or

''(2) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.''.

SEC. 423. EXPORTS OF ITEMS RELATING TO RELIGIOUS PERSECUTION.

(a) MANDATORY LICENSING.—Notwithstanding any other provision of law, the Secretary of Commerce, with the concurrence of the Secretary of State, the Ambassador at Large, and the Special Adviser, shall include on the list of crime control and detection instruments or equipment controlled for export and reexport under section 6(n) of the Export Administration Act of 1979 (22 U.S.C. App. 2405(n)), or under any other provision of law, items that the Secretary of State, in consultation with the Ambassador at Large and the Special Adviser, determines are being used or are intended for use directly and in significant measure to carry out gross violations of the right to freedom of religion.

(b) LICENSING BAN.—The prohibition on the issuance of a license for export of crime control and detection instruments or equipment under section 502B(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2)) shall apply to the export and reexport of any item included pursuant to subsection (a) on the list of crime control instruments.

TITLE V—PROMOTION OF RELIGIOUS FREEDOM

SEC. 501. ASSISTANCE FOR PROMOTING RELIGIOUS FREEDOM.

(a) FINDINGS.—Congress makes the following findings:

(1) In many nations where severe violations of religious freedom occur, there is not sufficient statutory legal protection for religious minorities or there is not sufficient cultural and social understanding of international norms of religious freedom.

(2) Accordingly, in its foreign assistance already being disbursed, the United States should make a priority of promoting and developing legal protections and cultural respect for religious freedom.

(b) ALLOCATION OF FUNDS FOR INCREASED PROMOTION OF RELIGIOUS FREEDOMS.—Section 116(e) of the Foreign Assistance Act of 1961 is amended by inserting ''and the right to free religious belief and practice'' after ''adherence to civil and political rights''.

SEC. 502. INTERNATIONAL BROADCASTING.

(a) Section 302(1) of the International Broadcasting Act of 1994 is amended by inserting ''and of conscience (including freedom of religion)'' after ''freedom of opinion and expression''.

(b) Section 303(a) of the International Broadcasting Act of 1994 is amended—

(1) by striking ''and'' at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting ''; and''; and

(3) by adding at the end the following:

''(8) promote respect for human rights, including freedom of religion.''.

SEC. 503. INTERNATIONAL EXCHANGES.

Section 102(b) of the Mutual Educational and Cultural Exchange Act of 1961 is amended—

(1) by striking ''and'' after paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting ''; and''; and

(3) by adding at the end the following:

''(12) promoting respect for and guarantees of religious freedom abroad by interchanges and visits between the United States and other nations of religious leaders, scholars, and religious and legal experts in the field of religious freedom.''.

SEC. 504. FOREIGN SERVICE AWARDS.

(a) PERFORMANCE PAY.—Section 405(d) of the Foreign Service Act of 1980 is amended by inserting after the first sentence the following: ''Such service in the promotion of internationally recognized human rights, including the right to religious freedom, shall serve as a basis for granting awards under this section.''.

(b) FOREIGN SERVICE AWARDS.—Section 614 of the Foreign Service Act of 1980 is amended by adding at the end the following new sentence: ''Distinguished, meritorious service in the promotion of internationally recognized human rights, including the right to religious freedom, shall serve as a basis for granting awards under this section.''.

TITLE VI—REFUGEE, ASYLUM, AND CONSULAR MATTERS

SEC. 601. USE OF ANNUAL REPORT.

(a) DESCRIPTION OF TRAINING.—The Annual Report on Religious Persecution shall include a description of training described in subsection (b) on religious persecution provided to immigration judges, consular, refugee, and asylum officers.

(b) USE OF THE ANNUAL REPORT.—The Annual Report on Religious Persecution, together with other relevant documentation, shall serve as a resource for immigration judges and consular, refugee, and asylum officers in cases involving claims of persecution on the grounds of religion. Absence of reference by the Annual Report on Religious Persecution to conditions described by the alien shall not constitute sole grounds for a denial of the alien's claim.

SEC. 602. REFORM OF REFUGEE POLICY.

(a) TRAINING.—

(1) IN GENERAL.—The Attorney General, in consultation with the Secretary of State, shall provide all United States officials adjudicating refugee cases with the same training as that provided to officers adjudicating asylum cases.

(2) CONTENT OF TRAINING.—Such training shall include country-specific conditions, instruction on the right to religious freedom, methods of religious persecution, and applicable distinctions within a country between the nature of and treatment of various religious practices and believers.

(b) TRAINING FOR CONSULAR OFFICERS.—(1) Section 708 of the Foreign Service Act of 1980, as added by section 104 of this Act, is further amended—

(A) by inserting ''(a)'' before ''The Secretary of State''; and

(B) by adding at the end the following:

''(b) The Secretary of State shall provide sessions on refugee law and adjudications and on religious persecution, to each individual seeking a commission as a United States consular officer.''.

(2) Section 312(a) of the Foreign Service Act of 1980 is amended by inserting after the first sentence the following: ''In order to receive such a consular commission, a member of the Service shall complete the training required under section 708.''.

(c) GUIDELINES FOR REFUGEE-PROCESSING POSTS.—

(1) GUIDELINES FOR ADDRESSING HOSTILE BIASES.—The Attorney General and the Secretary of State shall develop and implement guidelines that address potential hostile biases in personnel of the Immigration and Naturalization Service that are hired abroad and involved with duties which could constitute an effective barrier to a refugee claim if such personnel carries a hostile bias toward the claimant on the grounds of religion, race, nationality, membership in a particular social group or political opinion.

(2) GUIDELINES FOR REFUGEE-PROCESSING POSTS IN ESTABLISHING AGREEMENTS WITH JOINT VOLUNTARY AGENCIES.—The Attorney General and the Secretary of State shall develop guidelines to ensure uniform procedures to the extent possible with Joint Voluntary Agencies, and to ensure that the Joint Voluntary Agencies process is enhanced and faulty preparation of claims does not result in the failure of a genuine claim to refugee status.

(d) ANNUAL CONSULTATION.—In carrying out the responsibilities of the Department of State under the appropriate consultation requirement of section 207(e) of the Immigration and Nationality Act (8 U.S.C. 1157(e)), the Secretary of State shall specifically address religious persecution in the report provided by the Department of State, and by providing testimony by the Ambassador at Large. The Secretary of State shall also provide religious nongovernmental organizations and human rights nongovernmental organizations the opportunity to testify.

SEC. 603. REFORM OF ASYLUM POLICY.

(a) GUIDELINES.—The Attorney General and the Secretary of State shall develop guidelines to ensure that interpreters with hostile biases, including personnel of airlines owned by governments known to be involved in practices which would meet the definition of persecution under international refugee law, shall not in any manner be used to interpret conversations between aliens and inspection or asylum officers.

(b) TRAINING FOR ASYLUM OFFICERS.—The Attorney General, in consultation with the Ambassador-at-Large, shall provide training to all officers adjudicating asylum cases on the nature of religious persecution abroad, including country-specific conditions, instruction on the right to religious freedom, methods of religious persecution, and applicable distinctions within a country in the treatment of various religious practices and believers.

(c) TRAINING FOR IMMIGRATION JUDGES.—The Executive Office of Immigration Review of the Department of Justice shall incorporate into its initial and ongoing training of immigration judges training on the extent and nature of religious persecution internationally, including country-specific conditions, and including use of the Annual Report on Religious Persecution. Such training shall include governmental and nongovernmental methods of persecution employed, and differences in the treatment of religious groups by such persecuting entities.

SEC. 604. INADMISSIBILITY OF FOREIGN GOVERNMENT OFFICIALS WHO HAVE ENGAGED IN GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.

(a) INELIGIBILITY FOR VISAS OR ADMISSION.—Section 212(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(2)) is amended by adding at the end the following new subparagraph:

''(G) FOREIGN GOVERNMENT OFFICIALS WHO HAVE ENGAGED IN GROSS VIOLATIONS OF THE RIGHT TO RELIGIOUS FREEDOM.—

''(i) IN GENERAL.—Any alien who, while serving as a foreign government official, directly engaged in gross violations of the right to religious freedom, as defined in section 3 of the International Religious Freedom Act of 1998, and the spouse and children, if any, of the alien, are inadmissible.

''(ii) WAIVER.—

''(I) IN GENERAL.—The Secretary of State may waive the application of clause (i) if the Secretary determines that the exclusion of the alien would jeopardize a compelling United States foreign policy interest.

''(II) NONDELEGATION OF AUTHORITY.—The Secretary of State may not delegate the authority to make a determination under subclause (I).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to aliens seeking to enter the United States on or after the date of enactment of this Act.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. BUSINESS CODES OF CONDUCT.

(a) CONGRESSIONAL FINDING.—Congress recognizes the increasing importance of transnational corporations as global actors, and their potential for providing positive leadership in their host countries in the area of human rights.

(b) SENSE OF CONGRESS.—It is the sense of Congress that transnational corporations operating in countries the governments of which engage in gross violations of the right to religious freedom, as identified in the Annual Report on Religious Persecution, should adopt codes of conduct—

(1) upholding the right to religious freedom of their employees; and

(2) ensuring that a worker's religious views and peaceful practices of belief in no way affect, or be allowed to affect, the status or terms of his or her employment.

SEC. 702. INTERNATIONAL CRIMINAL COURT.

It is the sense of Congress that in negotiating the definitions of crimes to be included in the subject matter jurisdiction of the International Criminal Court, the President should pursue the inclusion in such jurisdiction of gross violations of the right to religious freedom to the extent such violations fall within the meaning in international law of crimes against humanity or genocide.

Mr. LIEBERMAN. Mr. President, I rise to join my distinguished colleague, Senator NICKLES, the assistant majority leader, and my esteemed colleagues Senators KEMPTHORNE, MACK, HUTCHINSON, CRAIG, and DEWINE as a co-sponsor of The International Religious Freedom Act of 1998.

Freedom of religion is a bedrock principle for the American people, a cherished right that lies at the very foundation of our country. It is appropriate, and it is right, that we as Americans express our concern about abuses of that freedom as a cornerstone of our foreign policy. This is not a concern that is unique to Americans, for the freedom of religion is explicitly recognized by the Universal Declaration of Human Rights. Sadly, and tragically, that recognition has not served to prevent the assault on believers of a variety of religions simply for seeking to follow their faith.

We must not be silent. The International Religious Freedom Act of 1998 is a serious, thoughtful, and comprehensive approach to the problem of religious persecution. This bill employs a broad range of tools within the United States foreign policy apparatus for the most flexible, appropriate, and enduring response to violations of religious liberty.

The bill is carefully crafted to do the following: promote religious freedom through both incentives and sanctions,

with the long-term goal of alleviating religious persecution rather than merely punishing governments; build on principles contained in U.S. and international human rights law, on negotiating principles of U.S. Trade law, and on ideas advocated by religious and human rights leaders; dispel the option of silence, with its Annual Report publicly addressing all forms of religious persecution; promote the conclusion of binding agreements with offending governments to cease the violations, allowing for reasonable negotiation to achieve this goal; and sanction gross violators, through an annual review and sanctions process.

The issue of religious persecution is one that we must be concerned about, one that we must take action on. The International Religious freedom Act of 1998 is an effective means of doing so and I am honored to be an original cosponsor of it. There are other excellent approaches to this critical international problem, including the legislation cosponsored by Congressman WOLF and Senator SPECTOR. In the weeks ahead we will look forward to working with all of our colleagues on this issue, inviting and welcoming a collective approach that will result in our bringing the most effective legislation to pass.

By Mr. CAMPBELL:

S. 1870. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

THE INDIAN GAMING REGULATORY ACT AMENDMENTS OF 1998

Mr. CAMPBELL. Mr. President, today I am pleased to introduce the Indian Gaming Regulatory Act Amendments of 1998 to reform the federal components of Indian gaming regulation.

I wish to begin by acknowledging the work in this area by the two distinguished individuals who preceded me as the chairman of the Senate Indian Affairs Committee, Senators MCCAIN and INOUYE. This legislation builds upon their extraordinary efforts to listen to all sides of this debate and broker a fair and equitable compromise. I seek to continue this tradition by providing a starting point for negotiations among all of those with an interest in Indian gaming, and by addressing those areas that are most in need of immediate reform.

This bill will revitalize the National Indian Gaming Commission, by ensuring that it has the authority to develop and impose a series of minimum federal standards on all Indian gaming operations. It will reform and restore the compact negotiation process by providing an alternative compact negotiation process in those instances where a state wishes to exercise its 11th Amendment immunity from lawsuits and its 10th Amendment right to decide for itself whether it wishes to regulate on-reservation gaming. Finally, this bill addresses the two issues that in my opinion are most in need of immediate reform. First, the bill applies the standard post-employment restrictions for former federal officials who are employed by any tribe that stood to benefit from any gaming-related decisions the officials made while they were federal employees. Second, the bill will prohibit the acquisition of off-reservation lands for gaming activities unless the tribe and the state agree to do so.

Ten years ago the Congress enacted the Indian gaming legislation that many will agree needs to be updated. In 1988 most Indian gaming consisted of high stakes bingo and similar types of games. Since then, it has grown to become a billion dollar activity and has provided many tribes and surrounding communities with much-needed capital and employment opportunities.

For those tribes lucky enough to be well situated geographically, gaming has proven successful. Where welfare rolls once bulged, tribes are employing thousands of people—both Indian as well as non-Indian. Once entirely reliant on federal transfer payments, many tribes are beginning to diversify their economies and provide jobs and hope to their members.

For most tribes, however, gaming is not a viable development alternative. Indeed, only one-third of all federally-recognized tribes have any form of gaming and most of that is more like charitable bingo than Las Vegas or Atlantic City. On-line gaming, as well as competition from local and international operations, has created a very tight market. In Washington State, for example, as well as in other parts of the country, market saturation is leading some tribes to close their operations for good.

Over the past ten years, the statute has only been significantly amended one time—in 1997 I introduced a measure to provide the federal National Indian Gaming Commission with the resources it needs to monitor and regulate certain Indian gaming operations. Today, a strengthened commission is beginning to fulfill its obligations under the statute and help maintain the integrity of Indian gaming nationwide.

The lack of uniform standard operating procedures for Indian gaming continues to cause anxiety for many of those inside and outside of Indian country. Many Indian tribes, in cooperation with the states where gaming is located, have developed sophisticated gaming regulatory procedures and standards. Many tribes have put in place standards regarding the rules of play for their games, as well as financial and accounting standards governing those games. Not all tribal-state gaming compacts mandate such sophisticated regulatory frameworks.

By setting threshold standards at the federal level, this bill will mean that Indian gaming customers throughout the nation can be assured that every Indian gaming establishment must comply with a federally established level of regulation, operation, and management, just as they are already assured that gaming proceeds may only be spent for certain purposes set out in the Act.

When the Congress enacted the IGRA in 1988, states were invited, for the first time ever, to play a significant role in the regulation of activities that take place on Indian lands. The statute required tribes to seek to negotiate a gaming compact with a state before commencing any casino-style gaming. Though there were bumps along the way, this was a major concession by Indian tribes and one that worked reasonably well for 8 years, and which will continue to be available if it is chosen by both a state and a tribe.

Under IGRA, before a tribe may commence casino-style gaming, it must seek to negotiate a gaming compact with the state where the gaming will occur. Up until 1996, if a federal court determined that the state was negotiating in bad faith or if the state decided simply not to negotiate, the tribe had the option of filing a lawsuit to bring about good faith negotiations.

In 1996, the Supreme Court turned this process upside down when it handed down its decision in Seminole Tribe of Indians v. State of Florida. This decision said that a state may assert its Eleventh Amendment immunity from lawsuits to preclude tribes from suing it in order to conclude a gaming agreement. Also, some states have asserted that the IGRA may force them to regulate reservation-based gaming in violation of their 10th Amendment rights. My bill will allow tribes and states to continue to use the existing process to negotiate compacts if that is their desire.

As I believe the Act should respect each state's sovereign right to absent itself from this process if it chooses to, we must also respect the Supreme Court's decision that Indian tribes have the sovereign right to offer gaming activities that do not violate the public policy of the state where those activities are offered. This approach is consistent with what the Congress intended in 1988.

Finally, there are ongoing Congressional investigations of the so-called ''Hudson Dog Track'' matter involving whether the Interior Department denied an application by certain Indian tribes to acquire off-reservation lands for gaming purposes because of campaign contributions by a rival group of tribes. Even before these allegations surfaced, I expressed strong concerns about the acquisition of off-reservation lands for gaming purposes.

The IGRA requires the Interior Secretary to consult with local officials, local communities, and nearby tribes in evaluating the tribe's application to take lands into trust. The Act also provides State governors with an absolute veto over such applications. In my opinion, federal laws and regulations already make it very difficult for the Secretary to take land into trust for a

tribe if it is located away from a tribe's reservation or previous homeland. As a result, few tribes apply to have off-reservation lands taken into trust, and even fewer are successful.

The IGRA imposes additional requirements on such acquisitions if there is any possibility that the lands will be used for gaming purposes. As a result of these requirements, I am aware of only two or three such acquisitions. Yet the opposition to Indian gaming that results from the mere possibility of such acquisitions is significant. This opposition far exceeds that speculative possibility that the Secretary, a local community, and a state's governor will all concur with such an acquisition. Thus, my bill will preclude off-reservation acquisitions unless the tribe and the state reach agreement to allow those lands to be used for gaming purposes. This provision will therefore encourage tribal-state cooperation rather than tribal-state conflict when it comes to gaming matters.

My bill will also remove the argument that those Indian groups that are laboring to achieve federal recognition as tribes are doing so only to develop gaming. Achieving federal recognition is difficult enough, I do not believe it should be further complicated by squabbles over gaming.

My bill will eliminate any appearance that federal officials and employees who are responsible for making decisions about Indian gaming are ''cashing in'' on their activities when they leave government service. By closing an existing loophole, my bill will establish that those federal employees who have made decisions concerning a tribe's gaming activities are bound by the same policies, procedures, and criminal laws that prevent other federal employees from profiting from decisions they made when working for the government. But it also preserves those provisions in the Indian Self-Determination and Education Assistance Act, which have dramatically reduced the number of federal employees by encouraging their employment by the tribes that contract to provide federal services under self-governance compacts and self-determination act contracts.

I believe this bill addresses the most pressing concerns raised by states, local governments, and Indian tribes. Like all attempts at compromise, few parties will be completely satisfied. The legislation I am introducing will both please and disappoint the states as well as the tribes. Nonetheless, as Chairman of the Committee on Indian Affairs, demonstrating a willingness to serve as an honest broker will, in my opinion, do more to foster genuine and lasting reform than simply becoming an advocate for one side or one point of view. Let there be no question of my commitment to ensure that Indian gaming be operated fairly and consistently with all relevant laws, and that the goals and objectives of the IGRA are fully achieved.

As I have indicated, the Committee will address these and related issues in the coming weeks. By introducing this legislation, it is my hope that those with concerns with the regulation of Indian gaming work with me in the Committee to fully and fairly debate the issues before any actions are taken to amend the Act.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

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 ''Indian Gaming Regulatory Improvement Act of 1998''.

SEC. 2. AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT.

The Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) is amended—

(1) by striking the first section and inserting the following new section:

''SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act may be cited as the 'Indian Gaming Regulatory Act'.

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

''Sec. 1. Short title; table of contents.
''Sec. 2. Congressional findings.
''Sec. 3. Purposes.
''Sec. 4. Definitions.
''Sec. 5. National Indian Gaming Commission.
''Sec. 6. Powers and authority of the National Indian Gaming Commission and Chairman.
''Sec. 7. Regulatory framework.
''Sec. 8. Negotiated rulemaking.
''Sec. 9. Requirements for the conduct of class I and class II gaming on Indian lands.
''Sec. 10. Class III gaming on Indian lands.
''Sec. 11. Review of contracts.
''Sec. 12. Civil penalties.
''Sec. 13. Judicial review.
''Sec. 14. Commission funding.
''Sec. 15. Authorization of appropriations.
''Sec. 16. Application of Internal Revenue Code of 1986; access to information by States and tribal governments.
''Sec. 17. Gaming proscribed on lands acquired in trust after the date of enactment of this Act.
''Sec. 18. Dissemination of information.
''Sec. 19. Severability.
''Sec. 20. Criminal penalties.
''Sec. 21. Conforming amendment.'';
''Sec. 22. Commission staffing.''

(2) by striking sections 2 and 3 and inserting the following;

''SEC. 2. CONGRESSIONAL FINDINGS.

''The Congress finds that—

''(1) Indian tribes are—

''(A) engaged in the operation of gaming activities on Indian lands as a means of generating tribal governmental revenue; and

''(B) licensing those activities;

''(2) because of the unique political and legal relationship between the United States and Indian tribes, Congress has the responsibility of protecting tribal resources and ensuring the continued viability of Indian gaming activities conducted on Indian lands;

''(3) clear Federal standards and regulations for the conduct of gaming on Indian lands will assist tribal governments in assuring the integrity of gaming activities conducted on Indian lands;

''(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

''(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands, if the gaming activity—

''(A) is not specifically prohibited by Federal law; and

''(B) is conducted within a State that does not, as a matter of public policy, prohibit that gaming activity;

''(6) Congress has the authority to regulate the privilege of doing business with Indian tribes in Indian country (as defined in section 1151 of title 18, United States Code);

''(7) systems for the regulation of gaming activities on Indian lands should meet or exceed federally established minimum regulatory requirements;

''(8) the operation of gaming activities on Indian lands has had a significant impact on commerce with foreign nations, and among the several States, and with the Indian tribes; and

''(9) the Constitution vests the Congress with the powers to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, and this Act is enacted in the exercise of those powers.

''SEC. 3. PURPOSES.

''The purposes of this Act are—

''(1) to ensure the right of Indian tribes to conduct gaming activities on Indian lands in a manner consistent with—

''(A) the inherent sovereign rights of Indian tribes; and

''(B) the decision of the Supreme Court in California et al. v. Cabazon Band of Mission Indians et al. (480 U.S.C. 202, 107 S. Ct. 1083, 94 L. Ed. 2d 244 (1987)), involving the Cabazon and Morongo bands of Mission Indians;

''(2) to provide a statutory basis for the conduct of gaming activities on Indian lands as a means of promoting tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

''(3) to provide a statutory basis for the regulation of gaming activities on Indian lands by an Indian tribe that is adequate to shield those activities from organized crime and other corrupting influences, to ensure that an Indian tribal government is the primary beneficiary of the operation of gaming activities, and to ensure that gaming is conducted fairly and honestly by both the operator and players; and

''(4) to provide States with the opportunity to participate in the regulation of certain gaming activities conducted on Indian lands without compelling any action by a State with respect to the regulation of that gaming.'';

(3) in section 4—

(A) by redesignating paragraphs (7) and (8) as paragraphs (5) and (6), respectively;

(B) by striking paragraphs (1) through (6) and inserting the following new paragraphs:

''(1) APPLICANT.—The term 'applicant' means any person who applies for a license pursuant to this Act, including any person who applies for a renewal of a license.

''(2) ATTORNEY GENERAL.—The term 'Attorney General' means the Attorney General of the United States.

''(3) CHAIRMAN.—The term 'Chairman' means the Chairman of the Commission.

''(4) CLASS I GAMING.—The term 'class I gaming' means social games played solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.'';

(C) by striking paragraphs (9) and (10); and

(D) by adding after paragraph (6) (as redesignated by subparagraph (A) of this paragraph) the following new paragraphs:

''(7) COMMISSION.—The term 'Commission' means the National Indian Gaming Regulatory Commission established under section 5.

''(8) COMPACT.—The term 'compact' means an agreement relating to the operation of class III gaming on Indian lands that is entered into by an Indian tribe and a State and that is approved by the Secretary.

''(9) GAMING OPERATION.—The term 'gaming operation' means an entity that conducts class II or class III gaming on Indian lands.

''(10) INDIAN LANDS.—The term 'Indian lands' means—

''(A) all lands within the limits of any Indian reservation; and

''(B) any lands the title to which is held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

''(11) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians that—

''(A) is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians; and

''(B) is recognized as possessing powers of self-government.

''(12) MANAGEMENT CONTRACT.—The term 'management contract' means any contract or collateral agreement between an Indian tribe and a contractor, if that contract or agreement provides for the management of all or part of a gaming operation.

''(13) MANAGEMENT CONTRACTOR.—The term 'management contractor' means any person entering into a management contract with an Indian tribe or an agent of the Indian tribe for the management of a gaming operation, including any person with a financial interest in that contract.

''(14) NET REVENUES.—With respect to a gaming activity, net revenues shall constitute—

''(A) the annual amount of money wagered; reduced by

''(B)(i) any amounts paid out during the year involved for prizes awarded;

''(ii) the total operating expenses for the year involved (excluding any management fees) associated with the gaming activity; and

''(iii) an allowance for amortization of capital expenses for structures.

''(15) PERSON.—The term 'person' means—

''(A) an individual; or

''(B) a firm, corporation, association, organization, partnership, trust, consortium, joint venture, or other nongovernmental entity.

''(16) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.'';

(4) in section 5(b)(3), by striking ''At least two members of the Commission shall be enrolled members of any Indian tribe.'' and inserting ''No fewer than 2 members of the Commission shall be individuals who—

''(A) are each enrolled as a member of an Indian tribe; and

''(B) have extensive experience or expertise in tribal government.'';

(5) by striking sections 6 & 7 and 9 through 16, and redesignating section 8 as section 22 and inserting the following:

''SEC. 6. POWERS AND AUTHORITY OF THE NATIONAL INDIAN GAMING COMMISSION AND CHAIRMAN.

''(a) GENERAL POWERS OF COMMISSION.—

''(1) IN GENERAL.—The Commission shall have the power—

''(A) to approve the annual budget of the Commission;

''(B) to promulgate regulations to carry out the duties of the Commission under this Act in the same manner as an independent establishment (as that term is used in section 104 of title 5, United States Code);

''(C) to establish a rate of fees and assessments, as provided in section 14;

''(D) to conduct investigations, including background investigations;

''(E) to issue a temporary order closing the operation of gaming activities;

''(F) after a hearing, to make permanent a temporary order closing the operation of gaming activities, as provided in section 12;

''(G) to grant, deny, limit, condition, restrict, revoke, or suspend any license issued under any licensing authority conferred upon the Commission pursuant to this Act or fine any person licensed pursuant to this Act for violation of any of the conditions of licensure under this Act;

''(H) to inspect and examine all premises in which class II or class III gaming is conducted on Indian lands;

''(I) to demand access to and inspect, examine, photocopy, and audit all papers, books, and records of class II and class III gaming activities conducted on Indian lands and any other matters necessary to carry out the duties of the Commission under this Act;

''(J) to use the United States mails in the same manner and under the same conditions as any department or agency of the United States;

''(K) to procure supplies, services, and property by contract in accordance with applicable Federal laws;

''(L) to enter into contracts with Federal, State, tribal, and private entities for activities necessary to the discharge of the duties of the Commission;

''(M) to serve, or cause to be served, process or notices of the Commission in a manner provided for by the Commission or in a manner provided for the service of process and notice in civil actions in accordance with the applicable rules of a Federal, State, or tribal court;

''(N) to propound written interrogatories and appoint hearing examiners, to whom may be delegated the power and authority to administer oaths, issue subpoenas, propound written interrogatories, and require testimony under oath;

''(O) to conduct all administrative hearings pertaining to civil violations of this Act (including any civil violation of a regulation promulgated under this Act);

''(P) to collect all fees and assessments authorized by this Act and the regulations promulgated pursuant to this Act;

''(Q) to assess penalties for violations of the provisions of this Act and the regulations promulgated pursuant to this Act;

''(R) to provide training and technical assistance to Indian tribes with respect to all aspects of the conduct and regulation of gaming activities;

''(S) to monitor and, as specifically authorized by this Act, regulate class II and class III gaming;

''(T) to approve all management contracts and gaming-related contracts; and

''(U) in addition to the authorities otherwise specified in this Act, to delegate, by published order or rule, any of the functions of the Commission (including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting on the part of the Commission concerning any work, business, or matter) to a division of the Commission, an individual member of the Commission, an administrative law judge, or an employee of the Commission.

''(2) STATUTORY CONSTRUCTION.—Nothing in this section may be construed to authorize the delegation of the function of rulemaking, as described in subchapter II of chapter 5 of title 5, United States Code, with respect to general rules (as distinguished from rules of particular applicability), or the promulgation of any other rule.

''(b) RIGHT TO REVIEW DELEGATED FUNCTIONS.—

''(1) IN GENERAL.—With respect to the delegation of any of the functions of the Commission, the Commission shall retain a discretionary right to review the action of any division of the Commission, individual member of the Commission, administrative law judge, or employee of the Commission, upon the initiative of the Commission.

''(2) VOTE NEEDED FOR REVIEW.—The vote of 1 member of the Commission shall be sufficient to bring an action referred to in paragraph (1) before the Commission for review, and the Commission shall ratify, revise, or reject the action under review not later than the last day of the applicable period specified in regulations promulgated by the Commission.

''(3) FAILURE TO CONDUCT REVIEW.—If the Commission declines to exercise the right to that review or fails to exercise that right within the applicable period specified in regulations promulgated by the Commission, the action of any such division of the Commission, individual member of the Commission, administrative law judge, or employee shall, for all purposes, including any appeal or review of that action, be deemed an action of the Commission.

''(c) MINIMUM REQUIREMENTS.—The Commission shall advise the Secretary, as provided in section 8(a), with respect to the establishment of minimum Federal standards—

''(1) for background investigations, licensing of persons, and licensing of gaming operations associated with the conduct or regulation of class II and class III gaming on Indian lands by tribal governments; and

''(2) for the operation of class II and class III gaming activities on Indian lands, including—

''(A) surveillance and security personnel and systems capable of monitoring all gaming activities, including the conduct of games, cashiers' cages, change booths, count rooms, movements of cash and chips, entrances and exits to gaming facilities, and other critical areas of any gaming facility;

''(B) procedures for the protection of the integrity of the rules for the play of games and controls related to those rules;

''(C) credit and debit collection controls;

''(D) controls over gambling devices and equipment; and

''(E) accounting and auditing.

''(d) COMMISSION ACCESS TO INFORMATION.—

''(1) IN GENERAL.—The Commission may secure from any department or agency of the United States information necessary to enable the Commission to carry out this Act. Unless otherwise prohibited by law, upon request of the Chairman, the head of that department or agency shall furnish that information to the Commission.

''(2) INFORMATION TRANSFER.—The Commission may secure from any law enforcement agency or gaming regulatory agency of any State, Indian tribe, or foreign nation information necessary to enable the Commission to carry out this Act. Unless otherwise prohibited by law, upon request of the Chairman, the head of any State or tribal law enforcement agency shall furnish that information to the Commission.

''(3) PRIVILEGED INFORMATION.—Notwithstanding sections 552 and 552a of title 5, United States Code, the Commission shall protect from disclosure information provided by Federal, State, tribal, or international law enforcement or gaming regulatory agencies.

''(4) LAW ENFORCEMENT AGENCY.—For purposes of this subsection, the Commission shall be considered to be a law enforcement agency.

''(e) INVESTIGATIONS AND ACTIONS.—

''(1) IN GENERAL.—

''(A) POSSIBLE VIOLATIONS.—The Commission may, as specifically authorized by this Act, conduct such investigations as the Commission considers necessary to determine whether any person has violated, is violating, or is conspiring to violate any provision of this Act (including any rule or regulation promulgated under this Act). The Commission may require or permit any person to file with the Commission a statement in writing, under oath, or otherwise, as the Commission may determine, concerning all relevant facts and circumstances regarding the matter under investigation by the Commission pursuant to this subsection.

''(B) ADMINISTRATIVE INVESTIGATIONS.—The Commission may, as specifically authorized by this Act, investigate such facts, conditions, practices, or matters as the Commission considers necessary or proper to aid in—

''(i) the enforcement of any provision of this Act;

''(ii) issuing rules and regulations under this Act; or

''(iii) securing information to serve as a basis for recommending further legislation concerning the matters to which this Act relates.

''(2) ADMINISTRATIVE AUTHORITIES.—

''(A) IN GENERAL.—

''(i) ADMINISTRATION OF CERTAIN DUTIES.—For the purpose of any investigation or any other proceeding conducted under this Act, an individual described in clause (ii) is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records that the Commission considers relevant or material to the inquiry. The attendance of those witnesses and the production of any such records may be required from any place in the United States at any designated place of hearing.

''(ii) INDIVIDUALS DESCRIBED.—An individual described in this clause is—

''(I) any member of the Commission who is designated by the Commission to carry out duties specified in clause (i); or

''(II) any other officer of the Commission who is designated by the Commission to carry out duties specified in clause (i).

''(B) REQUIRING APPEARANCES OR TESTIMONY.—In case of contumacy by, or refusal to obey any subpoena issued to, any person, the Commission may invoke the jurisdiction of any court of the United States within the jurisdiction of which an investigation or proceeding is carried on, or where that person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records.

''(C) COURT ORDERS.—Any court described in subparagraph (B) may issue an order requiring that person to appear before the Commission, a member of the Commission, or an officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question, and any failure to obey that order of the court may be punished by that court as a contempt of that court.

''(3) ENFORCEMENT.—

''(A) IN GENERAL.—If the Commission determines that any person is engaged, has engaged, or is conspiring to engage in any act or practice constituting a violation of any provision of this Act (including any rule or regulation promulgated under this Act), the Commission may—

''(i) bring an action in the appropriate district court of the United States or the United States District Court for the District of Columbia to enjoin that act or practice, and upon a proper showing, the court shall grant, without bond, a permanent or temporary injunction or restraining order; or

''(ii) transmit such evidence as may be available concerning that act or practice as may constitute a violation of any Federal criminal law to the Attorney General, who may institute the necessary criminal or civil proceedings.

''(B) STATUTORY CONSTRUCTION.—

''(i) IN GENERAL.—The authority of the Commission to conduct investigations and take actions under subparagraph (A) may not be construed to affect in any way the authority of any other agency or department of the United States to carry out statutory responsibilities of that agency or department.

''(ii) EFFECT OF TRANSMITTAL BY THE COMMISSION.—The transmittal by the Commission pursuant to subparagraph (A)(ii) may not be construed to constitute a condition precedent with respect to any action taken by any department or agency referred to in clause (i).

''(4) WRITS, INJUNCTIONS, AND ORDERS.—Upon application of the Commission, each district court of the United States shall have jurisdiction to issue writs of mandamus, injunctions, and orders commanding any person to comply with the provisions of this Act (including any rule or regulation promulgated under this Act).

''(f) POWERS OF THE CHAIRPERSON.—The Chairman shall have such powers as may be delegated to the Chairman by the Commission.

''SEC. 7. REGULATORY FRAMEWORK.

''(a) CLASS II GAMING.—For class II gaming, Indian tribes shall retain the right of those tribes, in a manner that meets or exceeds minimum Federal standards described in section 6(c) (that are established by the Secretary under section 8)—

''(1) to monitor and regulate that gaming;

''(2) to conduct background investigations; and

''(3) to establish and regulate internal control systems.

''(b) CLASS III GAMING CONDUCTED UNDER A COMPACT.—For class III gaming conducted under the authority of a compact entered into pursuant to section 10, an Indian tribe or a State, or both, as provided in a compact or by tribal ordinance or resolution, shall, in a manner that meets or exceeds minimum Federal standards described in section 6(c) (that are established by the Secretary under section 8)—

''(1) monitor and regulate gaming;

''(2) conduct background investigations; and

''(3) establish and regulate internal control systems.

''(c) VIOLATIONS OF MINIMUM FEDERAL STANDARDS.—

''(1) CLASS II GAMING.—In any case in which an Indian tribe that regulates or conducts class II gaming on Indian lands substantially fails to meet minimum Federal standards for that gaming, after providing the Indian tribe notice and reasonable opportunity to cure violations and to be heard, and after the exhaustion of other authorized remedies and sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class II gaming conducted by the Indian tribe. That authority of the Commission may be exclusive until such time as the regulatory and internal control systems of the Indian tribe meet or exceed the minimum Federal standards concerning regulatory, licensing, or internal control requirements established by the Secretary, in consultation with the Commission, for that gaming.

''(2) CLASS III GAMING.—In any case in which an Indian tribe or a State (or both) that regulates class III gaming on Indian lands fails to meet or enforce minimum Federal standards for class III gaming, after providing notice and reasonable opportunity to cure violations and be heard, and after the exhaustion of other authorized remedies and sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class III gaming conducted by the Indian tribe. That authority of the Commission may be exclusive until such time as the regulatory or internal control systems of the Indian tribe or the State (or both) meet or exceed the minimum Federal regulatory, licensing, or internal control requirements established by the Secretary, in consultation with the Commission, for that gaming.

''SEC. 8. NEGOTIATED RULEMAKING.

''(a) IN GENERAL.—Subject to subsection (b), not later than 180 days after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998, the Secretary shall, in cooperation with Indian tribes, and in accordance with the negotiated rulemaking procedures under subchapter III of chapter 5 of title 5, United States Code, promulgate minimum Federal standards relating to background investigations, internal control systems, and licensing standards (as described in section 6(c)).

''(b) NEGOTIATED RULEMAKING COMMITTEE.—The negotiated rulemaking committee established under subchapter III of chapter 5 of title 5, United States Code, to carry out subsection (a) shall be established by the Secretary, in consultation with the Attorney General and the Commission.

''(c) FACTORS FOR CONSIDERATION.—While the minimum Federal standards established pursuant to this section may be developed with due regard for existing industry standards, the Secretary and the negotiated rulemaking committee established under subsection (b), in promulgating standards pursuant to this section, shall also consider—

''(1) the unique nature of tribal gaming as compared to commercial gaming, other governmental gaming, and charitable gaming;

''(2) the broad variations in the scope and size of tribal gaming activity;

''(3) the inherent sovereign rights of Indian tribes with respect to regulating their own affairs;

''(4) the findings and purposes set forth in sections 2 and 3;

''(5) the effectiveness and efficiency of a national licensing program for vendors or management contractors; and

''(6) other matters that are not inconsistent with the purposes of this Act.

''SEC. 9. REQUIREMENTS FOR THE CONDUCT OF CLASS I AND CLASS II GAMING ON INDIAN LANDS.

''(a) CLASS I GAMING.—Class I gaming on Indian lands shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

''(b) CLASS II GAMING.—

''(1) IN GENERAL.—Any class II gaming on Indian lands shall be within the jurisdiction of the Indian tribes, but shall be subject to the provisions of this Act.

''(2) LEGAL ACTIVITIES.—An Indian tribe may engage in, and license and regulate, class II gaming on Indian lands within the jurisdiction of that Indian tribe, if—

''(A) such Indian gaming is located within a State that permits such gaming for any

purpose by any person, organization, or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law); and

''(B) such Indian gaming meets or exceeds the requirements of this section and the standards described in section 6(c) (that are established by the Secretary under section 8).

''(3) REQUIREMENTS FOR CLASS II GAMING OPERATIONS.—

''(A) IN GENERAL.—The Commission shall ensure that, with regard to any class II gaming operation on Indian lands—

''(i) a separate license is issued by the Indian tribe for each place, facility, or location on Indian lands at which that Indian gaming is conducted;

''(ii) the Indian tribe has or will have the sole proprietary interest and responsibility for the conduct of any class II gaming, unless the conditions of clause (ix) apply;

''(iii) the net revenues from any class II gaming activity are used only—

''(I) to fund tribal government operations or programs;

''(II) to provide for the general welfare of the Indian tribe and the members of the Indian tribe;

''(III) to promote tribal economic development;

''(IV) to donate to charitable organizations;

''(V) to help fund operations of local government agencies;

''(VI) to comply with the provisions of section 14; or

''(VII) to make per capita payments to members of the Indian tribe pursuant to clause (viii);

''(iv) the Indian tribe provides to the Commission annual outside audit reports of the class II gaming operation of the Indian tribe, which may be encompassed within existing independent tribal audit systems;

''(v) each contract for supplies, services, or concessions for a contract amount equal to more than $100,000 per year, other than a contract for professional legal or accounting services, relating to that gaming is subject to those independent audit reports and any audit conducted by the Commission;

''(vi) the construction and maintenance of a class II gaming facility and the operation of class II gaming are conducted in a manner that adequately protects the environment and public health and safety;

''(vii) there is instituted an adequate system that—

''(I) ensures that—

''(aa) background investigations are conducted on primary management officials, key employees, and persons having material control, either directly or indirectly, in a licensed class II gaming operation, and gaming-related contractors associated with a licensed class II gaming operation; and

''(bb) oversight of those officials and the management by those officials is conducted on an ongoing basis; and

''(II) includes—

''(aa) tribal licenses for persons involved in class II gaming operations, issued in accordance with the standards described in section 6(c) (that are established by the Secretary under section 8);

''(bb) a standard under which any person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment or licensure; and

''(cc) notification by the Indian tribe to the Commission of the results of that background investigation before the issuance of any such license;

''(viii) net revenues from any class II gaming activities conducted or licensed by any Indian tribal government are used to make per capita payments to members of the Indian tribe only if—

''(I) the Indian tribe has prepared a plan to allocate revenues to uses authorized by clause (iii);

''(II) the Secretary determines that the plan is adequate, particularly with respect to uses described in subclause (I) or (III) of clause (iii);

''(III) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved;

''(IV) the per capita payments to minors and other legally incompetent persons are disbursed to the parents or legal guardians of those minors or legally incompetent persons in such amounts as may be necessary for the health, education, or welfare of each such minor or legally incompetent person under a plan approved by the Secretary and the governing body of the Indian tribe; and

''(V) the per capita payments are subject to Federal income taxation for individuals and Indian tribes withhold those taxes when those payments are made;

''(ix) a separate license is issued by the Indian tribe for any class II gaming operation owned by any person or entity other than the Indian tribe and conducted on Indian lands, that includes—

''(I) requirements set forth in clauses (v) through (vii) (other than the requirements of clauses (vii)(II)(cc) and (x)); and

''(II) requirements that are at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which those Indian lands are located; and

''(x) no person or entity, other than the Indian tribe, is eligible to receive a tribal license for a class II gaming operation conducted on Indian lands within the jurisdiction of the Indian tribe if that person or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

''(B) TRANSITION.—

''(i) IN GENERAL.—Clauses (ii), (iii), and (ix) of subparagraph (A) shall not bar the continued operation of a class II gaming operation described in clause (ix) of that subparagraph that was operating on September 1, 1986, if—

''(I) that gaming operation is licensed and regulated by an Indian tribe;

''(II) income to the Indian tribe from that gaming is used only for the purposes described in subparagraph (A)(iii);

''(III) not less than 60 percent of the net revenues from that gaming operation is income to the licensing Indian tribe; and

''(IV) the owner of that gaming operation pays an appropriate assessment to the Commission pursuant to section 14 for the regulation of that gaming.

''(ii) LIMITATIONS ON EXEMPTION.—The exemption from application provided under clause (i) may not be transferred to any person or entity and shall remain in effect only during such period as the gaming operation remains within the same nature and scope as that gaming operation was actually operated on October 17, 1988.

''(C) LIST.—The Commission shall—

''(i) maintain a list of each gaming operation that is subject to subparagraph (B); and

''(ii) publish that list in the Federal Register.

''(c) PETITION FOR CERTIFICATE OF SELF-REGULATION.—

''(1) IN GENERAL.—Any Indian tribe that operates, directly or with a management contract, a class II gaming activity may petition the Commission for a certificate of self-regulation if that Indian tribe—

''(A) has continuously conducted that gaming activity for a period of not less than 3 years, including a period of not less than 1 year that begins after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998; and

''(B) has otherwise complied with the provisions of this Act.

''(2) ISSUANCE OF CERTIFICATE OF SELF-REGULATION.—The Commission shall issue a certificate of self-regulation under this subsection if the Commission determines, on the basis of available information, and after a hearing if requested by the Indian tribe, that the Indian tribe has—

''(A) conducted its gaming activity in a manner that has—

''(i) resulted in an effective and honest accounting of all revenues;

''(ii) resulted in a reputation for safe, fair, and honest operation of the activity; and

''(iii) been generally free of evidence of criminal activity;

''(B) adopted and implemented adequate systems for—

''(i) accounting for all revenues from the gaming activity;

''(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

''(iii) investigation, enforcement, and prosecution of violations of its gaming ordinance and regulations;

''(C) conducted the operation on a fiscally and economically sound basis; and

''(D) paid all fees and assessments that the Indian tribe is required to pay to the Commission under this Act.

''(3) EFFECT OF CERTIFICATE OF SELF-REGULATION.—During the period in which a certificate of self-regulation issued under this subsection is in effect with respect to a gaming activity conducted by an Indian tribe—

''(A) the Indian tribe shall—

''(i) submit an annual independent audit report as required by subsection (b)(3)(A)(iv); and

''(ii) submit to the Commission a complete résumé of each employee hired and licensed by the Indian tribe subsequent to the issuance of a certificate of self-regulation; and

''(B) the Commission may not assess a fee under section 15 on gaming operated by the Indian tribe pursuant to paragraph (1) in excess of 0.25 percent of the net revenue from that class II gaming activity.

''(4) RESCISSION.—The Commission may, for just cause and after a reasonable opportunity for a hearing, rescind a certificate of self-regulation issued under this subsection by majority vote of the members of the Commission.

''(d) LICENSE REVOCATION.—If, after the issuance of any license by an Indian tribe under this section, the Indian tribe receives reliable information from the Commission indicating that a licensee does not meet any standard described in section 6(c) (that is established by the Secretary under section 8), or any other applicable regulation promulgated under this Act, the Indian tribe—

''(1) shall immediately suspend that license; and

''(2) after providing notice, holding a hearing, and making findings of fact under procedures established pursuant to applicable tribal law, may revoke that license.

''SEC. 10. CLASS III GAMING ON INDIAN LANDS.

''(a) REQUIREMENTS FOR THE CONDUCT OF CLASS III GAMING ON INDIAN LANDS.—

''(1) IN GENERAL.—Class III gaming activities shall be lawful on Indian lands only if those activities are—

''(A) authorized by a compact that—

''(i) is approved pursuant to tribal law by the governing body of the Indian tribe having jurisdiction over those lands;

''(ii) meets the requirements of this section 9(b)(3) for the conduct of class II gaming activities; and

''(iii) is approved by the Secretary;

''(B) located in a State that permits such gaming for any purpose by any person, organization or entity; and

''(C) conducted in conformance with a compact that—

''(i) is in effect; and

''(ii) is—

''(I) entered into by an Indian tribe and a State and approved by the Secretary under paragraph (2); or

''(II) issued by the Secretary under paragraph (2).

''(2) COMPACT NEGOTIATIONS; APPROVAL.—

''(A) IN GENERAL.—

''(i) COMPACT NEGOTIATIONS.—Any Indian tribe having jurisdiction over the lands upon which a class III gaming activity is to be conducted may request the State in which those lands are located to enter into negotiations for the purpose of entering into a compact with that State governing the conduct of class III gaming activities.

''(ii) REQUIREMENTS FOR REQUEST FOR NEGOTIATIONS.—A request for negotiations under clause (i) shall be in writing and shall specify each gaming activity that the Indian tribe proposes for inclusion in the compact. Not later than 30 days after receipt of that written request, the State shall respond to the Indian tribe.

''(iii) COMMENCEMENT OF COMPACT NEGOTIATIONS.—Compact negotiations conducted under this paragraph shall commence not later than 30 days after the date on which a response by a State is due to the Indian tribe, and shall be completed not later than 120 days after the initiation of compact negotiations, unless the State and the Indian tribe agree to a different period of time for the completion of compact negotiations.

''(B) NEGOTIATIONS.—

''(i) IN GENERAL.—The Secretary shall, upon the request of an Indian tribe described in subparagraph (A)(i) that has not reached an agreement with a State concerning a compact referred to in that subparagraph (or with respect to an Indian tribe described in clause (ii)(I)(bb) a compact) during the applicable period under clause (ii) of this subparagraph, initiate a mediation process to—

''(I) conclude a compact referred to in subparagraph (A)(i); or

''(II) if necessary, provide for the issuance of procedures by the Secretary to govern the conduct of the gaming referred to in that subparagraph.

''(ii) APPLICABLE PERIOD.—

''(I) IN GENERAL.—Subject to subclause (II), the applicable period described in this paragraph is—

''(aa) in the case of an Indian tribe that makes a request for compact negotiations under subparagraph (A), the 180-day period beginning on the date on which that Indian tribe makes the request; and

''(bb) in the case of an Indian tribe that makes a request to renew a compact to govern class III gaming activity on Indian lands of that Indian tribe within the State that the Indian tribe entered into prior to the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998, during the 60-day period beginning on the date of that request.

''(II) EXTENSION.—An Indian tribe and a State may agree to extend an applicable period under this paragraph beyond the applicable termination date specified in item (aa) or (bb) of subclause (I).

''(iii) MEDIATION.—

''(I) IN GENERAL.—The Secretary shall initiate mediation to conclude a compact governing the conduct of class III gaming activities on Indian lands upon a showing by an Indian tribe that, within the applicable period specified in clause (ii), a State has failed—

''(aa) to respond to a request by an Indian tribe for negotiations under this subparagraph; or

''(bb) to negotiate in good faith.

''(II) EFFECT OF DECLINING NEGOTIATIONS.—The Secretary shall initiate mediation immediately after a State declines to enter into negotiations under this subparagraph, without regard to whether the otherwise applicable period specified in clause (ii) has expired.

''(III) COPY OF REQUEST.—An Indian tribe that requests mediation under this clause shall provide the State that is the subject of the mediation request a copy of the mediation request submitted to the Secretary.

''(IV) PANEL.—The Secretary, in consultation with the Indian tribes and States, shall establish a list of independent mediators, that the Secretary, in consultation with the Indian tribes and the States, shall periodically update.

''(V) NOTIFICATION BY STATE.—Not later than 10 days after an Indian tribe makes a request to the Secretary for mediation under subclause (I), the State that is the subject of the mediation request shall notify the Secretary whether the State elects to participate in the mediation process. If the State elects to participate in the mediation, the mediation shall be conducted in accordance with subclause (VI). If the State declines to participate in the mediation process, the Secretary shall issue procedures under clause (iv).

''(VI) MEDIATION PROCESS.—

''(aa) IN GENERAL.—Not later than 20 days after a State elects under subclause (V) to participate in a mediation, the Secretary shall submit to the Indian tribe and the State the names of 3 mediators randomly selected by the Secretary from the list of mediators established under subclause (IV).

''(bb) SELECTION OF MEDIATOR.—Not later than 10 days after the Secretary submits the mediators referred to in item (aa), the Indian tribe and the State may elect to have the Secretary remove a mediator from the mediators submitted. If the parties referred to in the preceding sentences fail to remove 2 mediators, the Secretary shall remove such names as may be necessary to result in the removal of 2 mediators. The remaining mediator shall conduct the mediation.

''(cc) INITIAL PERIOD OF MEDIATION.—The mediator shall, during the 60-day period beginning on the date on which the mediator is selected under item (bb) (or a longer period on the agreement of the parties referred to in that item for an extension of the period) attempt to achieve a compact.

''(dd) LAST-BEST-OFFER.—If by the termination of the period specified in item (cc), no agreement for concluding a compact is achieved by the parties to the mediation, each such party may, not later than 10 days after that date, submit to the mediator an offer that represents the best offer that the party intends to make for achieving an agreement for concluding a compact (referred to in this item as a 'last-best-offer'). The mediator shall review a last-best-offer received under this item not later than 30 days after the date of submission of the offer.

''(ee) REPORT BY MEDIATOR.—Not later than the date specified for the completion of a review of a last-best-offer under item (dd), or in any case in which either party in a mediation fails to make such an offer, the date that is 10 days after the termination of the initial period of mediation under item (cc), the mediator shall prepare and submit to the Secretary a report that includes the contentions of the parties, the conclusions of the mediator concerning the permissible scope of gaming on the Indian lands involved, and recommendations for the operation and regulation of gaming on the Indian lands in accordance with this Act.

''(ff) FINAL DETERMINATIONS.—Not later than 60 days after receiving a report from a mediator under item (ee), the Secretary shall make a final determination concerning the operation and regulation of the class III gaming that is the subject of the mediation.

''(iv) PROCEDURES.—Subject to clause (v), the Secretary shall issue procedures for the operation and regulation of the class III gaming described in that item by the date that is 180 days after the date specified in clause (iii)(V) or upon the determination described in clause (iii)(iv)(ff).

''(v) PROHIBITION.—No compact negotiated, or procedures issued, under this subparagraph shall require that a State undertake any regulation of gaming on Indian lands unless—

''(I) the State affirmatively consents to regulate that gaming; and

''(II) applicable State laws permit that regulatory function.

''(C) MANDATORY DISAPPROVAL.—Notwithstanding any other provision of this Act, the Secretary may not approve a compact if the compact requires State regulation of Indian gaming absent the consent of the State or the Indian tribe.

''(D) EFFECTIVE DATE OF COMPACT OF PROCEDURES.—Any compact negotiated, or procedures issued, under this subsection shall become effective upon the publication of the compact or procedures in the Federal Register by the Secretary.

''(E) EFFECT OF PUBLICATION OF COMPACT.—Except for an appeal conducted under subchapter II of chapter 5 of title 5, United States Code, by an Indian tribe or a State associated with the compact, the publication of a compact pursuant to subparagraph (B) shall, for the purposes of this Act, be conclusive evidence that the class III gaming subject to the compact is an activity subject to negotiations under the laws of the State where the gaming is to be conducted, in any matter under consideration by the Commission or a Federal court.

''(F) DUTIES OF COMMISSION.—Consistent with the requirements of the standards described in section 6(c) (that are established by the Secretary under section 8) and the requirements of section 7, the Commission shall monitor and, if specifically authorized by those standards and section 7, regulate and license class III gaming with respect to any compact that is approved by the Secretary under this subsection and published in the Federal Register.

''(3) PROVISIONS OF COMPACTS.—

''(A) IN GENERAL.—A compact negotiated under this subsection may only include provisions relating to—

''(i) the application of the criminal and civil laws (including regulations) of the Indian tribe or the State that are directly related to, and necessary for, the licensing and regulation of that gaming activity in a manner consistent with the requirements of the standards described in section 6(c) (that are established by the Secretary under section 8) and section 7;

''(ii) the allocation of criminal and civil jurisdiction between the State and the Indian tribe necessary for the enforcement of those laws (including regulations);

''(iii) the assessment by the State of the costs associated with those activities in such amounts as are necessary to defray the costs of regulating that activity;

''(iv) taxation by the Indian tribe of that activity in amounts comparable to amounts assessed by the State for comparable activities;

''(v) remedies for breach of compact provisions;

''(vi) standards for the operation of that activity and maintenance of the gaming facility, including licensing, in a manner consistent with the requirements of the standards described in section 6(c) (that are established by the Secretary under section 8) and section 7; and

''(vii) any other subject that is directly related to the operation of gaming activities.

''(B) STATUTORY CONSTRUCTION WITH RESPECT TO ASSESSMENTS; PROHIBITION.—

''(i) STATUTORY CONSTRUCTION.—Except for any assessments for services agreed to by an Indian tribe in compact negotiations, nothing in this section may be construed as conferring upon a State, or any political subdivision thereof, the authority to impose any tax, fee, charge, or other assessment upon an Indian tribe, an Indian gaming operation or the value generated by the gaming operation, or any person or entity authorized by an Indian tribe to engage in a class III gaming activity in conformance with this Act.

''(ii) ASSESSMENT BY STATES.—A State may assess the assessments agreed to by an Indian tribe referred to in clause (i) in a manner consistent with that clause.

''(4) STATUTORY CONSTRUCTION WITH RESPECT TO CERTAIN RIGHTS OF INDIAN TRIBES.—Nothing in this subsection impairs the right of an Indian tribe to regulate class III gaming on the Indian lands of the Indian tribe concurrently with a State and the Commission, except to the extent that such regulation is inconsistent with, or less stringent than, this Act or any laws (including regulations) made applicable by any compact entered into by the Indian tribe under this subsection that is in effect.

''(5) EXEMPTION.—The provisions of section 2 of the Act of January 2, 1951 (commonly referred to as the 'Gambling Devices Transportation Act') (64 Stat. 1134, chapter 1194; 15 U.S.C. 1175) shall not apply to any class II gaming activity or any gaming activity conducted pursuant to a compact entered into after the date of enactment of this Act, but in no event shall this paragraph be construed as invalidating any exemption from the provisions of such section 2 for any compact entered into prior to the date of enactment of this Act.

''(b) JURISDICTION OF UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA.—The United States District Court for the District of Columbia shall have jurisdiction over any action initiated by the Secretary, the Commission, a State, or an Indian tribe to enforce any provision of a compact entered into under subsection (a) or to enjoin a class III gaming activity located on Indian lands and conducted in violation of any compact that is in effect and that was entered into under subsection (a).

''(c) APPROVAL OF COMPACTS.—

''(1) IN GENERAL.—The Secretary may approve any compact between an Indian tribe and a State governing the conduct of class III gaming on Indian lands of that Indian tribe entered into under subsection (a).

''(2) REASONS FOR DISAPPROVAL BY SECRETARY.—The Secretary may disapprove a compact entered into under subsection (a) only if that compact violates any—

''(A) provision of this Act or any regulation promulgated by the Commission pursuant to this Act;

''(B) other provision of Federal law; or

''(C) trust obligation of the United States to Indians.

''(3) EFFECT OF FAILURE TO ACT ON COMPACT.—If the Secretary fails to approve or disapprove a compact entered into under subsection (a) before the date that is 45 days after the date on which the compact is submitted to the Secretary for approval, the compact shall be considered to have been approved by the Secretary, but only to the extent the compact is consistent with the provisions of this Act and the regulations promulgated by the Commission pursuant to this Act.

''(4) NOTIFICATION.—The Secretary shall publish in the Federal Register notice of any compact that is approved, or considered to have been approved, under this subsection.

''(d) REVOCATION OF ORDINANCE.—

''(1) IN GENERAL.—The governing body of an Indian tribe, in its sole discretion, may adopt an ordinance or resolution revoking any prior ordinance or resolution that authorized class III gaming on the Indian lands of the Indian tribe. That revocation shall render class III gaming illegal on the Indian lands of that Indian tribe.

''(2) PUBLICATION OF REVOCATION.—An Indian tribe shall submit any revocation ordinance or resolution described in paragraph (1) to the Commission. The Commission shall publish that ordinance or resolution in the Federal Register. The revocation provided by that ordinance or resolution shall take effect on the date of that publication.

''(3) CONDITIONAL OPERATION.—Notwithstanding any other provision of this subsection—

''(A) any person or entity operating a class III gaming activity pursuant to this Act on the date on which an ordinance or resolution described in paragraph (1) that revokes authorization for that class III gaming activity is published in the Federal Register may, during the 1-year period beginning on the date on which that revocation, ordinance, or resolution is published under paragraph (2), continue to operate that activity in conformance with an applicable compact entered into under subsection (a) that is in effect; and

''(B) any civil action that arises before, and any crime that is committed before, the termination of that 1-year period shall not be affected by that revocation ordinance, or resolution.

''(e) CERTAIN CLASS III GAMING ACTIVITIES.—

''(1) COMPACTS ENTERED INTO BEFORE THE DATE OF ENACTMENT OF THE INDIAN GAMING REGULATORY IMPROVEMENT ACT OF 1998.—Class III gaming activities that are authorized under a compact approved or issued by the Secretary under the authority of this Act prior to the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998 shall, during such period as the compact is in effect, remain lawful for the purposes of this Act, notwithstanding the Indian Gaming Regulatory Improvement Act of 1998 and the amendments made by that Act or any change in State law, other than a change in State law that constitutes a change in the public policy of the State with respect to permitting or prohibiting class III gaming in the State.

''(2) COMPACT ENTERED INTO AFTER THE DATE OF ENACTMENT OF THE INDIAN GAMING REGULATORY IMPROVEMENT ACT OF 1998.—Any compact entered into under subsection (a) after the date specified in paragraph (1) shall remain lawful for the purposes of this Act, notwithstanding any change in State law, other than a change in State law that constitutes a change in the public policy of the State with respect to with respect to permitting or prohibiting class III gaming in the State.

''SEC. 11. REVIEW OF CONTRACTS.

''(a) CONTRACTS INCLUDED.—The Commission shall, in accordance with this section, review and approve or disapprove any management contract for the operation and management of any gaming activity that an Indian tribe may engage in under this Act.

''(b) MANAGEMENT CONTRACT REQUIREMENTS.—The Commission shall approve any management contract between an Indian tribe and a person licensed by an Indian tribe or the Commission that is entered into pursuant to this Act only if the Commission determines that the contract provides for—

''(1) adequate accounting procedures that are maintained, and verifiable financial reports that are prepared, by or for the governing body of the Indian tribe on a monthly basis;

''(2) access to the daily gaming operations by appropriate officials of the Indian tribe who shall have the right to verify the daily gross revenues and income derived from any gaming activity;

''(3) a minimum guaranteed payment to the Indian tribe that has preference over the retirement of any development and construction costs;

''(4) an agreed upon ceiling for the repayment of any development and construction costs;

''(5) a contract term of not to exceed 5 years, except that, upon the request of an Indian tribe, the Commission may authorize a contract term that exceeds 5 years but does not exceed 7 years if the Commission is satisfied that the capital investment required, and the income projections for, the particular gaming activity require the additional time; and

''(6) grounds and mechanisms for the termination of the contract, but any such termination shall not require the approval of the Commission.

''(c) MANAGEMENT FEE BASED ON PERCENTAGE OF NET REVENUES.—

''(1) PERCENTAGE FEE.—The Commission may approve a management contract that provides for a fee that is based on a percentage of the net revenues of a tribal gaming activity if the Commission determines that such percentage fee is reasonable, taking into consideration surrounding circumstances.

''(2) FEE AMOUNT.—Except as provided in paragraph (3), a fee described in paragraph (1) shall not exceed an amount equal to 30 percent of the net revenues described in that paragraph.

''(3) EXCEPTION.—Upon the request of an Indian tribe, if the Commission is satisfied that the capital investment required, and income projections for, a tribal gaming activity, necessitate a fee in excess of the amount specified in paragraph (2), the Commission may approve a management contract that provides for a fee described in paragraph (1) in an amount in excess of the amount specified in paragraph (2), but not to exceed 40 percent of the net revenues described in paragraph (1).

''(d) TIME PERIOD FOR REVIEW.—

''(1) IN GENERAL.—Except as provided in paragraph (2), not later than 90 days after the date on which a management contract is submitted to the Commission for approval, the Commission shall approve or disapprove that contract on the merits of the contract.

''(2) EXTENSION.—The Commission may extend the 90-day period for an additional period of not more than 45 days if the Commission notifies the Indian tribe in writing of the reason for the extension of the period.

''(3) ACTION.—The Indian tribe may bring an action in the United States District Court for the District of Columbia to compel action by the Commission if a contract has not been approved or disapproved by the termination date of an applicable period under this subsection.

''(e) CONTRACT MODIFICATIONS AND VOID CONTRACTS.—The Commission, after providing notice and a hearing on the record—

''(1) shall have the authority to require appropriate contract modifications to ensure compliance with the provisions of this Act; and

''(2) may declare invalid any contract regulated by the Commission under this Act if the Commission determines that any provision of this Act has been violated by the terms of the contract.

''(f) INTERESTS IN REAL PROPERTY.—No contract regulated by this Act may transfer or, in any other manner, convey any interest in land or other real property, unless—

''(1) specific statutory authority exists;

''(2) all necessary approvals for the transfer or conveyance have been obtained; and

''(3) the transfer or conveyance is clearly specified in the contract.

''(g) AUTHORITY OF THE SECRETARY.—The authority of the Secretary under section 2103 of the Revised Statutes (25 U.S.C. 81) shall not extend to any contract or agreement that is regulated pursuant to this Act.

''(h) DISAPPROVAL OF CONTRACTS.—The Commission may not approve a management contract or other gaming-related contract if the Commission determines that—

''(1) any person having a direct financial interest in, or management responsibility for, that contract, and, in the case of a corporation, any individual who serves on the board of directors of that corporation, and any of the stockholders who hold (directly or indirectly) 10 percent or more of its issued and outstanding stock—

''(A) is an elected member of the governing body of the Indian tribe that is a party to the contract;

''(B) has been convicted of any felony or gaming offense;

''(C) has knowingly and willfully provided materially important false statements or information to the Commission or the Indian tribe pursuant to this Act or has refused to respond to questions propounded by the Commission; or

''(D) has been determined to be a person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

''(2) the contractor—

''(A) has unduly interfered or influenced for its gain or advantage any decision or process of tribal government relating to the gaming activity; or

''(B) has attempted to interfere or influence a decision pursuant to subparagraph (A);

''(3) the contractor has deliberately or substantially failed to comply with the terms of the contract; or

''(4) a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract.

''SEC. 12. CIVIL PENALTIES.

''(a) AMOUNT.—Any person who commits any act or causes to be done any act that violates any provision of this Act or any rule or regulation promulgated under this Act, or who fails to carry out any act or causes the failure to carry out any act that is required by any such provision of law shall be subject to a civil penalty in an amount equal to not more than $25,000 per day for each such violation.

''(b) ASSESSMENT AND COLLECTION.—

''(1) IN GENERAL.—Each civil penalty assessed under this section shall be assessed by the Commission and collected in a civil action brought by the Attorney General on behalf of the United States. Before the Commission refers civil penalty claims to the Attorney General, the Commission may compromise the civil penalty after affording the person charged with a violation referred to in subsection (a), an opportunity to present views and evidence in support of that action by the Commission to establish that the alleged violation did not occur.

''(2) PENALTY AMOUNT.—In determining the amount of a civil penalty assessed under this section, the Commission shall take into account—

''(A) the nature, circumstances, extent, and gravity of the violation committed;

''(B) with respect to the person found to have committed that violation, the degree of culpability, any history of prior violations, ability to pay, and the effect on ability to continue to do business; and

''(C) such other matters as justice may require.

''(c) TEMPORARY CLOSURES.—

''(1) IN GENERAL.—The Commission may order the temporary closure of all or part of an Indian gaming operation for a substantial violation of any provision of law referred to in subsection (a).

''(2) HEARING ON ORDER OF TEMPORARY CLOSURE.—

''(A) IN GENERAL.—Not later than 10 days after the issuance of an order of temporary closure, the Indian tribe or the individual owner of a gaming operation shall have the right to request a hearing on the record before the Commission to determine whether that order should be made permanent or dissolved.

''(B) DEADLINES RELATING TO HEARING.—Not later than 30 days after a request for a hearing is made under subparagraph (A), the Commission shall conduct that hearing. Not later than 30 days after the termination of the hearing, the Commission shall render a final decision on the closure.

''SEC. 13. JUDICIAL REVIEW.

''A decision made by the Commission pursuant to section 6, 7, 11, or 12 shall constitute a final agency decision for purposes of appeal to the United States District Court for the District of Columbia pursuant to chapter 7 of title 5, United States Code.'';

(6) by redesignating sections 18 and 19 as sections 14 and 15, respectively;

(7) in section 14, as redesignated—

(A) in subsection (a)—

(i) by striking paragraphs (3) through (6);

(ii) by redesignating paragraph (2) as paragraph (3);

(iii) by striking ''(a)(1) The Commission'' and inserting the following:

''(2) MINIMUM FEES.—The Commission'';

(iv) by inserting before paragraph (2) the following:

''(a) ANNUAL FEES.—

''(1) MINIMUM REGULATORY FEES.—In addition to assessing fees pursuant to a schedule established under paragraph (2), the Commission shall require each gaming operation that conducts a class II or class III gaming activity that is regulated by this Act to pay to the Commission, on a quarterly basis, a minimum fee in an amount equal to $250.'';

and

(v) in paragraph (3), as redesignated, by striking subparagraphs (B) and (C) and inserting the following:

''(B) GRADUATED FEE LIMITATION.—

''(i) IN GENERAL.—The aggregate amount of fees collected under this paragraph shall not exceed—

''(I) $8,000,000 for fiscal year 1999;

''(II) $9,000,000 for fiscal year 2000; and

''(III) $11,000,000 for fiscal year 2001, and for each fiscal year thereafter.

''(C) FACTORS FOR CONSIDERATION.—

''(i) IN GENERAL.—The aggregate amount of fees assessed under this section shall be reasonably related to the costs of services provided by the Commission to Indian tribes under this Act (including the cost of issuing regulations necessary to carry out this Act). In assessing and collecting fees under this section, the Commission shall take into account all of the duties of, and services provided by, the Commission under this Act.

''(ii) FACTORS FOR CONSIDERATION.—In determining the amount of fees to be assessed against class II or class III gaming activities regulated by this Act, the Commission shall consider the extent of regulation of gaming activities by States and Indian tribes and shall, if appropriate, reduce or eliminate the fees authorized by this section.

''(iii) CONSULTATION.—In establishing any schedule of fees under this subsection, the Commission shall consult with Indian tribes.

''(4) TRUST FUND.—

''(A) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the Indian Gaming Trust Fund (referred to in this paragraph as the 'Trust Fund'), consisting of—

''(i) such amounts as are—

''(I) transferred to the Trust Fund under subparagraph (B)(i); or

''(II) appropriated to the Trust Fund; and

''(ii) any interest earned on the investment of amounts in the Trust Fund under subparagraph (C).

''(B) TRANSFER OF AMOUNTS EQUIVALENT TO FEES.—

''(i) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund an amount equal to the aggregate amount of fees collected under this subsection.

''(ii) TRANSFERS BASED ON ESTIMATES.—The amounts required to be transferred to the Trust Fund under clause (i) shall be transferred at least quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

''(C) INVESTMENTS.—

''(i) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. The Secretary of the Treasury shall invest the amounts deposited under subparagraph (A) only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

''(ii) SALE OF OBLIGATIONS.—Any obligation acquired by the Trust Fund, except special obligations issued exclusively to the Trust Fund, may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

''(iii) CREDITS TO TRUST FUND.—The interest on, and proceeds from, the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

''(D) EXPENDITURES FROM TRUST FUND.—

''(i) IN GENERAL.—Amounts in the Trust Fund shall be available, as provided in appropriations Acts, to the Commission for carrying out the duties of the Commission under this Act.

''(ii) WITHDRAWAL AND TRANSFER OF FUNDS.—Upon request of the Commission, the Secretary of the Treasury shall withdraw amounts from the Trust Fund and transfer such amounts to the Commission for use in accordance with clause (i).

''(E) LIMITATION ON TRANSFERS AND WITHDRAWALS.—Except as provided in subparagraph (D)(ii), the Secretary of the Treasury may not transfer or withdraw any amount deposited under subparagraph (A).

''(5) CONSEQUENCES OF FAILURE TO PAY FEES.—Failure to pay the fees imposed under the schedule established under paragraph (2) shall, subject to regulations promulgated by the Commission, be grounds for revocation of the approval of the Commission of any license required under this Act for the operation of gaming activities.

''(6) CREDIT.—To the extent that revenue derived from fees imposed under the schedule established under paragraph (2) are not expended or committed at the close of any fiscal year, those surplus funds shall be credited to each gaming activity on a pro rata basis against the fees imposed under that schedule for the succeeding fiscal year.

''(7) GROSS REVENUES.—For purposes of this section, gross revenues shall constitute the annual total amount of money wagered, reduced by—

''(A) any amounts paid out as prizes or paid for prizes awarded; and

''(B) allowance for amortization of capital expenditures for structures.''; and

(B) by striking subsection (b) and inserting the following:

''(b) REIMBURSEMENT OF COSTS.—

''(1) CONTENTS OF BUDGET.—For fiscal year 1999, and for each fiscal year thereafter, the budget of the Commission may include a request for appropriations, as authorized by section 15, in an amount equal to the sum of—

''(A)(i) for fiscal year 1999, an estimate (determined by the Commission) of the amount of funds to be derived from the fees collected under subsection (a) for that fiscal year; or

''(ii) for each fiscal year thereafter, the amount of funds derived from the fees collected under subsection (a) for the fiscal year preceding the fiscal year for which the appropriation request is made; and

''(B) $1,000,000.

''(2) BUDGET REQUEST OF THE DEPARTMENT OF THE INTERIOR.—Each request for appropriations made under paragraph (1) shall—

''(A) be subject to the approval of the Secretary; and

''(B) be part of a request made by the Secretary to the President for inclusion in the annual budget request submitted by the President to Congress under section 1105(a) of title 31, United States Code.'';

(8) in section 15, as redesignated, by striking ''section 18'' each place it appears and inserting ''section 14'';

(9) by striking section 17 and inserting the following:

''SEC. 16. APPLICATION OF INTERNAL REVENUE CODE OF 1986; ACCESS TO INFORMATION BY STATES AND TRIBAL GOVERNMENTS.

''(a) APPLICATION OF THE INTERNAL REVENUE CODE OF 1986.—

''(1) IN GENERAL.—The provisions of the Internal Revenue Code of 1986 (including sections 1441, 3402(q), and 6041, and chapter 35 of such Code) concerning the reporting and withholding of taxes with respect to the winnings from gaming or wagering operations shall apply to Indian gaming operations conducted pursuant to this Act, or under a compact entered into under section 10 that is in effect, in the same manner as those provisions apply to State gaming and wagering operations. Any exemptions to States with respect to taxation of those gaming or wagering operations shall be allowed to Indian tribes.

''(2) EXEMPTION.—The provisions of section 6050I of the Internal Revenue Code of 1986 shall apply to an Indian gaming establishment that is not designated by the Secretary of the Treasury as a financial institution pursuant to chapter 53 of title 31, United States Code.

''(3) STATUTORY CONSTRUCTION.—This subsection shall apply notwithstanding any other provision of law enacted before the date of enactment of this Act unless that other provision of law specifically cites this subsection.

''(b) ACCESS TO INFORMATION BY STATE AND TRIBAL GOVERNMENTS.—Subject to section 6(d), upon the request of a State or the governing body of an Indian tribe, the Commission shall make available any law enforcement information that it has obtained pursuant to such section, unless otherwise prohibited by law, in order to enable the State or the Indian tribe to carry out its responsibilities under this Act or any compact approved by the Secretary.

''SEC. 17. GAMING PROSCRIBED ON LANDS ACQUIRED IN TRUST AFTER THE DATE OF ENACTMENT OF THIS ACT.

''(a) IN GENERAL.—Except as provided in subsection (b), gaming regulated by this Act shall not be conducted on lands acquired by the Secretary in trust for the benefit of an Indian tribe after the date of enactment of this Act, unless—

''(1) those lands are located within or contiguous to the boundaries of the reservation of the Indian tribe on the date of enactment of this Act; or

''(2) the Indian tribe has no reservation on the date of enactment of this Act and those lands are located in the State of Oklahoma and—

''(A) are within the boundaries of the former reservation of the Indian tribe, as defined by the Secretary; or

''(B) are contiguous to other land held in trust or restricted status by the United States for the Indian tribe in the State of Oklahoma.

''(b) EXEMPTION.—Subsection (a) shall not apply to—

''(1) any lands involved in the trust petition of the St. Croix Chippewa Indians of Wisconsin that is the subject of the action filed in the United States District Court for the District of Columbia entitled St. Croix Chippewa Indians of Wisconsin v. United States, Civ. No. 86–2278; or

''(2) the interests of the Miccosukee Tribe of Indians of Florida in approximately 25 contiguous acres of land, more or less, in Dade County, Florida, located within 1 mile of the intersection of State road numbered 27 (also known as Krome Avenue) and the Tamiami Trail.'';

''or:

(3) where the use of such lands for gaming purposes is provided for in a tribal-state compact described in section 10(a)(1)(C)(ii)(I) or a tribal-state agreement specifically providing for the use of such lands for gaming purposes.''

(10) by striking section 20;

(11) by redesignating sections 21 through 23 as sections 18 through 20, respectively; and

(12) by redesignating section 24 as section 21.

SEC. 3. LIMITATION ON LOBBYING.

Section 104 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450i) is amended by inserting after subsection (j) the following:

''(k) LOBBYING LIMITATION.—Notwithstanding subsection (j), except as otherwise provided in sections 205 and 207 of title 18, United States Code, a former Federal officer or employee of the United States shall not act as an agent or attorney for, or appear on behalf of, a client in connection with any specific matter or decision involving the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) in any matter in which the officer or employee of the United States had personal and substantial involvement while an officer of the United States.''.

SEC. 4. DEFINITION OF FINANCIAL INSTITUTIONS.

Section 5312(a)(2) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (Y) and (Z) as subparagraphs (Z) and (AA), respectively; and

(2) by inserting after subparagraph (X) the following new subparagraph:

''(Y) an Indian gaming establishment;''.

SEC. 5. CONFORMING AMENDMENTS.

(a) TITLE 10.—Section 2323a(e)(1) of title 10, United States Code, is amended by striking ''section 4(4) of the Indian Gaming Regulatory Act (102 Stat. 2468; 25 U.S.C. 2703(4))'' and inserting ''section 4(12) of the Indian Gaming Regulatory Act''.

(b) TITLE 18.—Title 18, United States Code, is amended—

(1) in section 1166—

(A) in subsection (c)(2), by striking ''a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act that is in effect'' and inserting ''a compact approved by the Secretary of the Interior under section 10(c) of the Indian Gaming Regulatory Act that is in effect or pursuant to procedures issued by the Secretary of the Interior under section 10(a)(2)(B)(iv) of such Act''; and

(B) in subsection (d), by striking ''a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act'' and inserting ''a compact approved by the Secretary of the Interior under section 10(c) of the Indian Gaming Regulatory Act or pursuant to procedures issued by the Secretary of the Interior under section 10(a)(2)(B)(iv) of such Act,'';

(2) in section 1167, by striking ''pursuant to an ordinance or resolution approved by the National Indian Gaming Commission'' and inserting ''pursuant to an ordinance or resolution that meets the applicable requirements under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)''; and

(3) in section 1168, by striking ''pursuant to an ordinance or resolution approved by the National Indian Gaming Commission'' and inserting ''pursuant to an ordinance or resolution that meets the applicable requirements under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)''.

(c) INTERNAL REVENUE CODE OF 1986.—Section 168(j)(4)(A)(iv) of the Internal Revenue Code of 1986 is amended by striking ''Indian Regulatory Act'' and inserting ''Indian Gaming Regulatory Act''.

(d) TITLE 28.—Title 28, United States Code, is amended—

(1) in section 3701(2)—

(A) by striking ''section 4(5) of the Indian Gaming Regulatory Act (25 U.S.C. 2703(5))'' and inserting ''section 4(11) of the Indian Gaming Regulatory Act''; and

(B) by striking ''section 4(4) of such Act (25 U.S.C. 2703(4))'' and inserting ''section 4(10) of such Act''; and

(2) in section 3704(b), by striking ''section 4(4) of the Indian Gaming Regulatory Act'' and inserting ''section 4(10) of the Indian Gaming Regulatory Act''.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 1871. A bill to provide that the exception for certain real estate investment trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Finance.

REAL ESTATE INVESTMENT TRUSTS LEGISLATION

Mr. ROTH. Mr. President, Senator MOYNIHAN and I introduce a bill to limit the tax benefits of so-called ''stapled'' or ''paired-share'' Real Estate Investment Trusts (''stapled REITs''). Identical legislation is being introduced in the House of Representatives by Congressman ARCHER.

In the Deficit Reduction Act of 1984 (''1984 Act''), Congress eliminated the tax benefits of the stapled REIT structure out of concern that it could effectively result in one level of tax on active corporate business income that would otherwise be subject to two levels of tax. Congress also believed that allowing a corporate business to be stapled to a REIT was inconsistent with the policy that led Congress to create REITs.

As part of the 1984 Act provision, Congress provided grandfather relief to the small number of stapled REITs that were already in existence. Since 1984, however, almost all the grandfathered stapled REITs have been acquired by new owners. Some have entered into new lines of businesses, and most of the grandfathered REITs have used the stapled structure to engage in large-scale acquisitions of assets. Such unlimited relief from a general tax provision by a handful of taxpayers raises new questions not only of fairness, but of unfair competition, because the stapled REITs are in direct competition with other companies that cannot use the benefits of the stapled structure.

This legislation, which is a refinement of the proposal contained in the Clinton Administration's Revenue Proposals for fiscal year 1999, takes a moderate and fair approach. The legislation essentially subjects to the grandfathered stapled REITs to rules similar to the 1984 Act, but only to acquisitions of assets (or substantial improvements of existing assets) occurring after today. The legislation also provides transition relief for future acquisitions that are pursuant to a binding written contract, as well as acquisitions that already have been announced (or described in a filing with the SEC).

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 1871

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

SECTION 1. TERMINATION OF EXCEPTION FOR CERTAIN REAL ESTATE INVESTMENT TRUSTS FROM THE TREATMENT OF STAPLED ENTITIES.

(a) IN GENERAL.—Notwithstanding paragraph (3) of section 136(c) of the Tax Reform Act of 1984 (relating to stapled stock; stapled entities), the REIT gross income provisions shall be applied by treating the activities and gross income of members of the stapled REIT group properly allocable to any nonqualified real property interest held by the exempt REIT or any stapled entity which is a member of such group (or treated under subsection (c) as held by such REIT or stapled entity) as the activities and gross income of the exempt REIT in the same manner as if the exempt REIT and such group were 1 entity.

(b) NONQUALIFIED REAL PROPERTY INTEREST.—For purposes of this section—

(1) IN GENERAL.—The term ''nonqualified real property interest'' means, with respect to any exempt REIT, any interest in real property acquired after March 26, 1998, by the exempt REIT or any stapled entity.

(2) EXCEPTION FOR BINDING CONTRACTS, ETC.—Such term shall not include any interest in real property acquired after March 26, 1998, by the exempt REIT or any stapled entity if—

(A) the acquisition is pursuant to a written agreement which was binding on such date and at all times thereafter on such REIT or stapled entity, or

(B) the acquisition is described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

(3) IMPROVEMENTS AND LEASES.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ''nonqualified real property interest'' shall not include—

(i) any improvement to land owned or leased by the exempt REIT or any member of the stapled REIT group, and

(ii) any repair to, or improvement of, any improvement owned or leased by the exempt REIT or any member of the stapled REIT group,

if such ownership or leasehold interest is a qualified real property interest.

(B) LEASES.—Such term shall not include any lease of a qualified real property interest.

(C) TERMINATION WHERE CHANGE IN USE.—

(i) IN GENERAL.—Subparagraph (A) shall not apply to any improvement placed in service after December 31, 1999, which is part of a change in the use of the property to which such improvement relates unless the cost of such improvement does not exceed 200 percent of—

(I) the cost of such property, or

(II) if such property is substituted basis property (as defined in section 7701(a)(42) of the Internal Revenue Code of 1986), the fair market value of the property at the time of acquisition.

(ii) BINDING CONTRACTS.—For purposes of clause (i), an improvement shall be treated as placed in service before January 1, 2000, if such improvement is placed in service before January 1, 2004, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter.

(4) TREATMENT OF ENTITIES WHICH ARE NOT STAPLED, ETC. ON MARCH 26, 1998.—Notwithstanding any other provision of this section, all interests in real property held by an exempt REIT or any stapled entity with respect to such REIT (or treated under subsection (c) as held by such REIT or stapled entity) shall be treated as nonqualified real property interests unless—

(A) such stapled entity was a stapled entity with respect to such REIT as of March 26, 1998, and at all times thereafter, and

(B) as of March 26, 1998, and at all times thereafter, such REIT was a real estate investment trust.

(5) QUALIFIED REAL PROPERTY INTEREST.—The term ''qualified real property interest'' means any interest in real property other than a nonqualified real property interest.

(c) TREATMENT OF PROPERTY HELD BY 10-PERCENT SUBSIDIARIES.—For purposes of this section—

(1) IN GENERAL.—Any exempt REIT and any stapled entity shall be treated as holding their proportionate shares of each interest in real property held by any 10-percent subsidiary entity of the exempt REIT or stapled entity, as the case may be.

(2) PROPERTY HELD BY 10-PERCENT SUBSIDIARIES TREATED AS NONQUALIFIED.—

(A) IN GENERAL.—Except as provided in subparagraph (B), any interest in real property held by a 10-percent subsidiary entity of an exempt REIT or stapled entity shall be treated as a nonqualified real property interest.

(B) EXCEPTION FOR INTERESTS IN REAL PROPERTY HELD ON MARCH 26, 1998, ETC.—In the case of an entity which was a 10-percent subsidiary entity of an exempt REIT or stapled entity on March 26, 1998, and at all times thereafter, an interest in real property held by such subsidiary entity shall be treated as a qualified real property interest if such interest would be so treated if held directly by the exempt REIT or the stapled entity.

(3) REDUCTION IN QUALIFIED REAL PROPERTY INTERESTS IF INCREASE IN OWNERSHIP OF SUBSIDIARY.—If, after March 26, 1998, an exempt REIT or stapled entity increases its ownership interest in a subsidiary entity to which paragraph (2)(B) applies above its ownership interest in such subsidiary entity as of such date, the additional portion of each interest in real property which is treated as held by the exempt REIT or stapled entity by reason of such increased ownership shall be treated as a nonqualified real property interest.

(4) SPECIAL RULES FOR DETERMINING OWNERSHIP.—For purposes of this subsection—

(A) percentage ownership of an entity shall be determined in accordance with subsection (e)(4),

(B) interests in the entity which are acquired by the exempt REIT or stapled entity in any acquisition described in an agreement, announcement, or filing described in subsection (b)(2) shall be treated as acquired on March 26, 1998, and

(C) except as provided in guidance prescribed by the Secretary, any change in proportionate ownership which is attributable solely to fluctuations in the relative fair market values of different classes of stock shall not be taken into account.

(d) TREATMENT OF PROPERTY SECURED BY MORTGAGE HELD BY EXEMPT REIT OR MEMBER OF STAPLED REIT GROUP.—

(1) IN GENERAL.—In the case of any nonqualified obligation held by an exempt REIT or any member of the stapled REIT group, the REIT gross income provisions shall be applied by treating the exempt REIT as having impermissible tenant service income equal to—

(A) the interest income from such obligation which is properly allocable to the property described in paragraph (2), and

(B) the income of any member of the stapled REIT group from services described in paragraph (2) with respect to such property.

If the income referred to in subparagraph (A) or (B) is of a 10-percent subsidiary entity, only the portion of such income which is properly allocable to the exempt REIT's or the stapled entity's interest in the subsidiary entity shall be taken into account.

(2) NONQUALIFIED OBLIGATION.—Except as otherwise provided in this subsection, the term ''nonqualified obligation'' means any obligation secured by a mortgage on an interest in real property if the income of any member of the stapled REIT group for services furnished with respect to such property would be impermissible tenant service income were such property held by the exempt REIT and such services furnished by the exempt REIT.

(3) EXCEPTION FOR CERTAIN MARKET RATE OBLIGATIONS.—Such term shall not include any obligation—

(A) payments under which would be treated as interest if received by a REIT, and

(B) the rate of interest on which does not exceed an arm's length rate.

(4) EXCEPTION FOR EXISTING OBLIGATIONS.—Such term shall not include any obligation—

(A) which is secured on March 26, 1998, by an interest in real property, and

(B) which is held on such date by the exempt REIT or any entity which is a member of the stapled REIT group on such date and at all times thereafter,

but only so long as such obligation is secured by such interest. The preceding sentence shall not cease to apply by reason of the refinancing of the obligation if (immediately after the refinancing) the principal amount of the obligation resulting from the refinancing does not exceed the principal amount of the refinanced obligation (immediately before the refinancing).

(5) TREATMENT OF ENTITIES WHICH ARE NOT STAPLED, ETC. ON MARCH 26, 1998.—A rule similar to the rule of subsection (b)(4) shall apply for purposes of this subsection.

(6) INCREASE IN AMOUNT OF NONQUALIFIED OBLIGATIONS IF INCREASE IN OWNERSHIP OF SUBSIDIARY.—A rule similar to the rule of subsection (c)(3) shall apply for purposes of this subsection.

(7) COORDINATION WITH SUBSECTION (a).—This subsection shall not apply to the portion of any interest in real property that the exempt REIT or stapled entity holds or is treated as holding under this section without regard to this subsection.

(e) DEFINITIONS.—For purposes of this section—

(1) REIT GROSS INCOME PROVISIONS.—The term ''REIT gross income provisions'' means—

(A) paragraphs (2), (3), and (6) of section 856(c) of the Internal Revenue Code of 1986, and

(B) section 857(b)(5) of such Code.

(2) EXEMPT REIT.—The term ''exempt REIT'' means a real estate investment trust to which section 269B of the Internal Revenue Code of 1986 does not apply by reason of paragraph (3) of section 136(c) of the Tax Reform Act of 1984.

(3) STAPLED REIT GROUP.—The term ''stapled REIT group'' means, with respect to an exempt REIT, the group consisting of—

(A) all entities which are stapled entities with respect to the exempt REIT, and

(B) all entities which are 10-percent subsidiary entities of the exempt REIT or any such stapled entity.

(4) 10-PERCENT SUBSIDIARY ENTITY.—

(A) IN GENERAL.—The term ''10-percent subsidiary entity'' means, with respect to any exempt REIT or stapled entity, any entity in which the exempt REIT or stapled entity (as the case may be) directly or indirectly holds at least a 10-percent interest.

(B) EXCEPTION FOR CERTAIN C CORPORATION SUBSIDIARIES OF REITS.—A corporation which would, but for this subparagraph, be treated as a 10-percent subsidiary of an exempt REIT shall not be so treated if such corporation is taxable under section 11 of the Internal Revenue Code of 1986.

(C) 10-PERCENT INTEREST.—The term ''10-percent interest'' means—

(i) in the case of an interest in a corporation, ownership of 10 percent (by vote or value) of the stock in such corporation,

(ii) in the case of an interest in a partnership, ownership of 10 percent of the assets or net profits interest in the partnership, and

(iii) in any other case, ownership of 10 percent of the beneficial interests in the entity.

(5) OTHER DEFINITIONS.—Terms used in this section which are used in section 269B or section 856 of such Code shall have the respective meanings given such terms by such section.

(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to carry out the purposes of this section, including guidance to prevent the avoidance of such purposes and to prevent the double counting of income.

(g) EFFECTIVE DATE.—This section shall apply to taxable years ending after March 26, 1998.

TECHNICAL EXPLANATION

The tax benefits of the stapled real estate investment trust (''REIT'') structure were curtailed for almost all taxpayers by section 269B, which was enacted by the Deficit Reduction Act of 1984 (''1984 Act''). The bill limits the tax benefits of a few stapled REITs that continue to qualify under the 1984 Act's grandfather rule.

A REIT is an entity that receives most of its income from passive real-estate related investments and that essentially receives pass-through treatment for income that is distributed to shareholders. In general, a REIT must derive its income from passive sources and not engage in any active trade or business. In a stapled REIT structure, both the shares of a REIT and a C corporation may be traded, and in most cases publicly traded, but are subject to a provision that they may not be sold separately. Thus, the REIT and the C corporation have identical ownership at all times.

OVERVIEW

Under the bill, rules similar to the rules of present law treating a REIT and all stapled entities as a single entity for purposes of determining REIT status (sec. 269B) would apply to real property interests acquired after March 26, 1998, by the existing stapled REIT, or by a stapled entity, or a subsidiary or partnership in which a 10-percent or greater interest is owned by the existing stapled REIT or stapled entity (together referred to as the ''REIT group''), unless the real property is grandfathered under the rules discussed below. Different rules would be applied to certain mortgage interests acquired by the REIT group after March 26, 1998, where a member of the REIT group performs services with respect to the property secured by the mortgage.

GENERAL RULES

The bill treats certain activities and gross income of a REIT group with respect to real property interests held by any member of the REIT group (and not grandfathered under the rules described below) as activities and income of the REIT for certain purposes. This treatment would apply for purposes of certain provisions of the REIT rules that depend on the REIT's gross income, including the requirement that 95 percent of a REIT's gross income be from passive sources (the ''95-percent test'') and the requirement that 75 percent of a REIT's gross income be from real estate sources (the ''75-percent test''). Thus, for example, where a stapled entity earns gross income from operating a non-grandfathered real property held by a member of the REIT group, such gross income would be treated as income of the REIT, with the result that either the 75-percent or 95-percent test might not be met and REIT status might be lost.

If a REIT or stapled entity owns, directly or indirectly, a 10-percent-or-greater interest in a subsidiary or partnership that holds a real property interest, the above rules would apply with respect to a proportionate part of the subsidiary's or partnership's property, activities and gross income. Thus, any real property acquired by such a subsidiary or partnership that is not grandfathered under the rules described below would be treated as held by the REIT in the same proportion as the ownership interest in the entity. The same proportion of the subsidiary's or partnership's gross income from any real property interest (other than a grandfathered property) held by it or another member of the REIT group would be treated as income of the REIT. Similar rules attributing the proportionate part of the subsidiary's or partnership's real estate interests and gross income would apply when a REIT or stapled entity acquires a 10-percent-or-greater interest (or in the case of a previously-owned entity, acquires an additional interest) after March 26, 1998, with exceptions for interests acquired pursuant to agreements or announcements described below.

GRANDFATHERED PROPERTIES

Under the bill, there is an exception to the treatment of activities and gross income of a stapled entity as activities and gross income of the REIT for certain grandfathered properties. Grandfathered properties generally are those properties that had been acquired by a member of the REIT group on or before March 26, 1998. In addition, grandfathered properties include properties acquired by a member of the REIT group after March 26, 1998, pursuant to a written agreement which was binding on March 26, 1998, and all times thereafter. Grandfathered properties also include certain properties, the acquisition of which were described in a public announcement or in a filing with the Securities and Exchange Commission on or before March 26, 1998.

In general, a property does not lose its status as a grandfathered property by reason of a repair to, an improvement of, or a lease of, a grandfathered property. On the other hand, a property loses its status as a grandfathered property under the bill to the extent that a non-qualified expansion is made to an otherwise grandfathered property. A non-qualified expansion is either (1) an expansion beyond the boundaries of the land of the otherwise grandfathered property or (2) an improvement of an otherwise grandfathered property placed in service after December 31, 1999, which changes the use of the property and whose cost is greater than 200 percent of (a) the undepreciated cost of the property (prior to the improvement) or (b) in the case of property acquired where there is a substituted basis, the fair market value of the property on the date that the property was acquired by the stapled entity or the REIT. A non-qualified expansion could occur, for example, if a member of the REIT group were to construct a building after December 31, 1999, on previously undeveloped raw land that had been acquired on or before March 26, 1998. There is an exception for improvements placed in service before January 1, 2004, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter.

If a stapled REIT is not stapled as of March 26, 1998, or if it fails to qualify as a REIT as of such date or any time thereafter, no properties of any member of the REIT group would be treated as grandfathered properties, and thus the general provisions of the bill described above would apply to all properties held by the group.

MORTGAGE RULES

Special rules would apply where a member of the REIT group holds a mortgage (that is not an existing obligation under the rules described below) that is secured by an interest in real property, where a member of the REIT group engages in certain activities with respect to that property. The activities that would have this effect under the bill are activities that would result in a type of income that is not treated as counting toward the 75-percent and 95-percent tests if they are performed by the REIT. In such cases, all interest on the mortgage and all gross income received by a member of the REIT

group from the activity would be treated as income of the REIT that does not count toward the 75-percent or 95-percent tests, with the result that REIT status might be lost. In the case of a 10-percent partnership or subsidiary, a proportionate part of the entity's mortgages, interest and gross income from activities would be subject to the above rules.

An exception to the above rules would be provided for mortgages the interest on which does not exceed an arm's-length rate and which would be treated as interest for purposes of the REIT rules (e.g., the 75-percent and 95-percent tests, above). An exception also would be available for certain mortgages that are held on March 26, 1998, by an entity that is a member of the REIT group. The exception for existing mortgages would cease to apply if the mortgage is refinanced and the principal amount is increased in such refinancing.

OTHER RULES

For a corporate subsidiary owned by a stapled entity, the 10-percent ownership test would be met if a stapled entity owns, directly or indirectly, 10 percent or more of the corporation's stock, by either vote or value. (The bill would not apply to stapled REIT's ownership of a corporate subsidiary, although a stapled REIT would be subject to the normal restrictions on a REIT's ownership of stock in a corporation.) For interests in partnerships and other pass-through entities, the ownership test would be met if either the REIT or a stapled entity owns, directly or indirectly, a 10-percent or greater interest.

The Secretary of the Treasury would be given authority to prescribe such guidance as may be necessary or appropriate to carry out the purposes of the provision, including guidance to prevent the double counting of income and to prevent transactions that would avoid the purposes of the provision.

By Mr. NICKLES:

S. 1872. A bill to prohibit new welfare for politicians; to the Committee on Commerce, Science, and Transportation.

THE NEW WELFARE FOR POLITICIANS PROHIBITION ACT

Mr. NICKLES. Mr. President, I rise today to introduce legislation that would prohibit the Federal Communications Commission (FCC) from establishing regulations that would compel broadcasters to offer free or reduced cost air time to political candidates.

It is clear that this type of regulation would result in drastic change to current communications and campaign finance law and thus, exceed the regulatory authority of this agency. Absent a legislative directive from Congress, the FCC lacks the authority to require broadcasters to offer free or reduced-cost air time for political candidates.

While in many areas of broadcast regulation, the FCC does possess broad authority to change its regulation to reflect what is within the public interest, that authority has always been specifically granted by an act of Congress. This broad authority does NOT extend to the regulation of political broadcasting.

The Communications Act clearly mandates, with respect to candidate appearances on broadcasting stations, certain specific requirements for FCC to enforce on broadcasters for political candidates. The law requires broadcasters to provide candidates with equal opportunities, ensure that there is no censorship of political messages, and provide ''reasonable access'' to federal candidates. As for media rates, the Act specifically states that when candidates buy air time, they will be accorded a stations' ''lowest unit charge'' for the same class and amount of time.

It seems quite clear that Congress' inclusion of these specific provisions indicates that in the area of political broadcasting, especially for rates charged for advertising, the FCC does not have the authority to rewrite the Communications Act and impose a free political time requirement which is inconsistent with Congress' specific statement on this issue.

Any attempt to affect campaign finance reform through overreaching FCC regulations rather than through the legislative process, regardless of good intentions, is wrong. Any changes or revisions to the campaign finance or communication laws should be made by the people through their elected representatives and not by non elected federal bureaucrats. New regulations from the FCC would further involve the government in protected political speech areas and create a patchwork of agency regulations without any consistent overall reform.

Mr. President, during the 105th Congress this body has thoroughly debated campaign reform and free air time for political candidates. Clearly there is not enough support in this body to pass legislation that includes the free air time provisions. This legislative defeat does not give the FCC Chairman the authority, even with direction from the President, to issue regulations giving candidates free time and mandate or bribe the nation's broadcasters to abide by these regulations. Again, if this type of reform is to be implemented, it requires legislative action by Congress. It is not appropriate for a federal agency to mandate this comprehensive reform by regulatory action.

The Constitution is very clear. Article I, Section 1 of the Constitution vests in Congress all power to ''make laws which shall be used necessary and proper for carrying into Execution the foregoing Powers * * *''. Nowhere in the Constitution is the Executive Branch vested with the power to make the law. The framers of the Constitution understood the threat to our freedom which could be posed by an all-powerfull executive branch. This principle is as valid today as it was when they drafted the Constitution. Any proposed regulations by the FCC which would require broadcasters to give free or reduced-cost air time to federal political candidates raises serious constitutional concerns.

This is not the first time that the Clinton administration has tried to bypass Congress and legislate by Executive order. They have attempted to do this on several occasions. And I think they have done so knowing full well they could not get their desired objective through Congress.

Let me remind the FCC, that if this type of regulatory action is taken by this agency, I will lead the effort in the Senate to defeat the regulation. The Congressional Review Act, gives Congress the ability to disapprove regulations, when a simple majority believes that the regulation is inappropriate.

Every member of this body, Democrats and Republicans, should reject this approach. We should uphold and protect this institution, the legislative branch, and the constitution.

And so, Mr. President, I have warned the White House that I am willing to use any appropriate tools at our disposal to stop this egregious abuse of power. I will do what I can to stop the proposed FCC regulations on air time for political candidates. And I will do what I can to block any other attempts by this administration to legislate by executive action. It is my intention to use everything in my power to protect this institution. I am hopeful that my colleagues will join me in this effort.

ADDITIONAL COSPONSORS

S. 460

At the request of Mr. BOND, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 460, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home, to clarify the standards used for determining that certain individuals are not employees, and for other purposes.

S. 1002

At the request of Mr. ABRAHAM, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1002, a bill to require Federal agencies to assess the impact of policies and regulations on families, and for other purposes.

S. 1133

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 1133, a bill to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses and to increase the maximum annual amount of contributions to such accounts.

S. 1251

At the request of Mr. D'AMATO, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1252

At the request of Mr. D'AMATO, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1252, a bill to amend the

Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation.

S. 1255

At the request of Mr. COATS, the name of the Senator from Maine [Ms. COLLINS] was added as a cosponsor of S. 1255, a bill to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to achieve economic self-sufficiency.

S. 1283

At the request of Mr. HUTCHINSON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1283, a bill to award Congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

S. 1406

At the request of Mr. SMITH, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of S. 1406, a bill to amend section 2301 of title 38, United States Code, to provide for the furnishing of burial flags on behalf of certain deceased members and former members of the Selected Reserve.

S. 1413

At the request of Mr. LUGAR, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1580

At the request of Mr. SHELBY, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 1580, a bill to amend the Balanced Budget Act of 1997 to place an 18-month moratorium on the prohibition of payment under the Medicare program for home health services consisting of venipuncture solely for the purpose of obtaining a blood sample, and to require the Secretary of Health and Human Services to study potential fraud and abuse under such program with respect to such services.

S. 1621

At the request of Mr. GRAMS, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 1621, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

S. 1723

At the request of Mr. ABRAHAM, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 1723, a bill to amend the Immigration and Nationality Act to assist the United States to remain competitive by increasing the access of the United States firms and institutions of higher education to skilled personnel and by expanding educational and training opportunities for American students and workers.

S. 1725

At the request of Mr. BURNS, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1725, a bill to terminate the Office of the Surgeon General of the Public Health Service.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE RESOLUTION 175

At the request of Mr. ROBB, the names of the Senator from Texas [Mr. GRAMM], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Louisiana [Ms. LANDRIEU], the Senator from Mississippi [Mr. COCHRAN], the Senator from Kansas [Mr. BROWNBACK], and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of Senate Resolution 175, a bill to designate the week of May 3, 1998 as ''National Correctional Officers and Employees Week.''

SENATE RESOLUTION 188

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Resolution 188, a resolution expressing the sense of the Senate regarding Israeli membership in a United Nations regional group.

SENATE RESOLUTION 200—DESIGNATING ''NATIONAL MARITIME ARBITRATION DAY''

Mr. INOUYE submitted the following resolution; which was considered and agreed to:

S. RES. 200

Whereas Congress recognizes the integral role arbitration plays in expeditiously settling maritime disputes;

Whereas the Society of Maritime Arbitrators is a nonprofit, United States based organization providing arbitration and other Alternative Dispute Resolution (ADR) services to the international maritime industry;

Whereas the Society of Maritime Arbitrators has successfully facilitated the resolution of over 3,400 international commercial and maritime disputes since its inception in 1963; and

Whereas the Society of Maritime Arbitrators celebrates its 35th anniversary on March 26, 1998: Now, therefore, be it

Resolved, That the Senate—

(1) designates March 26, 1998, as ''National Maritime Arbitration Day''; and

(2) requests the President to issue a proclamation designating March 26, 1998, as ''National Maritime Arbitration Day'' and calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED

1998 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR RECOVERY FROM NATURAL DISASTERS, AND FOR OVERSEAS PEACEKEEPING EFFORTS

MCCAIN AMENDMENT NO. 2136

Mr. STEVENS (for Mr. MCCAIN) proposed an amendment to the bill (S. 1768) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, and for other purposes; as follows:

At the appropriate place in Title II, insert the following:

SEC. . ELGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–171) is amended—

(1) in subsection (a)—

(A) by striking ''For purposes'' and inserting ''Notwithstanding any other provision of law, for purposes''; and

(B) by striking ''fiscal year 1997'' and inserting ''fiscal years 1998 and 1999''; and

(2) by amending subsection (b) to read as follows:

''(b) ALIENS COVERED.—

''(1) IN GENERAL.—An alien described in this subsection is an alien who—

''(A) is the son or daughter of a qualified national;

''(B) is 21 years of age or older; and

''(C) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

''(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term 'qualified national' means a national of Vietnam who—

''(A)(i) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

''(ii) is the widow or widower of an individual described in clause (i); and

''(B)(i) qualified for refugee processing under the reeduction camp internees subprogram of the Orderly Departure Program; and

''(ii) on or after April 1, 1995, is accepted—

''(I) for resettlement as a refugee; or

''(II) for admission as an immigrant under the Orderly Departure Program.''.

STEVENS (AND MURKOWSKI) AMENDMENTS NOS. 2137–2138

Mr. STEVENS (for himself and Mr. MURKOWSKI) proposed two amendments to the bill, S. 1768, supra; as follows:

AMENDMENT NO. 2137

On page 38, following line 18, insert the following new section:

SEC. . PROVISION OF CERTAIN HEALTH CARE SERVICES FOR ALASKA NATIVES.

Section 203(a) of the Michigan Indian Land Claims Settlement Act (Public Law 105–143, 111 Stat. 2666) is amended—

(1) by inserting ''other than community based alcohol services,'' after ''Ketchikan Gateway Borough,''; and

(2) by inserting at the end the following new sentence: ''Notwithstanding any other provision of law, such contract or compact shall provide services to all Indian and Alaska Native beneficiaries of the Indian Health Service in the Ketchikan Gateway Borough without the need for resolutions of support from any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).''.

AMENDMENT NO. 2138

On page 38, following line 18, insert the following new section:

SEC. .

Section 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105–83, 111 Stat. 1543) is amended—

by striking ''with any Alaska Native village or Alaska Native village corporation'' and inserting ''to any Indian tribe as defined in the Indian Self Determination and Education Assistance Act (25 U.S.C. 450b(e))''.

BOND (AND STEVENS) AMENDMENT NO. 2139

Mr. STEVENS (for Mr. BOND, for himself and Mr. STEVENS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 15, after line 21, add the following:

SEC. 205. In addition to the amounts provided in Public Law 105–56, $272,500,000 is appropriated under the heading ''Aircraft Procurement, Navy'': *Provided*, That the additional amount shall be made available only for the procurement of eight F/A–18 aircraft for the United States Marine Corps: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $272,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

CHAFEE AMENDMENT NO. 2140

Mr. STEVENS (for Mr. CHAFEE) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 17, beginning on line 10, strike ''to be conducted at full Federal expense''.

WYDEN AMENDMENT NO. 2141

Mr. STEVENS (for Mr. WYDEN) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in the bill in Title II, insert the following new section:

SEC. . ELIMINATION OF SECRECY IN INTERNATIONAL TRADE ORGANIZATIONS.

The President shall instruct the United States Representatives to the World Trade Organization to seek the adoption of procedures that will ensure broader application of the principles of transparency and openness in the activities of the organization, including by urging the World Trade Organization General Council to—

(1) permit appropriate meetings of the Council, the Ministerial Conference, dispute settlement panels, and the Appellate Body to be made open to the public; and

(2) provide for timely public summaries of the matters discussed and decisions made in any closed meeting of the Conference or Council.

BOND AMENDMENT NO. 2142

Mr. STEVENS (for Mr. BOND) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 46, after line 25, insert:

GENERAL PROVISION

Sec. 1001. Section 206 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105–65; October 27, 1997) is amended by inserting the following before the period: '', and for loans and grants for economic development in and around 18th and Vine''.

CRAIG AMENDMENT NO. 2143

Mr. STEVENS (for Mr. CRAIG) proposed an amendment to the bill, S. 1768, supra; as follows:

Beginning on line 10 on page 35, strike all through line 18 on page 38 and insert in lieu thereof the following new section:

SEC. 405. TRANSPORTATION SYSTEM MORATORIUM.

(a)(1) The Chief of the Forest Service, Department of Agriculture, in his sole discretion, may offer any timber sales that were previously scheduled to be offered in fiscal year 1998 or fiscal year 1999 even if such sales would have been delayed or halted as a result of, any moratorium on construction of roads in roadless areas within the National Forest System adopted as policy or by regulation that would otherwise be applicable to such sales.

(2) Any sales authorized pursuant to subsection (a)(1) shall—

(A) comply with all applicable laws and regulations and be consistent with applicable land and resource management plans, except any regulations or plan amendments which establish or implement the moratorium referred to in subsection (a)(1); and

(B) be subject to administrative appeals pursuant to Part 215 of title 36 of the Code of Federal Regulations and to judicial review.

(b)(1) For any previously scheduled sales that are not offered pursuant to, subsection (a)(1), the Chief may, to the extent practicable, offer substitutes sales within the same state in fiscal year 1998 or fiscal year 1999. Such substitute sales shall be subject to the requirements of subsection (a)(2).

(2)(A) The Chief shall pay as soon as practicable after fiscal year 1998 and fiscal year 1999 to any State in which sales previously scheduled to be offered that are referred to in, but not offered pursuant to, subsection (a)(1) would have occurred, 25 percentum of any receipts from such sales that—

(i) were anticipated from fiscal year 1998 or fiscal year 1999 sales in the absence of any moratorium referred to in subsection (a)(1); and

(ii) are not offset by revenues received in such fiscal years from substitute projects authorized pursuant to subsection (b)(1).

(B) After reporting the amount of funds required to make any payments required by subsection (b)(2)(A), and the source from which such funds are to be derived, to the Committees on Appropriations of the House of Representatives and the Senate, the Chief shall make any payments required by subsection (b)(2)(A) from—

(i) the $2,000,000 appropriated for the purposes of this section in Chapter 4 of this Act; or

(ii) in the event that the amount referred to in subsection (b)(2)(B)(i) is not sufficient to cover the payments required under subsection (b)(2), from any funds appropriated to the Forest Service in fiscal year 1998 or fiscal year 1999, as the case may be, that are not specifically earmarked for another purpose by the applicable appropriation act or a committee or conference report thereon.

(C) Any State which receives payments required by subsection (b)(2)(A) shall expend such funds only in the manner, and for the purposes, prescribed in section 500 of title 16 of the United States Code.

(c)(1) During the term of the moratorium referred to in subsection (a)(1), the Chief shall prepare, and submit to the Committees on Appropriations of the House of Representatives and the Senate a report on, each of the following:

(A) a study of whether standards and guidelines in existing land and resource management plans compel or encourage entry into roadless areas within the National Forest System for the purpose of constructing roads or undertaking any other ground-disturbing activities;

(B) an inventory of all roads within the National Forest System and the uses which they serve, in a format that will inform and facilitate the development of a long-term Forest Service transportation policy; and

(C) a comprehensive and detailed analysis of the economic and social effects of the moratorium referred to in subsection (a)(1) on county, State, and regional levels.

(2) The Chief shall fund the study, inventory and analysis required by subsection (c)(1) fiscal year 1998 from funds appropriated for Forest Research in such fiscal year that are not specifically earmarked for another purpose in the applicable appropriation act or a committee or conference report thereon.''

COCHRAN (AND BUMPERS) AMENDMENT NO. 2144

Mr. STEVENS (for Mr. COCHRAN, for himself and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 5, line 10, strike ''that had been produced but not marketed''.

WELLSTONE (AND OTHERS) AMENDMENT NO. 2145

Mr. STEVENS (for Mr. WELLSTONE, for himself, Mr. CONRAD, Mr. DORGAN, and Mr. DASCHLE) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 3, line 6, beginning with ''emer-'', strike all down through and including ''insured,'' on line 7 and insert ''direct and guaranteed''.

On page 3, line 11, following ''disaster'' insert: ''as follows: operating loans, $8,600,000, of which $5,400,000 shall be for subsidized guaranteed loans; emergency insured loans''.

On page 3, line 14, strike ''$21,000,000'' and insert in lieu thereof the following: ''$29,600,000''.

JEFFORDS (AND LEAHY) AMENDMENT NO. 2146

Mr. STEVENS (for Mr. JEFFORDS, for himself and Mr. LEAHY) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 18, between lines 5 and 6, insert the following:

An additional amount for emergency construction to repair the Mackville Dam in Hardwick, Vermont: $500,000, to remain

available until expended: *Provided*, That the Secretary of the Army may obligate and expend the funds appropriated for repair of the Mackville Dam if the Secretary of the Army certifies that the repair is necessary to provide flood control benefits: *Provided further*, That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement, or rehabilitation of the project: *Provided further*, that the entire amount shall be available only to the extent that an official budget request of $500,000 that includes designation of the entire amount of the request as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)) is transmitted by the President to Congress: *Provided further*, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act.

LOTT AMENDMENT NO. 2147

Mr. STEVENS (for Mr. LOTT) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 8 line 14 and 18 of amendment 2100 after the word ''automobile,'' insert the following ''shipbuilding,''.

DASCHLE AMENDMENT NO. 2148

Mr. STEVENS (for Mr. DASCHLE) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in Title II, insert the following:

SEC. . In addition to the amounts provided in Public Law 105–56, $35,000,000 is appropriated and shall be available for deposit in the International Trust Fund of the Republic of Slovenia for Demining, Minc Clearance, and Assistance to Mine Victims in Bosnia and Herzegovina: *Provided*, That such amount may be deposited in that Fund only if the President determines that such amount could be used effectively and for objectives consistent with on-going multilateral efforts to remove landmines in Bosnia and Herzegovina: *Provided further*, That such amount may be deposited in that Fund only to the extent of deposits of matching amounts in that Fund by other government, entities, or persons: *Provided further*, That the amount of such amount deposited by the United States in that Fund may be expended by the Republic of Slovenia only in consultation with the United States Government: *Provided further*, That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes a designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted to Congress by the President: *Provided further*, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

GREGG AMENDMENT NO. 2149

Mr. STEVENS (for Mr. GREGG) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 51, line 8, strike the word ''design,'' and on line 13, strike the words ''federal construction,''.

LEVIN AMENDMENT NO. 2150

Mr. STEVENS (for Mr. LEVIN) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in the IMF title of the bill, insert the following:

SEC. . The Secretary of the Treasury shall consult with the office of the United States Trade Representative regarding prospective IMF borrower countries, including their status with respect to title III of the Trade Act of 1974 or any executive order issued pursuant to the aforementioned title, and shall take these consultations into account before instructing the United States Executive Director of the IMF on the United States position regarding loans or credits to such borrowing countries

In the section of the bill entitled ''SEC. . REPORTS.'' after the first word ''account'', insert the following:

(i) of outcomes related to the requirements of section (described above); and (ii).

GRASSLEY (AND STEVENS) AMENDMENT NO. 2151

Mr. STEVENS (for Mr. GRASSLEY, for himself and Mr. STEVENS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 46, after line 16, insert:

UNITED STATES CUSTOMS SERVICE

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

In addition to the amounts made available for the United States Customs Service in Public Law 105–61, $5,512,000, to remain available until September 30, 2000: *Provided*, That this amount may be made available for construction of a P3–AEW hangar in Corpus Christi, Texas: *Provided further*, That the funds appropriated under this heading may only be obligated 30 days after the Commissioner of the Customs Service certifies to the House and Senate Committees on Appropriations that the construction of this facility is necessary for the operation of the P–3 aircraft for the counternarcotics mission.

On page 50, after line 14, insert:

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS

(RESCISSION)

Of the funds made available under this heading in Public Law 102–393, $4,470,000 and Public Law 103–123, $1,041,754 are rescinded.

HUTCHISON AMENDMENT NO. 2152

Mr. STEVENS (for Mrs. HUTCHISON) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 26, after line 11, insert the following:

For an additional amount for ''Wildland and Fire Management'' for wildland and fire management operations to be carried out to rectify damages caused by the windstorms in Texas on February 10, 1998, $2,000,000, to remain available until expended: *Provided*, That the entire amount shall be available only at the discretion of the chief of the National Forest Service: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $2,000,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

BOXER AMENDMENT NO. 2153

Mr. STEVENS (for Mrs. BOXER) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 21, line 20, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On pate 21, line 23, delete the number ''$28,938,000'' and insert in lieu thereof ''32,818,000''.

On page 22, line 11, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 13, delete the number ''$8,500,000'' and insert in lieu thereof ''9,506,000''.

On page 22, line 25, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 23, line 3, delete the number ''$1,000,000'' and insert in lieu thereof ''1,198,000''.

On page 24, insert a new section:

BUREAU OF LAND MANAGEMENT

CONSTRUCTION

For an additional amount for 'Construction', $1,837,000, to remain available until expended, to repair damage caused by floods and other natural disasters: Provided, That the entire amount shall be available only to the extent that an official budget request for $1,837,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

On page 24, insert a new section:

BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

For an additional amount for 'Construction', $700,000, to remain available until expended, to repair damage caused by floods and other natural disasters: Provided, That the entire amount shall be available only to the extent that an official budget request for $700,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

DORGAN AMENDMENT NO. 2154

Mr. STEVENS (for Mr. DORGAN) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 24, after line 17, insert the following:

CONSTRUCTION

''For an additional amount for ''Construction, Bureau of Indian Affairs,'' $365,000 to remain available until expended, for replacement of fixtures and testing for and remediation of Polychlorinated biphenyls (PCBs) in BIA schools and administrative facilities, *Provided* that the entire amount shall be available only to the extent that an official budget request for $365,000 that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

TORRICELLI (AND LAUTENBERG) AMENDMENT NO. 2155

Mr. STEVENS (for Mr. TORRICELLI, for himself and Mr. LAUTENBERG) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . SENSE OF THE SENATE REGARDING SETTLEMENT OF PROCEEDINGS TO RECOVER COSTS.

It is the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

LAUTENBERG AMENDMENT NO. 2156

Mr. STEVENS (for Mr. LAUTENBERG) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place, insert the following:

SEC. . HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Notwithstanding any other provision of law, with respect to the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any succeeding fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA–NJ Primary Metropolitan Statistical Area (in this section referred to as the ''metropolitan area''), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amounts by allocating to the State of New Jersey the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

MURKOWSKI (AND BINGAMAN) AMENDMENT NO. 2157

Mr. MURKOWSKI (for himself and Mr. BINGAMAN) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 26, after line 11, insert the following new section: Department of Energy and Strategic Petroleum Reserve

SEC. . STRATEGIC PETROLEUM RESERVE.

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $207,500,000, to remain available until expended, and the sale of oil from the Strategic Petroleum Reserve required by Public Law 105–83 shall be prohibited: *Provided,* That the entire amount shall be available and the oil sale prohibited only to the extent that an official budget request for $207,500,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.''.

CLELAND (AND OTHERS) AMENDMENT NO. 2158

Mr. CLELAND (for himself, Mr. COVERDELL, Mr. HARKIN, Mr. KERRY, and Mr. HOLLINGS) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place, insert the following:

SEC. . DISASTER MITIGATION PILOT PROGRAM.

(a) IN GENERAL.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding ''and'' at the end; and

(2) by adding at the end the following:

''(C) during fiscal years 1999 through 2003, to establish a pre-disaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to install mitigation devices or to take preventive measures to protect against disasters, in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee shall be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

(f) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

''(1) $15,000,000 for fiscal year 1999.
''(2) $15,000,000 for fiscal year 2000.
''(3) $15,000,000 for fiscal year 2001.
''(4) $15,000,000 for fiscal year 2002.
''(5) $15,000,000 for fiscal year 2003.

BYRD AMENDMENT NO. 2159

Mr. STEVENS (for Mr. BYRD) proposed an amendment to the bill, S. 1768, supra; as follows:

At the end of the bill add the following General Provision:

''SEC. . Notwithstanding any other provision of law, permanent employees of county committees employed during fiscal year 1998 pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be considered as having Federal Civil Service status only for the purpose of applying for USDA Civil Service vacancies.''

BINGAMAN (AND HOLLINGS) AMENDMENT NO. 2160

Mr. BINGAMAN (for himself and Mr. HOLLINGS) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place insert the following:

SECTION 1. SCHOOL SECURITY.

(a) SHORT TITLE.—This section may be cited as the ''Safe Schools Security Act of 1998''.

(b) PURPOSE.—The purpose of this section is to provide for school security training and technology, and for local school security programs.

(c) SCHOOL SECURITY TECHNOLOGY CENTER.—

(1) ESTABLISHMENT.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratories in partnership with the National Law Enforcement And Corrections Technology Center—Southeast of a center to be known as the ''School Security Technology Center''. The School Security Technology Center shall be administered by the Attorney General.

(2) FUNCTIONS.—The School Security Technology Center shall be a resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $2,250,000 for each of the fiscal years 1999, 2000, and 2001.

(d) LOCAL SCHOOL SECURITY PROGRAMS.—Subpart 1 of part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7111 et seq.) Is amended by adding at the end the following:

''SEC. 4119. LOCAL SCHOOL SECURITY PROGRAMS.

''(a) IN GENERAL.—From amounts appropriated under subsection (c), the Secretary of Education shall award grants on a competitive basis to local educational agencies to enable the agencies to acquire security technology, or carry out activities related to improving security at the middle and high schools served by the agencies, including obtaining school security assessments, and technical assistance for the development of a comprehensive school security plan from the School Security Technology Center. The Secretary shall give priority to local educational agencies showing the highest security needs as reported by the agency to the Secretary in application for funding made available under this section.

''(b) APPLICABILITY.—The provisions of this part shall not apply to this section.

''(c) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section $10,000,000 for each of the fiscal years 1999, 2000, and 2001.''.

(d) SAFE AND SECURE SCHOOL ADVISORY PANEL.—

(1) ESTABLISHMENT.—There shall be established a panel comprised of the Secretary of Education, the Attorney General, and the Secretary of Energy, or their designees to develop a proposal to further improve school security. Such proposal shall be submitted to the Congress within 18 months of the date of enactment of this Act.

COCHRAN AMENDMENT NO. 2161

Mr. COCHRAN proposed an amendment to the bill, S. 1768, supra; as follows:

On page 3 line 7 of amendment 2100, change to word ''requirement'' to ''requiring''.

BAUCUS (AND OTHERS) AMENDMENT NO. 2162

Mr. BAUCUS (for himself, Mr. BURNS, Mr. DASCHLE, Mr. DORGAN, Mr. HARKIN, Mr. CONRAD, Mr. JOHNSON, and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. . EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Transition Act (7 U.S.C. 7233) is amended by striking subsection (c) and inserting the following:

''(c) EXTENSION.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998.''.

D'AMATO AMENDMENT NO. 2163

Mr. STEVENS (for Mr. D'AMATO) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 38, after line 18, add the following new section:

''SEC. . The Secretary of Transportation and the Secretary of the Interior shall report to the House and Senate Committees on Appropriations and the Senate Committee on Commerce, Science and Transportation and the House Committee on Transportation and Infrastructure not later than April 20, 1998, on the proposed use by the New York City Police Department for air and sea rescue and public safety purposes of the facility that is to be vacated by the U.S. Coast Guard at Floyd Bennett Field located in the City of New York.''

KENNEDY (AND OTHERS) AMENDMENT NO. 2164

Mr. KENNEDY (for himself, Mr. BOND, and Mr. WELLSTONE) proposed an amendment to amendment No. 2120 proposed by Mr. NICKLES to the bill, S. 1768, supra; as follows:

On page 39, in lieu of the matter proposed to be stricken, insert the following:

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

For an additional amount for Health Care Financing Administration, ''Program Management'', $8,000,000.

On page 50, in lieu of the matter proposed to be stricken, insert the following:

GENERAL PROVISION, CHAPTER 11

SEC. 1101. Not to exceed $75,400,000 may be obligated in fiscal year 1998 for contacts with Utilization and Quality Control Peer Review Organization pursuant to part B of title XI of the Social Security Act.

NOTICE OF HEARING

COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled ''The President's Fiscal Year 1999 Budget Request for the Small Business Administration—Part II.'' The hearing will be held on Thursday, April 2, 1998, beginning at 9:30 a.m. in room 428A of the Russell Senate Office Building.

The hearing will be broadcast live on the Internet from our homepage address: http://www.senate.gov/sbc

For further information, please contact Paul Cooksey at 224–5175.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, March 26, 1998, at 10 a.m. in open session, to receive testimony on Department of Energy atomic energy defense activities in review of the Defense authorization request for fiscal year 1999 and the future years Defense program.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 26, 1998, to conduct a hearing on the implications of the recent Supreme Court decision concerning credit union membership.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. STEVENS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to continue markup of S. 8, the Superfund Cleanup Acceleration Act of 1997, Thursday, March 26, 9:30 a.m., Hearing Room (SD–406).

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

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold an executive business meeting during the session of the Senate on Thursday, March 26, 1998, at 10 a.m., in room 226 of the Senate Dirksen office building.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources, Subcommittee on Children and Families, be authorized to meet for a hearing on Head Start during the session of the Senate on Thursday, March 26, 1998, at 9:30 a.m.

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

SUBCOMMITTEE ON THE OCEANS AND FISHERIES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Oceans and Fisheries Subcommittee on the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, March 26, 1998 at 2 p.m. on S. 1221—American Fisheries Act.

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

SUBCOMMITTEE ON STRATEGIC FORCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet on Thursday, March 26, 1998 at 2 p.m. to receive testimony on the Department of Defense Domestic Emergency Response Program and support to the interagency preparedness efforts, including the Federal response plan and the city training program, in review of the Defense authorization request for fiscal year 1999 and the future years Defense program.

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

ADDITIONAL STATEMENTS

THE VETERANS BURIAL RIGHTS ACT OF 1998

• Mrs. MURRAY. Mr. President, I am pleased to announce the introduction of the Veterans Burial Rights Act of 1998. I want to personally thank Senator FRANK MURKOWSKI, my colleague on the Veterans' Affairs Committee and the former chairman of the committee, and Senator PAUL SARBANES for joining me in introducing this legislation.

I also want to thank the veterans service organizations that worked with us to draft this very important legislation. I particularly want to thank the veterans of my state who first brought this issue to my attention and who have been true partners in this effort.

I introduced this legislation for a very simple reason: every day, veterans are being buried across this nation without full military honors—honors earned through service to us all. And that is not right.

The Veterans Burial Rights Act of 1998 is a common sense piece of legislation of great importance to the veterans of our country. Our bill requires the Department of Defense to provide honor guard services upon request at the funerals of our veterans. Our bill is the right thing to do.

Our country has asked a lot of our veterans. I believe we have a responsibility to tell each and every veteran that we remember and we honor their service to our country. The Veterans Burial Rights Act of 1998 gives meaning to the words ''on behalf of a grateful nation,'' that accompanies the presentation of the flag to the family at a funeral.

I can speak personally to the importance of this legislation. I lost my own father last year, a World War II veteran and proud member of the Disabled American Veterans. My family was lucky. We were able to arrange for an honor guard at his service. Having the honor guard there for my family made a big difference and a lasting impression. We were all—and particularly my mother—filled with pride at a very difficult moment for our family, as Dad's service was recognized one final time. It should be this way for every family who lays a veteran to rest.

With a downsized military, installations are no longer able to provide trained personnel to perform military honors for every veteran. Veterans service organizations have stepped in and tried to provide the color guard services for deceased fellow veterans. And by most accounts, they do a pretty good job. But VSO's cannot meet the need for color guard services. By their own admission they often lack the crispness and the precision of trained military personnel.

Our veterans' population is getting older. More than 36,000 World War II veterans are dying each month. In my own state, close to 5,000 veterans are being laid to rest each month. We cannot expect a group of older veterans to provide these honor guard services day in and day out for their military peers. We are simply asking too much of a generation that has already given so much.

I believe we have a responsibility to act. This bill will ensure that every veteran receives a funeral worthy of patriotic service to our country. By passing the Veterans Burial Rights Act of 1998, the Congress will send a powerful message to veterans that their service to us all will never be forgotten.

I encourage all Members of the Senate to join in this effort.●

● Mr. MURKOWSKI. Mr. President, on March 24, 1998, I joined Senators SARBANES and MURRAY in a bipartisan effort to correct a policy that is a disservice to our veterans. The issue we are addressing is the failure of the military to provide appropriate representation at a veteran's funeral in a military cemetery. To remedy this failure, we have introduced the ''Veterans Burial Rights Act of 1998'' that corrects this failure.

Currently, the Department of Defense allows commanders in the field to decide what level of military representation there will be at the funeral of a veteran. It is becoming a common practice for the military to send a single representative to provide the mourning family with the American flag along with an audio tape recording of Taps.

Mr. President, I find it astounding that families mourning the loss of a veteran would be expected to bring a boom box to a funeral in order that a tape of Taps can be played. Is this the way the military thinks it is appropriate to honor the memory of a serviceman or woman who has served their country honorably? For the sacrifice that veterans have made, DoD can only respond with a single person and a tape recording. This is a slap in the face of the honor of all who have served.

Mr. President, because I believe veterans deserve more, I have worked with my colleagues Senator MURRAY and Senator SARBANES to set a minimum level of effort by the military for veteran funerals.

As a former Chairman and member of the Senate Veterans Affairs Committee, I know that it is impossible to completely repay our debt to our veterans. However, I believe Congress can find ways to show our gratitude and respect.

On Tuesday, we introduced legislation that requires at least a five person honor guard for veteran burials upon request. DoD, if it chooses, can send a larger contingent, but the five person honor guard will be minimum representation. And the legislation requires that one of the five representatives plays Taps—not a tape recording!

This legislation will also allow National Guard and Reserves to perform this duty, thus increasing the resources available to DoD for this duty. Serving in the honor guard will not count as a period of drill or training. I believe this is necessary to preserve the readiness of the Guard and Reserves, who are playing a larger role in our downsized military.

Mr. President, I know when I have seen funerals with a military honor guard, I walk away humbled. When we pay our respects for those who have served, it is the little things that make the difference. Five men or women participating in the service not only gives a final honor to the veteran but also recognizes the sacrifice the veteran and the family have made.

I hope that my colleagues will join us in cosponsoring the ''Veterans Burial Rights Act of 1998.'' A veteran should be remembered for their service and sacrifice. There is no better way to remind everyone of this, than with a military honor guard. It is the least that we can do to show our respects and gratitude for our veterans.●

● Mr. SARBANES. Mr. President, I am pleased to join with my colleagues, Senators MURRAY and MURKOWSKI, as an original co-sponsor of S.1825, The Veterans' Burial Rites Act of 1998. The purpose of this legislation is to ensure the continued availability of military burial honors to our veterans.

More and more families across the country are discovering that, due to budgetary cutbacks, full military burial honors are not available for their relatives who have served in the armed forces. In many cases that have been brought to my attention, families are now being told that the best they can expect for these loved ones—who clearly deserve a funeral with full military honors—is a taped rendition of ''taps'' and a lone representative from the armed services.

In my view, a society is not only judged by the way it treats its aging, its children and its least fortunate, but also by how it dignifies and honors its deceased. Knowing of the commitment and sacrifice of the armed forces and how important military honors are to those who serve and to their families, it would seem that maintaining these rites would be a high priority for the Department of Defense. It is very difficult for me to understand any degradation or lapse in this regard.

When I first learned of this growing problem, in late 1997, I wrote to the Secretary of Defense, urging him to personally review this matter and identify the means to reinstate traditional military honors for those who have served. I have now joined forces with Senators MURRAY and MURKOWSKI in introducing this legislation in an effort to ensure that full burial honors will always be available to our nation's veterans when requested. Simply, this legislation would ensure that the sufficient manpower and funding is available for requested burial details to consist of at least five members of the armed services, National Guardsmen, or Reservists—including a bugler, a firing party, and a flag bearer.

In my view, the issue is clear and our commitment should be unwavering. Our veterans are always there when this country is in need. Rightfully, they have come to expect certain commitments in return which ensure them the dignity they deserve —in life and in death. In my view, it is our obligation to continue to provide these honors without hesitation and without degradation. I urge my colleagues to support this measure.●

TRIBUTE TO GEORGETOWN COLLEGE: 1998 N.A.I.A. BASKETBALL CHAMPIONS

● Mr. MCCONNELL. Mr. President: I rise today to recognize basketball excellence. As you may know, basketball is a way of life in Kentucky. While people are most familiar with Kentucky's two Divison IA schools, our state also has its share of small schools that do not always receive the recognition they are due. It is one of those schools that I want to recognize today: the 1998 National Association of Intercollegiate Athletics Basketball Champions: the Tigers of Georgetown College, located in the town of Georgetown, Kentucky.

On March 23, led by NAIA first team All-America sophomore center Will Carlton, Georgetown defeated Southern Nazarene College 83–69 in Tulsa, Oklahoma. After a roller coaster first half that included a thirteen point deficit, Georgetown took a one point lead into the locker room at halftime. Midway through the second half, the Tigers exploded for 17–2 run fueled by Carlton and teammate Barry Bowman, who combined for 15 of those 17 points. During the penultimate run, the offense of Carlton and Bowman was supported by solid defense that held Southern Nazarene to only two free throws in the six and a half minutes.

This national title is the first in Georgetown College basketball history. Having lost in the finals on two previous occasions—1961 and 1996—these Tigers, led by coach Happy Osborne finished their dream season with a record of 36–3. They steadily improved their play throughout the tournament, symbolized by their cutting their turnovers from 30 in the first round to only nine in the final.

While this National Championship was the result of a total team effort, it is worth noting that Carlton, a sophomore, and Bowman, a junior, were joined by senior David Shee on the all-tournament team. After averaging nearly 22 points and 12 rebounds in the tournament, Carlton received the Chuck Taylor Most Valuable Player Award for the tournament.

Mr. President, I congratulate Coach Osborne and his team on a marvelous season culminating in this NAIA National Championship, their version of March Madness. And with most of

these Tigers expected to return next year, I look forward to Georgetown successfully defending their crown next year.●

TRIBUTE TO LEONARD STERN

● Mr. TORRICELLI. Mr. President, I rise today to recognize Leonard Stern for receiving the 25th Anniversary Recognition Award from the Meadowlands Regional Chamber of Commerce.

Mr. Stern has been a pioneer in New Jersey's real estate industry and has been crucial to the State's resurgent real estate market. From investing in the New Jersey Meadowlands to Jersey City's waterfront, Mr. Stern's ventures have greatly improved both the health of the economy and the environment in northern New Jersey. By providing jobs and improving infrastructure, Mr. Stern's commercial property has improved the general welfare of the region and has helped prepare it for the challenges of the approaching century.

For over forty years, Mr. Stern has worked to enhance our premier educational institutions. In 1961, he founded the Albert Einstein School of Medicine at Yeshivah University. He established the Presidential Scholars Program at New York University to provide scholarships for qualifying students of all races and creeds. In addition, he has provided invaluable assistance to New York University's School of Business, the Max Stern Regional College, the Max Stern Athletic Center at Yeshiva University and the Manhattan Day School. Mr. Stern's many awards and citations are a testament to his activism within these academic communities.

Leonard Stern's exemplary record of service sets a certain standard for which all Americans should strive. I applaud his efforts and encourage all Americans to follow his example.●

TRIBUTE TO VINCENT R. MAJCHIER

● Mr. DODD. Mr. President, I rise today to pay tribute to one of the best friends that Connecticut's farmers have ever known: Vincent R. Majchier of Franklin, Connecticut.

Mr. Majchier held a number of important posts throughout his life. He was the Connecticut Executive Director of the Farm Service Agency of the U.S. Department of Agriculture, the Deputy Commissioner of Agriculture in Connecticut for a decade, as well as acting Agriculture Commissioner.

Vinny Majchier was uniquely qualified to serve in these positions. He grew up on a farm near Franklin and worked the same land his entire life. He was known throughout the state as the farmer's farmer. Whenever a Connecticut farmer had a problem, they would go to Mr. Majchier and he would do everything in his power to help them. And no problem was too small. I can't remember how many times he came into my Connecticut office to speak on someone else's behalf. It didn't matter if someone's corn fields had flooded, a frost had ruined some crops, or a friend was having problems with the price of pumpkins. Their problem was his problem, and he would do whatever he could to lend a hand.

Mr. Majchier also distinguished himself away from his farm and in the town of Franklin, where he lived his entire life. He served as Chairman of the Franklin Police Advisory Commission. He was a member of the Franklin Board of Selectmen, the Franklin Board of Assessors, the Franklin Board of Tax Review and on the Planning and Zoning board.

He also served as a charter member of the Franklin Lions Club, a trustee of St. Francis of Assisi Church in Lebanon, and a member of the Auxiliary State Police.

While he always had a new activity occupying his time, Vinny Majchier's first priority was always his family and his farm. These two true loves will both serve as his living legacy now that he has passed on.

He was survived by his wife Pauline; his four sons; two sisters; and nine grandchildren. I offer my heartfelt condolences to them all.●

NATIONAL MARITIME ARBITRATION DAY

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 200, introduced earlier today by Senator INOUYE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 200) designating March 26, 1998, as ''National Maritime Arbitration Day.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD as if read at the appropriate place.

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

The resolution (S. Res. 200) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 200

Whereas Congress recognizes the integral role arbitration plays in expeditiously settling maritime disputes;

Whereas the Society of Maritime Arbitrators is a nonprofit, United States based organization providing arbitration and other Alternative Dispute Resolution (ADR) services to the international maritime industry;

Whereas the Society of Maritime Arbitrators has successfully facilitated the resolution of over 3,400 international commercial and maritime disputes since its inception in 1963; and

Whereas the Society of Maritime Arbitrators celebrates its 35th anniversary on March 26, 1998: Now, therefore, be it

Resolved, That the Senate—

(1) designates March 26, 1998, as ''National Maritime Arbitration Day''; and

(2) requests the President to issue a proclamation designating March 26, 1998, as ''National Maritime Arbitration Day'' and calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

ORDERS FOR FRIDAY, MARCH 27, 1998

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. on Friday, March 27, 1998, and immediately following the prayer, the routine requests through the morning hour be granted.

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

Mr. LOTT. As in executive session, Mr. President, I ask unanimous consent that tomorrow morning, immediately following the routine requests, the Senate proceed to executive session and immediately vote on the confirmation of the nomination of Executive Calendar No. 525, the nomination of Margaret McKeown, of Washington, to be U.S. circuit judge for the ninth circuit.

I further ask unanimous consent that immediately following the vote, Executive Calendar No. 504 be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

Mr. LOTT. Mr. President, I now ask unanimous consent that it be in order at this time to ask for the yeas and nays on Executive Calendar No. 525.

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

Mr. LOTT. I therefore 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. LOTT. Mr. President, I ask unanimous consent that following the vote at 9, Senators GORTON and MURRAY be recognized for up to 20 minutes each for discussion regarding the Washington State judicial nominations.

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

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators—I think they already know this by now—this last vote was the final vote of the evening. A rollcall vote now will occur at 9 a.m. tomorrow morning on a judicial nomination. We are having it at that early

hour so that we can accommodate some Senators who have commitments, and also so that we can turn relatively quickly tomorrow to the opening debate on the budget resolution. Senator DOMENICI and Senator LAUTENBERG, the managers of the legislation, will be available, and they will begin the debate. And we hope to use at least 6 hours of that time tomorrow.

Following that vote at 9 o'clock on Friday morning, the Senate will begin the budget resolution, which has 50 hours of time under the statute. We will return to further debate on it on Monday and have a considerable amount of time for debate then.

I think by the close of business tomorrow we will have had a productive week. I thought we could finish things earlier. It took about 3 days longer than I thought on the supplemental, but we have gotten the supplemental down to final action by the Senate. And we could not pass it with the final vote anyway until the House acts. So sometime Tuesday then, assuming the House acts, we would expect to complete the final action on the supplemental appropriations bill.

We have, I think, made progress on the Coverdell education savings account bill. And we will get that issue resolved as to how we take it up one way or the other by or before Tuesday morning. In addition to that, we will have taken up some nominations, and we will have had about 6 hours of time on the budget resolution, as well as the vote on Mexico decertification.

Now, there still remains an awful lot to do to get through the budget resolution. It is quite an experience. We hope to have a more orderly process this time so that we can avoid the final night ''vote-rama'' where we have 10, 20, 30 votes or more in a row. But that will take a lot of cooperation from Senators. And certainly it will take direction from the managers of the bill.

It appears at this time, because of the agreement that has been worked out on the budget resolution, that we will not have a recorded vote on Monday at 5:30 as had been earlier anticipated. I want to check further with both sides of the aisle to make sure that that is agreed to and is acceptable. I think it is important we tell Members as early as possible, but it will give us then more uninterrupted time to work on the budget resolution.

Again, as a reminder to all Members, the next vote will occur tomorrow at 9 a.m.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:08 p.m., adjourned until Friday, March 27, 1998, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate March 26, 1998:

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. MICHAEL C. SHORT, 0000

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. BRUCE B. KNUTSON, JR., 0000

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES INFORMATION AGENCY FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR

ALEXANDER ALMASOV, OF VIRGINIA
DAVID L. ARNET, OF VIRGINIA
JAMES J. CALLAHAN, OF MARYLAND
SUSAN ANN CLYDE, OF FLORIDA
GAIL J. GULLIKSEN, OF CALIFORNIA
LLOYD W. NEIGHBORS, JR., OF TEXAS
PAUL RICHARD SMITH, OF MARYLAND
R. BARRIE WALKLEY, OF CALIFORNIA
FRANCIS B. WARD III, OF VIRGINIA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE UNITED STATES INFORMATION AGENCY FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASSES INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR

CESAR D. BELTRAN, OF CALIFORNIA
JANET C. DEMIRAY, OF FLORIDA
VIRGINIA LOO FARRIS, OF CALIFORNIA
JANET E. GARVEY, OF MASSACHUSETTS
RICHARD EUGENE HOAGLAND, OF THE DISTRICT OF COLUMBIA
BARBARA HAVEN NIELSEN, OF NEW YORK
JOHN T. OHTA, OF TENNESSEE
KAREN L. PEREZ, OF MARYLAND
M. ANGIER PEAVY, OF TEXAS
PAUL J. SAXTON, OF VIRGINIA
DON QUINTIN WASHINGTON, OF CALIFORNIA
JAMES HAMMOND WILLIAMS, OF PUERTO RICO

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS ONE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JOAN E. LA ROSA, OF ALASKA
CARL L. LEWIS, OF CALIFORNIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS TWO, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JULIE DEFLER, OF THE DISTRICT OF COLUMBIA
GEORGE ZEGARAC, OF NEVADA

DEPARTMENT OF COMMERCE

ROBERT O. JONES, JR., OF MARYLAND
KATHLEEN A. KRIGER, OF THE DISTRICT OF COLUMBIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS THREE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

JEFFREY NOEL BAKKEN, OF MINNESOTA
KAMAU MUATA LIZWELICHA, OF ILLINOIS

DEPARTMENT OF AGRICULTURE

STANLEY S. PHILLIPS, OF VIRGINIA
SUSAN J. REID, OF THE DISTRICT OF COLUMBIA
KEITH D. SCHNELLER, OF WYOMING

DEPARTMENT OF COMMERCE

WILLIAM H. CRAWFORD, OF VIRGINIA
SEAN P. KELLEY, OF TENNESSEE
WILLIAM L. MARSHAK, OF WASHINGTON

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS FOUR, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF AGRICULTURE

W. GARTH THORBURN II, OF FLORIDA
MICHAEL D. WOOLSEY, OF VIRGINIA

DEPARTMENT OF COMMERCE

JEREMY KELLER, OF THE DISTRICT OF COLUMBIA
CHARLES T. WINBURN, OF NEVADA

DEPARTMENT OF STATE

RENA BITTER, OF TEXAS
CHRISTOPHER LOWELL BUCK, OF TEXAS
JOHN RANDOLPH CARLINO, OF TEXAS
MICHAEL FRANCIS CAVANAUGH, OF ILLINOIS
GEOFFREY HUNTER COLL, OF NEW YORK
JEWELL ELIZABETH EVANS, OF MISSISSIPPI
MICHAEL GORDON GARVEY, OF NEW YORK
ANTHONY F. GODFREY, OF NEW YORK
ADRIENNE LEE HARCHIK, OF VIRGINIA
BROOK EMERSON HEFRIGHT, OF PENNSYLVANIA
ATUL KESHAP, OF VIRGINIA
SAMUEL ANDREW MADSEN, SR., OF VIRGINIA
BRETT DAMIAN MATTEI, OF CALIFORNIA
WAYNE AMORY MCDUFFY, OF PENNSYLVANIA
RICHARD GUSTAVO MILES, OF FLORIDA
THADDEUS D. PLOSSER, OF THE DISTRICT OF COLUMBIA
CRAIG THOMAS REILLY, OF PENNSYLVANIA
DAVID ALLEN SCHLAEFER, OF TEXAS
ROBERT SETTJE, OF SOUTH DAKOTA
LYNNE P. SKEIRIK, OF MAINE
JOANNE THERESE WAGNER, OF MISSOURI
JOHN EDWIN WARNER, JR., OF TENNESSEE
JASON NIALL WITOW, OF TEXAS
RICARDO F. ZUNINGA, OF VIRGINIA

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE AND THE DEPARTMENT OF STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DANA D. ABRAHAMSON, OF MARYLAND
ANDREW D. ALEJANDRE, OF VIRGINIA
RAYMOND GENE AMES, OF VIRGINIA
BELA S. BABUS, OF VIRGINIA
RACHEL ELIZABETH BEER, OF VIRGINIA
FRANCIS W. BENDEL, OF VIRGINIA
BEVAN BENJAMIN, OF MISSOURI
VALERIE J. BISHOP, OF VIRGINIA
ELISABETH C. BRANSON, OF CALIFORNIA
BENJAMIN W. BREW, OF VIRGINIA
CARL ALLEN BREWER, OF MARYLAND
SHARYL L. BOWER, OF VIRGINIA
ROBERT HUNTER BURNETT, OF TENNESSEE
CATHY CANTU, OF VIRGINIA
EDMUND R. CARTER, OF VIRGINIA
DAVID D. CLARK, OF VIRGINIA
OWEN ANTHONY CLARKE, OF OHIO
JEREMY CORNFORTH, OF WASHINGTON
SARA M. CRAIG, OF WISCONSIN
ANTHONY JOSEPH DEMARIO, OF VIRGINIA
CHRISTOPHER P. DEVLIN, OF VIRGINIA
JEFFREY S. DIXON, OF VIRGINIA
ROBERT C. DOMAINGUE, OF WASHINGTON
MATTHEW Q. EDWARDS, OF VIRGINIA
CRYSTAL DAWN ERWIN, OF TEXAS
MICHAEL PHILIP EVANS, OF WEST VIRGINIA
GLENN E. FEDZER, OF CALIFORNIA
CAROL A. FLEMING, OF MASSACHUSETTS
NANCY JEAN FISHER, OF VIRGINIA
MICHAEL ANTHONY FOSS, OF VIRGINIA
GLENN M. FRANKLIN, OF VIRGINIA
P. MATTHEW GILLEN, OF VIRGINIA
ALEXANDER C. GOODALE, OF VIRGINIA
DAVID CHARLES GRIER, OF FLORIDA
JOHN HALL GRIFFITH, OF CALIFORNIA
ROBERT T. GRIMSTE, JR., OF VIRGINIA
SARAH COOPER HALL, OF NEW YORK
MARK A. HARDIN, OF VIRGINIA
ELISABETH A. HEALEY, OF NEW YORK
MICHAEL LANCE HERMAN, OF TEXAS
KRISTEN J. HESLINK, OF NEW YORK
DARRIN L. HINK, OF VIRGINIA
MATTHEW C. HURLEY, OF NEW JERSEY
PATRICIA B. HYDE, OF VIRGINIA
DEBORAH L. IRWIN, OF MISSOURI
TROY R. JENDERSECK, OF VIRGINIA
TAREENA L. JOUBERT, OF WASHINGTON
DAVID F. KELLY, OF VIRGINIA
DAVID F. KING, OF VIRGINIA
MARCIA MUEHR KINSEY, OF TEXAS
CHRISTOPHER KLEIN, OF NEW YORK
LEONARD R. KOSTA, OF NORTH CAROLINA
PATER I. KUJAWINSKI, OF ILLINOIS
JOHN LARREA, OF CALIFORNIA
CLINGTON D. LARRY, OF VIRGINIA
YAEL LEMPERT, OF NEW YORK
ALEXIS G. LOPEZ-CEPERO, OF VIRGINIA
DALE NEIL LYMAN, OF COLORADO
KENNETH ARTHUR MARGULIES, OF VIRGINIA
WILLIAM A. MARJENHOFF, OF VIRGINIA
DAVID G. MARKHAM, OF VIRGINIA
PATRICIA A. MCCARTHY, OF VIRGINIA
SHERYL MCCARTHY, OF VIRGINIA
ERIN CATHLEEN MCCONAHA, OF NEW YORK
ALEXANDRA K. MCKNIGHT, OF OHIO
CAROL FABRICIO MEDINA, OF VIRGINIA
KATHARINE G. MEDLIN, OF VIRGINIA
MARIO MCGWINN MESQUITA, OF CALIFORNIA
J. MARK MIDKIFF, OF MARYLAND
GEORGE Z. MILLS, OF VIRGINIA
KIMBERLY V. MILLS, OF VIRGINIA
LORI A. MISAGE, OF VIRGINIA
DAVID L. MURPHY, OF VIRGINIA
JENNIFER LARA MURRAY, OF PENNSYLVANIA

TABITHA RUSSELL OMAN, OF THE DISTRICT OF COLUMBIA
LISA ANNE O'NEILL, OF VIRGINIA
THOMAS ANDREW PALAIA, OF CONNECTICUT
STEPHEN LEE PEYTON, OF VIRGINIA
BONITA S. PEZZI, OF VIRGINIA
CHARLES WILLIAM PHILLIPS, OF VIRGINIA
TIMOTHY F. POLLOCK, OF VIRGINIA
ALBERT R. PYOTT, OF ILLINOIS
KARL LUIS RIOS, OF VIRGINIA
LAUREN HUSTON ROBERTS, OF TEXAS
SUSAN MICHELLE ROBINSON, OF VIRGINIA
WENDY M. SCHMIDT, OF VIRGINIA
DREW F. SCHUFLETOWSKI, OF TEXAS
ROBERT L. SKINNER, OF ILLINOIS
RANBIER S. SMAUGH, OF VIRGINIA
SUSAN A. SPENCER, OF VIRGINIA
LAURA MERRITT STONE, OF THE DISTRICT OF COLUMBIA
MARJA DANIELLE VERLOOP, OF WASHINGTON
ROBERT PATRICK WALLER, OF IDAHO
JACQUELINE LEANN WARD, OF RHODE ISLAND
JONAS IAN WECHSLER, OF ILLINOIS
SARAH EMILY WELBORNE, OF MARYLAND
DAISY WELCH, OF VIRGINIA
MARCIA C. WILCOX, OF VIRGINIA
JULIE POPE WILLIAMS, OF VIRGINIA
BENJAMIN R. WINFORD, OF VIRGINIA
CHARLES A. WINTERMEYER, JR., OF WASHINGTON
MERIDITH ANNE WOLNICK, OF CALIFORNIA
JUSTIN HWA-KUN YOON, OF MARYLAND
EILEEN T. ZAMKOV, OF MARYLAND

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE DECEMBER 7, 1997:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

NIMALKA WIJESOORIYA, OF CONNECTICUT

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE FEBRUARY 16, 1997:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

ROBERT M. BRITTIAN, OF MARYLAND

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE DECEMBER 24, 1995:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

CHRISTOPHER W. RUNCKEL, OF WASHINGTON

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE NOVEMBER 28, 1993:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

MORTON J. HOLBROOK, III OF KENTUCKY

EXTENSIONS OF REMARKS

HONORING THE 37TH ANNUAL HUMANITARIAN AWARD WINNERS

HON. HAROLD E. FORD, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. FORD. Mr. Speaker, I rise today to honor the winners of the 37th annual Humanitarian Awards. These men and women have fought hard to ensure improved lives for others. They have each shown a tremendous dedication to reducing bigotry and injustice in the Memphis community. This year's award winners are: Rabbi Harry Danziger of Temple Israel; Retired Criminal Court Judge H.T. Lockard; Bishop J. Terry Steib of the Catholic Diocese of Memphis; and Dr. Jane Walters, state education commissioner.

These awards, as presented by the National Conference of Christians and Jews (Memphis Region), recognize the leaders in our community who have gone beyond their call to ensure a better, more equitable future for all of us.

Rabbi Danziger is a lifetime board member of NCCI as well as a member of the boards of the Metropolitan Inter-Faith Association and the Memphis Jewish Federation. Danziger is a long time leader in Memphis' Jewish Community.

Judge Lockhardt served for 19 years on the bench before retiring in 1994. As an attorney, he was involved in numerous cases that helped end the bitter segregation in education, and in public facilities. Judge Lockhardt will always be remembered as the first African-American elected to old Shelby County (TN) Court.

In addition to his important work with the Catholic Diocese in Memphis, Bishop Steib is a board member of the National Civil Rights Museum and the African-American Bishops' Committee. Bishop Steib, through his service to these organizations, has worked tirelessly to bring together people from all backgrounds, classes and races.

Another deserving winner of the NCIC Humanitarian Award is Dr. Jane Walters. As an educator, Dr. Walters has devoted her career to improving the lives of others. She has touched the lives of countless young Tennesseans, first as teacher, as Principal of Craigmont High School in Memphis and now as Governor Sundquist's Commissioner of Education in the State of Tennessee.

Under her leadership as Principal of Craigmont, the school was designated by the Department of Education as a Blue Ribbon School. Today, as Commissioner of Education, Tennessee is well ahead of the nation in connecting all of the state's schools to the Internet. The Horatio Alger Association named her National Educator of the Year in 1991. We are all grateful to Dr. Walters for her contributions in the field of education.

These men and women can not be praised enough for their contributions. With a tremendous amount of hard work and foresight, these individuals are determined to eliminate bias, bigotry and racism in our community. Honoring these heros is a perfect way to celebrate the 70th anniversary of the NCCJ.

Mr. Speaker, I ask my colleagues to join me in honoring the 37th annual Humanitarian Award Winners.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. KIND. Mr. Speaker, today was to be the day that the House of Representatives finally debated campaign finance reform. After over a year of lobbying by a majority of the members of the House to consider some form of campaign finance reform legislation, the leadership had finally relented and were to allow this day to be dedicated to this very important issue.

Unfortunately the leadership of this House designed a bill that was destined to fail, and the majority of the House rejected that approach. So here we stand, with no bill to debate and no assurances of when we will finally have our chance.

The solution is simple: allow an open rule on campaign finance reform. It is time we end the political games and give members an opportunity to clearly state, on the record, where they stand on cleaning up our campaign finance system. We have waited too long. It is time to stop the delay and allow a vote on campaign finance reform. The people of my district will not accept ''no'' for an answer.

THE MEDICARE SOCIAL WORK EQUITY ACT OF 1998

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. STARK. Mr. Speaker, I am pleased to introduce The Medicare Social Work Equity Act of 1998.

The Balanced Budget Act of 1997 includes a provision that will discourage nursing homes from utilizing social workers. This unintended consequence occurs because the legislation requires social workers' services to be included in the consolidated billing of the nursing home while psychologist and psychiatrist services remain outside of the consolidated billing.

Under this construction, if a nursing home utilizes social workers' services, those dollars come out of the nursing home payment. Psychologist and psychiatrist payments do not. The effect of such a policy will be to encourage nursing homes to avoid social workers and instead rely on the more expensive services of psychologists and psychiatrists.

Several firms that provide mental health services to nursing homes across the country have already informed me that they will cease hiring social workers and replace them with psychiatrists and psychologists beginning July 1, 1998.

Clinical social workers are the primary providers of mental health services to residents of nursing homes, particularly in underserved urban and rural areas. Without correcting legislation, mental health services to nursing home residents will be reduced and Medicare costs for these services will most likely increase.

I do not believe that Congress intentionally crated this problem. The Medicare Social Work Equity Act of 1998 seeks to address these concerns by excluding clinical social workers from the consolidated billing provisions of the Balanced Budget Act of 1997 and treating them identically to other mental health providers.

This bill has been endorsed by the National Association of Social Workers, the Clinical Social Work Federation, the American Health Care Association and the National Citizens' Coalition for nursing Home Reform. Several firms that provide mental health services to nursing homes across the country have also pledged their support. I am attaching a letter I received from one such firm, MHM/Bay Colony Counseling Services.

I urge my fellow Members of Congress to join with me in passing this crucial piece of legislation. Together, we can ensure that social workers continue to provide essential mental health services to nursing home residents.

MHM/BAY COLONY
COUNSELING SERVICES,
Cambridge, MA, March 10, 1998.

Representative FORTNEY ''PETE'' STARK,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE STARK: I am contacting you to extend my enthusiastic support for your efforts in pursuing the Medicare Social Work Equity Act of 1998 which excludes social workers from the new consolidated billing requirement in skilled nursing facilities.

I am the Clinical Director at MHM/Bay Colony Extended Care Service. We provide comprehensive mental health services to the residents of about 125 nursing home facilities in the state of Massachusetts, and we employ about 100 professional clinicians, 60% of which are licensed social workers.

The social workers we employ are trained, and exceptionally skilled psychotherapists who have made a purposeful professional career choice to provide psychotherapeutic services to the medically and psychiatrically frail and compromised older population. In doing so, they also provide consultation and support to the nursing home staff who are extremely challenged in providing front line care to this needy population.

If this consolidated billing requirement for skilled nursing facilities by Medicare includes social workers, the impact will have an enormously destructive effect on systems and services; i.e.:

Our services to these residents will be decimated in terms of available and acceptable trained professionals.

60% of our case load of frail aging nursing home residents, most in their last years of life will lose services. (This is the population who are most intensely affected by severe emotional distress, or progressive dementia and in need of management consultation intervention).

60 to 70 social workers will be unemployed from our program. (I speculate about 200 to 400 additionally from other services in Massachusetts).

The assumption for this Medicare consolidated billing requirement, I believe, is that it is a cost saving device. In all actuality, in terms of mental health services, the costs will ultimately increase for Medicare. Programs, like ours, will be forced to employ only doctorate level psychologists who are exempt from this consolidated billing. Medicare reimburses psychologists at a higher rate than social workers for the same billing code.

In closing, I need to emphasis that our services are essential for the fundamental well-being of this population and that our social workers are the foundation of our services.

My staff and I thank you for your leadership in expending this so rapidly. I am available for contact if further efforts are needed.

Sincerely,

MURIEL ELLMAN,
Clinical Director, Extended Care Service.

GREEK INDEPENDENCE DAY: A NATIONAL DAY OF CELEBRATION

SPEECH OF

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1998

Mr. HORN. Mr. Speaker, I want to join with my colleagues tonight to pay special recognition to this anniversary of the independence of Greece. This year, we join together again to honor the hard won independence of a land that will forever hold a special place in American culture. Also, I want to take this opportunity to thank Representatives BILIRAKIS and MALONEY for their efforts to organize the House's celebration of this event tonight.

Mr. Speaker, more than 2,500 years ago the people of Greece began to formulate the ideas that now serve as the foundation for our system of government, science, philosophy, law, literature, and art. The gift of Greek culture to the world, and the special debt this nation owes to Greece, is priceless. The Greek tradition that began in the mists of time with Homer led to the Golden Age and later to the intellectual and aesthetic enrichment of the Roman Republic and Empire, the European Renaissance, and our own nation's founding principles.

We also share with Greece the triumphant experience of fighting for and winning independence. In 1821, after nearly 2,000 years of foreign rule, the people of Greece rose up and declared their independence from the Ottoman Empire. After nearly a decade of struggle, the Greek people won their freedom. Their cause was celebrated throughout the democratic world at the time, and continues to inspire us today.

Greece has contributed to this nation in other ways. It is difficult to find areas of this country where Greek-Americans have not contributed to the betterment of their communities. In my own area of Southern California, the vibrant Greek-American community has enriched all our lives. Recently, I was honored to take part in the annual celebration of the Hellenic-American Council of Southern California. Through this and many other excellent organizations, the Greek-American community has made important contributions to the United States.

In the Second World War, Greeks fought with Americans to turn back Nazi and Fascist aggression. After that war, Greece remained on the side of freedom and democracy, serving as an early bulwark against the spread of communist totalitarianism. The assistance provided to Greece beginning under the Truman Doctrine and later continued within the NATO alliance continued the strong link between our nations. This cooperation continues today, as both nations face the instability in the Balkans and other threats to peace in the region.

Again, Mr. Speaker, I want to extend my sincere good wishes to the people of Greece and those of Greek heritage on this happy occasion.

COPYRIGHT TERM EXTENSION ACT

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2589) to amend the provisions of title 17, United States Code, with respect to the duration of copyright, and for other purposes:

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today in support of H.R. 2589, the ''Copyright Term Extension Act of 1997'' and of the Sensenbrenner amendment.

H.R. 2589 will extend existing U.S. copyrights for another 20 years. It will also align U.S. copyright laws with those in many European nations and in so doing prevent American creations from falling into the public domain while the works of authors in other countries are still being protected.

H.R. 2589 will benefit our nation's authors, songwriters, and other copyright holders who would enjoy 20 or more years of ownership rights and profits from their works. It is important that we recognize the contributions of our artistic community in this way. Artists who are talented or fortunate enough to see their work released to the public are entitled to retain control over that work, or at the very least continue to share in the financial benefits associated with it. This basic principle of copyright law becomes no less valid because a time limit set decades ago expires.

Our rapidly developing society means that information—and in fact the artistic properties we deal with in this matter—are readily accessible and exploited once in the public domain. This bill adequately strikes a balance between the interests of the creators and of the consumers of artistic works.

I support any effort here to ensure better compensation of those artists who do not currently benefit from the collective bargaining agreement struck in the early 1960's. Of course we must respect that agreement and its limitations, but we must also provide for fair compensation of those artists whose work brings great profits to the copyright holders.

I also urge support for the Sensenbrenner amendment which will protect small businesses from the ''double dipping'' that would occur if small businesses had to pay fees already paid by radio and television stations. The amendment will not exempt small businesses from fees for playing compact discs or other recorded music. This amendment will protect our small—and often minority—businesses from the crushing burden of payment of these fees.

A TRIBUTE TO JERRY O. RAINER

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. ROGERS. Mr. Speaker, April 3, 1998 marks the conclusion of a remarkable term of service to Kentucky and our Nation. After a 34-year career, Jerry O. Rainer will retire from the U.S. Army Corps of Engineers as the Deputy District Engineer for Project Management of the Nashville District.

During his tenure and under his leadership, this country has witnessed the construction of some of its largest public works, all bearing Jerry's combination of engineering skill, a drive to accomplish complex projects, a dedication to serving the customer, and an admirable public reserve.

The constituents of Kentucky's Fifth Congressional District will remain in debt to Jerry for his stewardship of the massive flood control works now nearly complete along the Upper Cumberland River. Thousands of citizens now live and work without fear of being washed out of their homes and businesses, owing their newfound security to these projects and the people who prosecuted them under Jerry's day to day leadership

Kentucky's most revered statesman, Henry Clay, is remembered among other things for emerging early in his U.S. Senate career as a spokesman for a system of federally funded improvements to our Nation's infrastructure. Clay's American System was an ambitious program of roads and canals needed to nurture our young union into an economically self-reliant nation.

The work that Clay championed is not unlike that which Jerry has been critical in implementing during his career with the Corps of Engineers: the massive Tennessee-Tombigbee Waterway, the rehabilitation of Wilson Lock, the Piney Grove Recreation Area, the Upper Cumberland River Flood Prevention Project, and the new lock at Kentucky Dam. These and many other works are proof positive of the dedication and experience which Jerry has applied to the benefit of thousands of citizens living within communities served by the Nashville Corps District.

In recognition of his performance, Jerry is the recipient of no less than 21 service awards, including the Meritorious Civilian Service Award for outstanding leadership and management skills. And though a native of Mississippi and a life long Tennessean, we in Kentucky are proud to claim Jerry as one of our own.

The citizens of Kentucky and the House of Representatives thank and congratulate Jerry

O. Rainer on his outstanding contributions to the Nashville District, the U.S. Army Corps of Engineers and the Nation.

IN HONOR OF POLICE CAPTAIN JOSEPH D. SILVA AND HIS 35 YEARS OF SERVICE TO THE RESIDENTS OF MILPITAS, CA.

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. STARK. Mr. Speaker, I would like to take this opportunity to honor and congratulate Captain Joseph D. Silva, a dedicated member of the Milpitas Police Department. After thirty-five years of outstanding service, Captain Silva will be retiring from the force.

Joseph Silva joined the Milpitas Police Department on February 4, 1963. Since then he has served in several capacities, making many lasting contributions to the force and community along the way. Joseph was promoted to Sergeant in 1966, Lieutenant in 1973, and again to Captain shortly thereafter.

Captain Silva played a major role in guiding the evolution of the department as Milpitas grew from a small farming town to a large urban community. He started the department's first inventory procedures for equipment and the first suspect identification system.

For eight years Captain Silva was a K–9 officer, wearing out five dogs in that time. He has served as a supervisor in patrol, traffic, and investigations, and was the first of many Milpitas Police Supervisors to attend the FBI Academy.

Captain Silva was pivotal in planning and establishing the modern police administration building and the new police car design. They will stand as tributes to his leadership and dedication.

Over his many years of service, Joseph Silva has been commended numerous times by the citizens of Milpitas and the law enforcement community. On March 1, 1998 the city will thank him again upon his retirement. I would like to join them by expressing my appreciation for his efforts. His leadership and commitment are an example and an inspiration for all of us. I wish him much happiness and success in his future endeavors.

HONORING THE 1997 PRINCE WILLIAM COUNTY CHAMBER OF COMMERCE VALOR AWARD WINNERS

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. DAVIS of Virginia. Mr. Speaker, I rise today to pay tribute to the 1997 Prince William Regional Chamber of Commerce Valor Award winners. The Valor Awards honor public service officers who have demonstrated extreme self-sacrifice, personal bravery and ingenuity in the performance of duty. There are five categories: The gold Medal, the Silver Medal, the Bronze Medal, the Certificate of Valor, and the Lifesaving Award.

The Silver Medal Award Winners are Lieutenant Steve Barr, Technician I Richard Scott, and Technician I Channing Furr.

Lieutenant Barr, Technician I Scott, and Technician I Furr showed outstanding judgement and initiative after a car crashed into the rear of a restaurant. Beneath the car, a natural gas line severed by the crash created an explosion hazard, with the driver, suffering from severe traumatic injuries, trapped inside. Acting quickly and effectively, the team members were able to mitigate the gas leak and attend to the patient, by demonstrating outstanding initiative and judgement.

The Bronze Medal Award Winners are Officer Bryan E. Sutton and Officer J.S. Dillon.

Officer Sutton responded to a complainant whose husband was threatening suicide. The husband appeared before the wife and Officer Sutton brandishing a knife. Officer Sutton placed the wife out of harm's way and calmly talked the husband into surrendering, thereby bringing a potentially volatile situation to a safe conclusion.

Officer Dillon responded to a burglary in progress where shots had been fired. He arrived to find that suspect had taken an occupant hostage at gunpoint. Officer Dillon negotiated with the hostage, successfully diffusing a potentially life-threatening situation with no injuries or loss of life.

The Certificate of Valor Award Winners are HM3 Robert R. Robinson II and Police Administrative Specialist Donna Lisa Belcher.

Petty Officer Robinson, while on vacation, heard about a severe accident on his CB radio. He proceeded to the scene where he located and assisted victims until medical help could arrive. Petty Officer Robinson's expertise, dedication to duty, and professionalism were a tremendous asset to the arriving rescue personnel.

Police Administrative Specialist Belcher assisted in the apprehension of a suspect who had been wanted for murder for several months. Due to her persistence and ingenuity, she was able to locate an address for an out-of-state relative where the suspect was found and arrested.

The Lifesaving Award Winner is Telecommunicator Alma Boteler.

Telecommunicator Boteler received an emergency 9–1–1 call from a man whose pregnant wife of six months was giving birth to her baby in a toilet. Because of Telecommunicator Boteler's ability to effectively communicate life-saving procedures under difficult circumstances, the husband was able to remove the baby from the toilet and give it mouth to mouth resuscitation, saving the baby's life.

Mr. Speaker, I know my colleagues join me in congratulating these fine heroes, who every day, unselfishly devote themselves to aiding those in need. I have the highest appreciation for their untiring dedication and outstanding service.

TRANE COMPANY'S APPLIED GLOBAL SYSTEMS GROUP E.P.A'S 1998 ENERGY STAR BUILDINGS ALLY OF THE YEAR RECIPIENT

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. KIND. Mr. Speaker, it is my honor to congratulate the La Crosse-based Trane Company's Applied Global Systems Group for being recognized by the U.S. Environmental Protection Agency as a recipient of the 1998 Energy Star Buildings Ally of the Year Award. This award is given to businesses that promote the use of energy-efficient products and contribute to air pollution prevention. The E.P.A's Energy Star Buildings Ally Program proves that business and government can not only coexist, but can actually achieve mutually beneficial goals, energy efficient cost-savings and lower emissions.

This award symbolizes a great success for Trane Company and demonstrates how far the company has come since the late 1980's and early 1990's when they faced a steadily declining sales and workforce reductions. It was feared this employer, a cornerstone of employment in the region, would leave the community.

Fortunately, a commitment was made by both management and the employees of the International Association of Machinists and Aerospace Workers Union Locals 21 and 1115 to cultivate a team concept and to foster a partnership for a friendly work environment that promotes pride, encourages a new level of trust and embraces new negotiation tactics in labor relations. Today, the employees and management view each other as allies rather than adversaries, and they work to achieve goals that are fair and productive to the employees and the company. That is part of the reason why the La Crosse Business Unit of Trane Co., responsible for the design, marketing and manufacture of centrifugal water chillers, absorption cold generators and scroll compressors for commercial air conditioning products, was named the 1996 Wisconsin Manufacturer of the Year.

Currently, Trane Company employs more than 3,000 employees in La Crosse. They offer industry leading products to an international market. The drive to succeed and dominate in the heating, ventilating, air conditioning and building management industries has enabled them to successfully identify the need for energy efficient and environmentally friendly products. The confidence Trane Co. has in their employees' ability to offer bold, new products to their customers ensures that the company will continue to dominate the market for years to come.

I take this opportunity to congratulate Trane Company and its employees on a well-deserved award and wish them continued success in what promises to be a bright and prosperous future as they enter the 21st Century.

TRIBUTE TO FIRST SERGEANT CHARLES PARKER UPON HIS RETIREMENT FROM THE MISSISSIPPI NATIONAL GUARD

HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. WICKER. Mr. Speaker, I rise today to pay tribute to one of my constituents for his long and distinguished career in the Mississippi Army National Guard. First Sergeant Charles Parker of Calhoun City, Mississippi, is the full-time Non-Commissioned Officer in charge of Company B, 223rd Combat Engineer Battalion in Calhoun City. He is retiring

this spring after 33 years of honorable service to his state and nation.

His steady leadership and hard work earned First Sergeant Parker the respect of his peers and his subordinates throughout the Mississippi National Guard. He is credited with raising the strength level of his unit by more than 50 percent after it was reorganized. His technical, administrative, and leadership skills have been key factors in the company's consistently high performance ratings over the years. First Sergeant Parker has also led by example. In each of the last 14 Army physical fitness tests, he has scored more than 300 point maximum.

His commanding officer said there is no better soldier anywhere in the Mississippi National Guard, citing his positive attitude and willingness to go beyond the call of duty in support of his fellow Guardsmen and their mission.

Mr. Speaker, I ask my colleagues join me in saluting First Sergeant Charles Parker for a job well done.

IN HONOR OF COMDR. DONNA M. LOONEY FOR HER APPOINTMENT TO THE COMMAND OF THE U.S.S. PLATT

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is with great pride and appreciation that I rise today to express my congratulations to CDR Donna Looney for her appointment to the command of the U.S.S. *Platt* by the United States Navy tomorrow evening.

CDR Looney, originally from Simsbury, Connecticut, recently graduated from the U.S. Naval War College, in Newport, RI, and is being honored with the command of a U.S. Navy fleet oiler, the U.S.S. *Platt.* As one of the few female pioneers to command a Naval ship, CDR Looney has set herself apart as a fine role model for young women as well as fellow Naval officers. For her leadership and tremendous achievements in the United States Navy, CDR Looney deserves our praise and recognition.

Today, I congratulate CDR Donna Looney for her appointment as commander of the U.S.S. *Platt* and I commend her for the hard work and sacrifices which were instrumental in attaining this meritorious position in the United States Navy.

IN HONOR OF SUNIL AGHI, AN ADVOCATE FOR THE INDO-AMERICAN COMMUNITY

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Ms. SANCHEZ. Mr. Speaker, I rise today to honor an advocate of the Indo-American community, Mr. Sunil Aghi. Mr. Aghi is founder and President of the Indo-American Political Foundation, an organization dedicated to bringing Indo-Americans into the mainstream political process. Through this Foundation, Mr. Aghi hopes to bring full equality and participation of minorities and other ethnic groups into the political process. Mr. Aghi has also worked hard to ensure that Indo-Americans are fully represented in political and elected offices. He understands that Indo-Americans should have their own voices in all levels of government to ensure that the needs of the Indo-American community are met by our elected officials.

Mr. Aghi looks forward to joining forces with other organizations which represent diverse ethnic groups to form coalitions that will give an even stronger voice to new citizens who are eager to learn more and become involved in American politics.

But the most important work that Mr. Aghi does, in his work as founder of Thank You America. Thank You America is an organization dedicated to providing food and clothing to the homeless of Orange County on Thanksgiving Day. Each year this group assists over 500 homeless individuals and families with warm meals and clothing during the holidays. Mr. Aghi is planning to expand Thank You America's services to help needy families year round.

Mr. Aghi truly understands the meaning of thanks. His tireless efforts are a model for all to follow. Mr. Aghi gives thanks everyday to America through his unselfish work, and I thank Mr. Aghi for his vital role in our communities.

IN HONOR OF WOMEN OF GREAT ESTEEM

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Ms. VELÁZQUEZ. Mr. Speaker, I rise today to pay tribute to Women of Great Esteem, an organization that supports the advancement of women in a multi-cultural environment. This worthy group assists the homeless, works to combat violence in the community, provides educational training, and conducts AIDS outreach. Each year, Women of Great Esteem honors women who embody these goals of service to others. This week, seven women who have dedicated their lives to the community will be honored at the Second Annual Women of Great Esteem Awards.

The Honorable Una S. Clarke, Dr. Rosalind Jeffries, Dr. Karen McCarthy Brown, Rev. Barbara Pennant, Ms. Waveny Joseph, Ms. Alourdes C. Lovinski and Ms. Ivonne Mercado-Ford each deserve our sincerest thanks for their commitment to bettering the lives of women everywhere. They have challenged the community to recognize the appreciate diversity and affirm the gifts, talents and dignity of all women.

It is a great pleasure to congratulate these women for their achievement, and I too express my gratitude to Women of Great Esteem for their valuable service.

COMMENDING DR. PANAYOTIS IATRIDIS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. VISCLOSKY. Mr. Speaker, it is my distinct pleasure to commend Dr. Panayotis Iatridis, a decorated physician who has devoted his life to the scholarly pursuit of medical education, on his 23rd anniversary as Assistant Dean and Director of the Northwest Center for Medical Education at the Indiana University School of Medicine. In honor of his 23 years of outstanding service, the Advisory Council for the Northwest Center for Medical Education will host a recognition dinner on the evening of Saturday, March 28, 1998, at the Radisson Hotel at Star Plaza in Merrillville, Indiana.

On July 1, 1975, Dr. Iatridis was named Director of the Northwest Center for Medical Education, where he had served as Associate Professor and Director of the Physiology Course for medical students since 1972. During his 25 years with the Northwest Center, he has been integrally involved in every aspect of its operation, including the curriculum, administration, and service to students. As a member of the faculty, Dr. Iatridis organized and implemented a variety of courses, seminars, educational programs, and conferences for medical students, graduate students, post-doctoral trainees, faculty, and physicians in Northwest Indiana. Perhaps Dr. Iatridis' most noteworthy contribution to the Northwest Center's curriculum came in 1990, with his development and implementation of the ''Regional Center Alternative Pathway'', which is the educational program for first- and second-year medical students. Dr. Iatridis is also responsible for all administrative and academic affairs of the Northwest Center, and he has devoted much of his time to assisting medical students through different aspects of counseling and advising, including pre-medical student counseling and research project advising.

In addition to his dedicated work with the Indiana University School of Medicine, Dr. Iatridis has utilized his talents for the betterment of the Northwest Indiana community. Some of the organizations he has served include the City of Gary Economic Development Commission, the Gary Community School Corporation, the Lake and Porter County Medical Society Care of the Indigent Committee, and the Northwest Indiana Forum Foundation. Dr. Iatridis has also served as a board member of the Porter County Mental Health Association, Vice-Chairman of the Lake County Community Health Association, Chairman of the Lake County Medical Advisory Committee of the Community Health Association, the Program Committee of the Gary Rotary Club, and the Porter Starke Infection Control Committee.

Dr. Iatridis has received numerous prestigious awards, honors, and recognitions for his many professional and public service achievements. In recognition of his professional accomplishments, he received a Special Recognition for Outstanding Contributions to Medical Education by the Asian-American Medical Society, in 1991; a commendation from the Asian-American Medical Society for Outstanding Contribution to Medical Education in Northwest Indiana, in 1997; and the Wisdom Award of Honor from the Wisdom Society

for the Advancement of Knowledge, Learning, and Research in Education, earlier this year. For his service to the community, Dr. Iatridis earned the Hank Jacobsen Award from the Gary Rotary Club, in 1985; the Edgar L. Mills Community Service Award from the Post-Tribune, in 1987; and the Medal of St. Paul from the Archdiocesan of the Greek Orthodox Church of North and South America.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending Dr. Panayotis Iatridis on the occasion of his 23rd anniversary as Assistant Dean and Director of the Northwest Center for Medical Education. His wife, Catherine, their two daughters, Yanna and Mary, and their two granddaughters, Katerina and Anastasia, should be proud of his achievements. Indeed, Dr. Iatridis' efforts have made an indelible mark on the advancement of medical education, as well as an improvement in the quality of life for everyone in Northwest Indiana.

TRIBUTE TO DR. FRANK L. SELKIRK

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Ms. MCCARTHY of Missouri. Mr. Speaker, I am honored to rise today on behalf of the Zion Grove Missionary Baptist Church and its congregation. This Sunday, March 29, Dr. Frank L. Selkirk III, a respected leader and friend in Kansas City, Missouri will be installed as the Senior Pastor.

The history of Rev. Selkirk and Zion Grove are very much intertwined. At the age of eight, Rev. Selkirk became a member of Zion Grove, and at the age of twelve, preached his first trial sermon there. He was fondly referred to as the ''Boy Wonder'' by ministers in our community. Rev. Selkirk has more than the name of his father and grandfather, he continues to follow the Selkirk tradition by becoming a third generation preacher in his family.

After graduating from the University of Kansas, he received his Master of Divinity at Central Baptist Theological Seminary, and his M.A. and Ph.D. at Harvard University. He has traveled extensively to sixty countries serving as a minister in several of them. Rev. Selkirk has established an outstanding reputation among his peers and is known for his down home preaching. Rev. Selkirk has served as senior pastor in California and as an area minister for the American Baptist Churches where he served ninety churches as ''pastor to pastors.''

Under his direction as Pastor, the Zion Grove Missionary Baptist Church raised one hundred thousand dollars in ninety days to pay off the Church mortgage. In celebration of this feat, I joined the entire congregation and many guests from our area in January for a mortgage Burning Service whose theme was ''Burning the Past—Blazing on Toward the New.''

This is an appropriate theme for Rev. Selkirk's ongoing mission to his growing congregation. His goal is to provide day care and after school services as additional resources for his congregation. As a counselor, gang prevention specialist, and revival preacher, he uses his faith as an influential tool to solve the problems which afflict our community.

I recognize Rev. Selkirk today because of his distinguished accomplishments. He continues to deliver positive messages to encourage a legacy of new beginnings. Rev. Selkirk envisions a future brimming with opportunity and charity for all people. Our community is blessed to have a leader who creates a significant difference in the lives of everyone he encounters. Those that hear his sermons or work with him on civic projects realize that he leaves his impression upon their lives. Recipients of his message walk away with a lasting feeling that motivates them to take action and use their talents to better the lives of everyone.

Mr. Speaker, it is an honor for me to recognize Rev. Frank Selkirk III, and the Zion Grove congregation. Together they have formed a union devoted to serving the needs of our community through Christian example and duty.

TRIBUTE TO JOHN R. HARRISON

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. CALVERT. Mr. Speaker, one of the things that makes America great is that in towns and cities across our nation there are citizens who are willing to step forward to dedicate their talent and energy to make life better for their friends and neighbors. The city of Perris, California has been fortunate to have many citizens who have given so freely of themselves in their dedication to the future of the youngest members of our district. Mr. John R. Harrison is one of these outstanding individuals.

Mr. Harrison has been an instrumental part of Perris Valley area business and youth programs for many years. After graduating from college, he became a partner in Dan's Feed & Seed, a business which supplies the Perris Valley and surrounding areas with animal feed, seed, veterinary supplies, hardware and plumbing items. He has since become a 100% shareholder in Dan's Feed & Seed and expanded his operation to include stores in Perris, Hemet, and Temecula. He also owns a grain handling facility in Blythe. As a result of his dedication to the business community, Mr. Harris is active in various civic groups in Perris. He is the past president and only remaining charter member of the Perris Rotary Club, past president of the Chamber of Commerce, past president of the Perris Farm Bureau, and the current president of the Perris Alumni Association. In 1994, Mr. Harrison received the Howie Award from the Riverside County Farm Bureau.

In 1953, he started the Perris Panthers 4–H club and was its leader until the mid-1960's. His continued involvement in the organization has produced one of the strongest 4–H clubs in Riverside County. Mr. Harrison has also been instrumental in the original organization of Perris Little League. Mr. Harrison has been a member and past president of the Farmers Fair Board and has served as chairman of the Farmers Fair Livestock Auction for 30 years. Due to his dedication, this auction is one of the most prosperous in the fair system, successfully raising money for the 4–H club and Future Farmers of America member's college tuition.

In recognition of his many accomplishments in various business and youth organizations in Perris, I commend John Harrison for his contributions and dedicated service to his community. I encourage Mr. Harrison to continue with his involvement and wish him much success and happiness in his future endeavors.

TRIBUTE TO THE POLISH FALCONS, NEST 725

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. KLECZKA. Mr. Speaker, I rise today to pay tribute to the Milwaukee-based Nest 725 of the Polish Falcons of America, as they celebrate their 82nd anniversary with a banquet dedicated to the Mystical Rose, Our Lady of Czestochowa, on Sunday, April 19, 1998.

A nationwide fraternal organization, the Polish Falcons are dedicated to the physical fitness of youth. By offering classes in tumbling, dance (traditional Polish, modern, and tap), aerobics, track and field, basketball, volleyball, and soccer, the Polish Falcons provide a varied program for all skills levels and ages. The group believes in a strong mind and a strong body.

Organized in Milwaukee of December 10, 1916, Nest 725 members have participated in numerous national and district athletic competitions, gaining the National All Around Championships in 1984, 1988 and 1992. Furthermore, Nest 725 was crowned National Gymnastics Champions in 1984 and the Adult Dance Class achieved the National Championship in both 1986 and 1994.

To the adult leaders of the Polish Falcons, Nest 725, I commend you on your fine example of providing structured athletic guidance for today's youth, while maintaining an all-important tie to our proud Polish history and traditions. And to all the members, best wishes for the future and Sto Lat!

HONORING MAJOR ROBERT A. PORTZ, NORTH MIAMI POLICE DEPARTMENT

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mrs. MEEK of Florida. Mr. Speaker, on Thursday, March 26, 1998, Major Robert ''Bob'' Portz will bid farewell to his duties with the North Miami Police Department and retire to the Texas wilderness. He has received numerous commendations during his 22 years of service and is highly regarded by his peers.

Major Portz was then the youngest member of the North Miami force when he assumed his duties at the age of 20 on December 29, 1975. Over the years, he has demonstrated his talents in the patrol division, detective bureau, traffic unit, and tactical unit. He was promoted to Major on July 7, 1992, and made a lasting impression on the department by introducing the community policing concept to North Miami.

Major Portz assumed command of the Patrol Division in October 1994, where he still oversees operations.

A graduate of the Federal Bureau of Investigation's prestigious National Academy, Major Portz has been recognized by his peers three times as Officer of the Month for his outstanding police work.

The husband of Linda and father of Jennifer, Major Portz has been a shining example of honor and professionalism throughout his career. As he enters the next stage of his life, I congratulate him and wish him continued happiness.

INTRODUCTION OF LEGISLATION

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. ARCHER. Mr. Speaker, today, I introduce H.R. 3558, a bill to limit the tax benefits of so-called ''stapled'' or ''paired-share'' Real Estate Investment Trusts (''stapled REITs''). Identical legislation is being introduced in the Senate by Senator ROTH.

In the Deficit Reduction Act of 1984, Congress eliminated the tax benefits of the stapled REIT structure out of concern that it could effectively result in one level of tax on active corporate business income that would otherwise be subject to two levels of tax. Congress also believed that allowing a corporate business to be stapled to a REIT was inconsistent with the policy that led Congress to create REITs.

As part of the 1984 Act provision, Congress provided grandfather relief to the small number of stapled REITs that were already in existence. Since 1984, however, almost all of the gandfathered stapled REITs have been acquired by new owners. Some have entered into new lines of businesses, and most of the grandfathered REITs have used the stapled structure to engage in large scale acquisitions of assets. Such unlimited relief from a general tax provision by a handful of taxpayers raises new questions not only of fairness, but of unfair competition because the stapled REITs are in direct competition with other companies that cannot use the benefits of the stapled structure.

This legislation, which is a refinement of the proposal contained in the Clinton Administration's Revenue Proposals for fiscal year 1999, takes a moderate and fair approach. The legislation essentially subjects the grandfathered stapled REITs to rules similar to the 1984 Act, but only to acquisitions of assets (or substantial improvements of existing assets) occurring after today. The legislation also provides transition relief for future acquisitions that are pursuant to a binding written contract, as well as acquisitions that already have been announced (or described in a filing with the SEC).

A technical explanation of the legislation is provided below.

TECHNICAL EXPLANATION

The tax benefits of the stapled real estate investment trust (''REIT'') structure were curtailed for almost all taxpayers by section 269B, which was enacted by the Deficit Reduction Act of 1984 (''1984 Act''). The bill limits the tax benefits of a few stapled REITs that continue to qualify under the 1984 Act's grandfather rule.

A REIT is an entity that receives most of its income from passive real-estate related investments and that essentially receives pass-through treatment for income that is distributed to shareholders. In general, a REIT must derive its income from passive sources and not engage in any active trade or business. In a stapled REIT structure, both the shares of a REIT and a C corporation may be traded, and in most cases publicly traded, but are subject to a provision that they may not be sold separately. Thus, the REIT and the C corporation have identical ownership at all times.

Overview

Under the bill, rules similar to the rules of present law treating a REIT and all stapled entities as a single entity for purposes of determining REIT status (sec. 269B) would apply to real property interests acquired after March 26, 1998, by the existing stapled REIT, or by a stapled entity, or a subsidiary or partnership in which a 10-percent or greater interest is owned by the existing stapled REIT or stapled entity (together referred to as the ''REIT group''), unless the real property is grandfathered under the rules discussed below. Different rules would be applied to certain mortgage interests acquired by the REIT group after March 26, 1998, where a member of the REIT group performs services with respect to the property secured by the mortgage.

General rules

The bill treats certain activities and gross income of a REIT group with respect to real property interests held by any member of the REIT group (and not grandfathered under the rules described below) as activities and income of the REIT for certain purposes. This treatment would apply for purposes of certain provisions of the REIT rules that depend on the REIT's gross income, including the requirement that 95 percent of a REIT's gross income be from passive sources (the ''95-percent test'') and the requirement that 75 percent of a REIT's gross income be from real estate sources (the ''75-percent test''). Thus, for example, where a stapled entity earns gross income from operating a non-grandfathered real property held by a member of the REIT group, such gross income would be treated as income of the REIT, with the result that either the 75-percent or 95-percent test might not be met and REIT status might be lost.

If a REIT or stapled entity owns, directly or indirectly, a 10-percent-or-greater interest in a subsidiary or partnership that holds a real property interest, the above rules would apply with respect to a proportionate part of the subsidiary's or partnership's property, activities and gross income. Thus, any real property acquired by such a subsidiary or partnership that is not grandfathered under the rules described below would be treated as held by the REIT in the same proportion as the ownership interest in the entity. The same proportion of the subsidiary's or partnership's gross income from any real property interest (other than a grandfathered property) held by it or another member of the REIT group would be treated as income of the REIT. Similar rules attributing the proportionate part of the subsidiary's or partnership's real estate interests and gross income would apply when a REIT or stapled entity acquires a 10-percent-or-greater interest (or in the case of a previously-owned entity, acquires an additional interest) after March 26, 1998, with exceptions for interests acquired pursuant to agreements or announcements described below.

Grandfathered properties

Under the bill, there is an exception to the treatment of activities and gross income of a stapled entity as activities and gross income of the REIT for certain grandfathered properties. Grandfathered properties generally are those properties that had been acquired by a member of the REIT group on or before March 26, 1998. In addition, grandfathered properties include properties acquired by a member of the REIT group after March 26, 1998, pursuant to a written agreement which was binding on March 26, 1998, and all times thereafter. Grandfathered properties also include certain properties, the acquisition of which were described in a public announcement or in a filing with the Securities and Exchange Commission on or before March 26, 1998.

In general, a property does not lose its status as a grandfathered property by reason of a repair to, an improvement of, or a lease of, a grandfathered property. On the other hand, a property loses its status as a grandfathered property under the bill to the extent that a non-qualified expansion is made to an otherwise grandfathered property. A non-qualified expansion is either (1) an expansion beyond the boundaries of the land of the otherwise grandfathered property or (2) an improvement of an otherwise grandfathered property placed in service after December 31, 1999, which changes the use of the property and whose cost is greater than 200 percent of (a) the undepreciated cost of the property (prior to the improvement) or (b) in the case of property acquired where there is a substituted basis, the fair market value of the property on the date that the property was acquired by the stapled entity or the REIT. A non-qualified expansion could occur, for example, if a member of the REIT group were to construct a building after December 31, 1999, on previously undeveloped raw land that had been acquired on or before March 26, 1998. There is an exception for improvements placed in service before January 1, 2004, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter.

If a stapled REIT is not stapled as of March 26, 1998, or if it fails to qualify as a REIT as of such date or any time thereafter, no properties of any member of the REIT group would be treated as grandfathered properties, and thus the general provisions of the bill described above would apply to all properties held by the group.

Mortgage rules

Special rules would apply where a member of the REIT group holds a mortgage (that is not an existing obligation under the rules described below) that is secured by an interest in real property, where a member of the REIT group engages in certain activities with respect to that property. The activities that would have this effect under the bill are activities that would result in a type of income that is not treated as counting toward the 75-percent and 95-percent tests if they are performed by the REIT. In such cases, all interest on the mortgage and all gross income received by a member of the REIT group from the activity would be treated as income of the REIT that does not count toward the 75-percent or 95-percent tests, with the result that REIT status might be lost. In the case of a 10-percent-or-greater partnership or subsidiary, a proportionate part of the entity's mortgages, interest and gross income from activities would be subject to the above rules.

An exception to the above rules would be provided for mortgage the interest on which does not exceed an arm's-length rate and which would be treated as interest for purposes of the REIT rules (e.g., the 75-percent and 95-percent tests, above). An exception also would be available for certain mortgages that are held on March 26, 1998, by an entity that is a member of the REIT group. The exception for existing mortgages would

cease to apply if the mortgage is refinanced and the principal amount is increased in such refinancing.

Other rules

For a corporate subsidiary owned by a stapled entity, the 10-percent ownership test would be met if a stapled entity owns, directly or indirectly, 10 percent or more of the corporation's stock, by either vote or value. (The bill would not apply to a stapled REIT's ownership of a corporate subsidiary, although a stapled REIT would be subject to the normal restrictions on a REIT's ownership of stock in a corporation.) For interests in partnerships and other pass-through entities, the ownership test would be met if either the REIT or a stapled entity owns, directly or indirectly, a 10-percent or greater interest.

The Secretary of the Treasury would be given authority to prescribe such guidance as may be necessary or appropriate to carry out the purposes of the provision, including guidance to prevent the double counting of income and to prevent transactions that would avoid the purposes of the provision.

HONORING SOUTH FLORIDA WOMEN IN COMMUNITY SERVICE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Ms. ROS-LEHTINEN. Mr. Speaker, I rise today in recognition of women who have served as a wonderful example to the nation of true commitment and service to their community. ''In the Company of Women'' was begun in 1989 when a need was identified to recognize outstanding local women for their service to the South Florida community.

This year, 13 women leaders will be recognized for their contributions to the Miami-Dade County community at the 10th annual ''In the Company of Women'' celebration. The honorees will be Marleine Bastien, Laura Bethel, Mona Bethel Jackson, Kathy Gomez, Daniella Levine Cava, Diana Montes de Oca Lopez, Mary Lynch, Maria Marquez, Robin Riether-Garagalli and Meredith Pleasant Sparks. The women honored as pioneers are Sheba Major Martin, Ruth Wolkowsky Greenfield, and Mary Stanley-Low Machado.

The Cuban patriot Jose Marti once said: ''Action is the dignity of greatness.'' These women have personified the true meaning of community action in giving of themselves and utilizing their God-given talents to help others. The women honored at this month's ceremony, which culminates Women's History month, have been key players in advancing the quality of life in South Florida. They have managed to balance family and career while caring for those in our community who are in most need.

THE 1998 PRUDENTIAL SPIRIT OF COMMUNITY AWARDS

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. BORSKI. Mr. Speaker, I rise today to congratulate and honor a young Pennsylvania student from my district who has achieved national recognition for exemplary volunteer service in her community. Kelly Shelinsky of Philadelphia has just been named one of my state's top honorees in The 1998 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia and Puerto Rico.

Ms. Shelinsky is being recognized for establishing Kelly's Books for Bedsides, a campaign to collect new and gently used children's books which are then donated to the local hospital. Kelly believes in the power of books to energize the imagination, especially for those children recovering from an illness in a hospital bed. After spending many nights in Children's Hospital recovering from a chronic illness, Kelly realized that the children's playroom had many toys and games, but only a handful of books. She began to solicit donations through local newspapers, church bulletins, and word-of-mouth, and has collected more than 3,700 books. Thanks to Kelly's efforts, Children's Hospital has initiated a program called Reach Out and Read, for which books are being placed in the homes of families who have none. She plans to expand Kelly's Books for Bedsides further to help improve literacy among inner city children.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it is vital that we encourage and support the kind of selfless contribution this young citizen has made. People of all ages need to think more about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Shelinsky are inspiring examples to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. In only three years, the program has become the nation's largest youth recognition effort based solely on community service, with more than 30,000 youngsters participating.

Ms. Shelinsky should be extremely proud to have been singled out from such a large group of dedicated volunteers. I heartily applaud Ms. Shelinsky for her initiative in seeking to make her community a better place to live, and for the positive impact she has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today's world, and deserves our sincere admiration and respect. Her actions show that young Americans can—and do—play important roles in our communities, and that America's community spirit continues to hold tremendous promise for the future.

TRIBUTE TO THE HON. FLOYD R. GIBSON

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to Floyd R. Gibson, Senior Judge, U.S. Court of Appeals for the Eighth Circuit who will be celebrating his recent birthday this Sunday with his friends. Judge Gibson has dedicated his professional career to public service. From his graduation from the University of Missouri-Columbia in 1933 where he earned both his law degree and bachelor's degree, through his 32 years on the Eighth Circuit, Floyd R. Gibson has enriched our community.

Floyd and his lovely wife, Gertrude have raised three successful children, Charles, John, and Catherine. His family accomplishments occurred while demonstrating a distinguished career in public policy and the law. Judge Gibson entered private practice in the Kansas City area upon his graduation where he rose to become a named partner in three firms. While in private practice, Judge Gibson was elected County Counselor for Jackson County.

He later turned his efforts to state government where he served 21 years in both the House and Senate of the Missouri General Assembly. The Judge distinguished himself in the Missouri Senate as Chairman of the Judiciary Committee, Majority Floor Leader, and in his final term as President Pro Term of the Senate. His success did not go unnoticed—in 1960 the ''St. Louis Globe Democrat'' newspaper named Floyd Gibson the Most Valuable Member of the Legislature.

With such credentials, President John F. Kennedy nominated him in 1961 to become a U.S. District Judge for the Western District of Missouri. Judge Gibson was named to the position of Chief Judge one year to the day of his September 1961 appointment. In June of 1965 President Johnson appointed Judge Gibson to the U.S. Court of Appeals for the Eighth Circuit. He served as the Eighth Circuit Chief Judge from 1974 to 1980 when he assumed senior status.

The Judge has received numerous awards and honors, as well as having been published on many occasions. A member of the Missouri, Kansas City, Federal, and American Bar Associations, Judge Gibson has distinguished himself through his legal work. He gives back to our community through his service on the Board of Trustees for the University of Missouri-Kansas City and as an Advisory Director to the Greater Kansas City Community Foundation.

A Kansas Citian for more than 80 years, Senior Judge Floyd Gibson is a critical part of our community's fabric and history. Through his decisions he has invoked a sense of equity and fairness that have benefitted our citizens. His work in codifying the probate statutes have improved the system significantly.

Mr. Speaker, it is my honor to salute a great friend and legal scholar of the bar, Floyd R. Gibson, Senior Judge for the U.S. Court of Appeals Eighth Circuit.

RECOGNIZING JUDY STANLEY

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, this Sunday, March 29, 1998, The Friends of Monmouth Battlefield will host their annual Molly Pitcher Awards Reception. The recipient of this year's Molly Pitcher Award is Judith Hurley Stanley, a lifelong resident of Monmouth County, New Jersey who has selflessly served the community in so many ways.

Mr. Speaker, Judy Stanley has been active in issues and causes at a local, county and state level for as long as I can remember. She has been involved in the health care profession and has held numerous positions in the Visiting Nurse Association of Central Jersey of which she currently serves as chairman. The Monmouth Medical Center and the Mid-Atlantic Health Group have also been blessed with Judy's involvement. The Governor recognized Judy's expertise in this area when she was appointed to the Statewide Health Coordinating Council.

Judy is also the founder and president of the Monmouth County Conservation Foundation. Generations of New Jersey residents will reap the benefits of Judy's efforts to preserve countless acres of beautiful open space in the Garden State through her activity in this organization and through her service on the Governor's Council on New Jersey Outdoors.

Beyond the preservation of open space, Judy has helped preserve the history of Monmouth County through her association with the Monmouth County Historical Association. And it is noteworthy that beyond the efforts to preserve space and facts, Judy's numerous associations in the area of education have illustrated her desire to share the facts, ideas, and knowledge that she has sought to maintain.

Mr. Speaker, Molly Pitcher's fame stemmed from her heroic service to our nation's troops during the Revolutionary War. During the War, Molly tirelessly refreshed the troops with pitchers of water. Judy Stanley truly exemplifies the true spirit of Molly Pitcher through her countless efforts to replenish and maintain Monmouth County and the state of New Jersey.

I would like to add my name to the extensive list of organizations, association, and clubs that have recognized Judy's outstanding service and extend my congratulations to her on this award.

SALUTE TO A GREAT AMERICAN

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. BILIRAKIS. Mr. Speaker, on March 25, 1998, I had the privilege of introducing a close friend of mine, Wayne Hitchcock, to the members of the House and Senate Committees on Veteran's Affairs. Wayne is the National Commander of the American Ex-Prisoners of War and was appearing to present his organization's legislative priorities to the Committees.

Throughout the history of the United States, in six major wars spanning 221 years, more than 500,000 Americans have been taken prisoner. Each of these courageous men and women has experienced horrors unimaginable and undefinable in the annals of civilized existence. Most endured long-term deprivation of freedom and the loss of human dignity. Wayne was among those 500,000 Americans, and I wanted to take a moment to share his story with my colleagues.

Wayne was reared on a farm in Indiana and entered the military in 1942. He was assigned to the Army Air Corps and sent to Aerial Gunnery School at Buckingham Air Base. He remained there as an instructor and later joined a combat crew and trained for overseas duty in B–24s.

Upon arriving in Foggia, Italy, his crew was assigned to B–17s. Wayne, flying as tail gunner, was short down on his 14th mission over Hungary. After a few infamous box car rides, he spent 13 months in Stalag 17B in Krems, Austria.

The camp was evacuated on April 8, 1945. The prisoners were marched across Austria and liberated on May 3, 1945 by Patton's Third Army.

Wayne was awarded, among others, the Air Medal with one Oak Leaf, the European Campaign Medal with four stars and the Prisoner of War Medal.

Upon returning home, Wayne became a homebuilder, land developer and real estate broker. He later returned to government service and retired after 30 years, including 23 years as postmaster.

Upon his retirement, he and his wife, Jo, moved to Florida. Since then, they have donated their time to the American Ex-Prisoner of War. Wayne has held office and served on essential committees at the department and national level since 1982. He was also instrumental in obtaining funds for the National Prisoner of War Museum at Andersonville, Georgia.

This past year, he served as Senior Vice Commander for the American Ex-POWs and as their National Legislative Chairman and Legislative Reporter. He was elected and installed as National Commander of the American Ex-Prisoners of War on September 27, 1997, at the 50th National Convention held in Tacoma, Washington.

Wayne is also a life member of the VFW, the American Legion and the DAV. His service to the community goes beyond his work for our nation's veterans. He also served as a Boy Scout master for 20 years and is a 40 year member of Lions International.

I have known Wayne and Jo since I became a member of Congress. Without question, they are among the finest people that I know.

Over the years, Wayne has served as a member of my veteran's advisory council. As a member of the House Committee on Veteran's Affairs, I have always valued his advice and support. He is a good friend and a great American.

CONGRATULATIONS ON THE 80TH ANNIVERSARY OF MARCH AIR BASE AND THE 50TH ANNIVERSARY OF THE AIR FORCE RESERVES

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. CALVERT. Mr. Speaker, the 43rd Congressional District has been fortunate to participate in the writing of United States military history. I take the floor today to praise and honor a military installation that is an important part of Riverside, California. For the past 80 years, March Air Reserve Base, as it is now called, has contributed to the defense of our country and made a lasting impression in the lives of many service men and women. The March community is currently celebrating a milestone—the 80th anniversary of the installation and the 50th anniversary of the Air Force Reserve.

As March Air Force Base, it witnessed many advances in aircraft technology, from the JN–4D ''Jenny'' which landed there in 1917, to the KC–10 which was housed at the base in the 1980's. On March 20, 1918, March Field was officially named in honor of Second Lieutenant Peyton C. March, who had been recently killed in a flying accident. From there, Captain William Carruthers took over as the field's first commander. Following World War I, March Field was forced to close its doors due to budget cuts. With the creation of the Army Air Corps in 1926, March Field soon reopened as a pilot training field, training such luminaries as Hoyt Vandenberg, Nathan Twining, Thomas Power and Curtis LeMay. March Field became an operational base in 1931 and in 1949 became a part of the relatively new Strategic Air Command. From 1949 through 1993, March Air Force Base served as an integral part of the Strategic Air Command and America's nuclear deterrent force, a logistical springboard for supplies and equipment during the conflict in Southeast Asia and an effective support for the United States' defensive posture. March Air Force Base received its first Reserve unit in 1960.

In 1993, March Air Force Base was selected for realignment. Knowing how important the base has been historically and realizing its significance for the future, I fought vigorously to insure that it remained open. From its inception as a dirt air strip to today, the base has been a key element in the advancement of aviation and the growth of the modern Air Force. The impact of March Air Reserve Base's contributions to the community and the nation will be appreciated for many years to come. As March Air Reserve Base restructures, I want to offer them my full support, encourage them to look to their future as a large and important Air Force Reserve Base and look forward to their continued contributions to the defense of the United States.

GREEK INDEPENDENCE DAY: A NATIONAL DAY OF CELEBRATION

SPEECH OF

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1998

Mr. LANTOS. Mr. Speaker, it is a distinct privilege and honor to congratulate the people of Greece on the 177th anniversary of their nation's independence. The Hellenic Republic has held high the torch of democracy since its inception in 1821, reflecting a love of freedom, justice, and self-government rooted both in its renowned history as well as in the exuberant spirit of its people. The ancient Greeks served as one of America's most inspiring examples during the creation of our Republic, and more recently has stood by our side as one of our closest and most loyal allies.

The governments of ancient Greece were the original laboratories of democratic government. Thousands of years ahead of their time, the leaders of these legendary city-states were powered by the then-revolutionary notion that the choices of individual voters could result in a fair, free, democratic government emboldened by the confidence of the populace and driven by the interests of its constituents. Centuries later, the lessons of their civic experiments would provide the intellectual foundation for the birth of America's own democracy. ''To the ancient Greeks,'' Thomas Jefferson once proclaimed, ''we are all indebted for the light which led ourselves, the American colonies, out of Gothic darkness.'

Forty-five years after the birth of the United States, the Greek people determined to fight to end their own ''darkness.'' Following both the examples of their forefathers and the encouragement of their American contemporaries, the Greeks rebelled against hundreds of years of domination by the Ottoman Empire. Their war of independence, which began on March 25, 1821, lasted seven years and received the full support of the young American nation. President James Monroe described the Greek struggle in 1822: ''That such a country should have been overwhelmed and so long hidden under a gloomy despotism has been a cause of unceasing and deep regret. A strong hope is entertained that these people will recover their independence and resume their equal station among the nations of the Earth.'' Six years later this battle for freedom ended victoriously, as the Greek people overcame seemingly insuperable odds to establish a modern state with the intellectual and moral strength to match their ancient predecessors.

The record of the Hellenic Republic shows the realization of this early promise. Greece has stood on the front lines of the fight for international justice as one of only three nations in the world outside of the British Empire to serve on the side of the United States in every major international conflict of this century. One our of every nine Greeks died while defending their country against Nazi oppression during World War II. During the half-century since that brutal conflict, a strong and principled Greece has worked with the United States as member of NATO, standing firm against communism and, in more recent times, the abridgement of human rights in the Balkans and elsewhere throughout the world. Throughout all of these obstacles, Greece's dedication to democratic principles has remained steadfast and proud.

Mr. Speaker, as a member of the Hellenic Caucus and on behalf of the citizens of California's Twelfth Congressional District, I am proud to commemorate the 177th anniversary of Greek Independence Day.

IN HONOR OF THE 100TH BIRTHDAY OF THE MARIA JEFFERSON CHAPTER OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

HON. TILLIE K. FOWLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mrs. FOWLER. Mr. Speaker, I am pleased today to offer my congratulations to the Maria Jefferson Chapter of the Daughters of the American Revolution on celebrating 100 years of service to northeast Florida.

The National Society of the Daughters of the American Revolution was founded in Washington, DC in October of 1890 with Caroline Scott Harrison, the wife of U.S. President Benjamin Harrison, as its first president. Just eight years later, on March 26, 1898, Saint Augustine, Florida became home to the Maria Jefferson Chapter of the DAR, named for the daughter of President Thomas Jefferson. I am proud to represent Saint Augustine, the nation's oldest city of European extraction, and proud to call many of the Chapter's members my constituents and friends. The Florida State Society of the DAR boasts 106 chapters with over 8,000 members.

Members of the Daughters of the American Revolution are descendants of those who aided in achieving American Independence. The National Society accepts service, with some exceptions, for the period between April 19, 1775 (Battle of Lexington) and November 26, 1783 (withdrawal of British Troops from New York). Among those ancestors with accepted service are signers of the Declaration of Independence, those with military service and those whose ancestors gave patriotic service in the Continental Congress, State Conventions and Assemblies, committees made necessary by the war, members of the Boston Tea Party, doctors and nurses and other rendering aid to the wounded and prisoners of war or refugees from occupying forces.

Those of us who have been to the DAR Constitution Hall, here in Washington, DC, have enjoyed the building's beauty and grandeur, courtesy of the devoted members of the DAR. However, because of the selfless way in which the members perform their community service, most of us have never heard what the DAR usually does on a daily basis. Members of the Daughters of the American Revolution are dedicated to the lofty goals of honoring our nation's historic forebears, preserving our nation's heritage and promoting education.

The members of the DAR not only honor their ancestors who have served our country, they themselves serve its citizens by visiting disabled veterans at their homes, in hospitals and in nursing homes. They sold recreational activities for patients such as carnivals and picnics and participate in special programs for homeless veterans such as medical and social screening and providing buddy bags. Some chapters give special support to needy, individual women veterans and participate in special women's health care programs. This year, five chapters in Florida are raising special funds towards the purchase of a van to transport veterans between medical appointments.

The DAR works with schools to help instill historical awareness and pride in our country by presenting medals and college scholarships and provide boarding schools for underprivileged children. DAR members also present American flags to schools and other public institutions and sponsor historic plaques.

I am thrilled to be able to use this opportunity to call attention to the work of the National Society of the Daughters of the American Revolution, Saint Augustine's Maria Jefferson Chapter and the Chapter's regent Jane Rhea Douglas for their selfless and important work on behalf of our nation's veterans both past and present.

Congratulations Maria Jefferson Chapter on your 100th birthday. I send to you my sincere wishes that the new millennium may hold in store many more years of commendable service to our community.

CURBING UNAPPROVED UNION SPENDING

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PACKARD. Mr. Speaker, last week the AFL–CIO announced that it would launch a campaign against California Proposition 226, the June 2 referendum that suspends labor unions' incessant practice of contributing portions of dues to political campaigns that their members may oppose. This initiative and others like it in states across the country require unions to receive approval from union members before contributing dues money to political entities.

Labor organizations feel that their role in the political arena would suffer if they were forced to tell the truth about union dues. Mr. Speaker, the issue here pertains to individuals' hard-earned wages, not the unions ability to influence government. Working Americans must be assured of their right to decide where to spend their paychecks. The overbearing role that the forced-membership labor groups have played in the lives of dedicated men and women is appalling.

I find it unbelievable that, in a nation that guarantees liberty and justice for all, unions can force members to fund political campaigns that they do not support. Proposition 226 and similar initiatives in 30 other states would put an end to this injustice.

Mr. Speaker, we must do our part in this fight against ruthless labor unions and the obtrusive role that they have played in the lives of so many Americans. Curbing unsolicited political donations from union members is a good place to start.

EXTENDING THE VISA WAIVER PILOT PROGRAM

SPEECH OF

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2578) to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and to provide for the collection of data with respect to the number of nonimmigrants who remain in the United States after the expiration of the period of stay authorized by the Attorney General:

Mr. DAVIS of Illinois. Mr. Chairman, I rise today in support of HR 2578, a bill to extend the visa waiver pilot program till the year 2000. The current law is a good measure and is expected to red line this April 30, 1998.

I think it is important to allow tourists and business travelers from many Western European countries as well as Australia and Japan to come here for business and for pleasure. It boosts the economy and it allows people to see our great country first-hand. However, I also believe that the visa waiver pilot program should be extended to other countries, such as; Greece, Portugal, and South Korea. Thus, I support the Pombo-Frank-Kennedy-Pappas amendment.

Furthermore, this amendment supports an increase in the visa refusal rate from 2% to 3% in order to support other countries taking part in the tourist visa waiver program. However, I would like to mention that the refusal rate process is in need of new measures in deciding who receives a visa waiver.

I cannot tell you how many letters I write every single day to U.S. Embassies abroad, asking them to reconsider their visa denials of my constituents. In many cases, there is no solid basis for the denial, rather it is a class issue. They want to make sure that those individuals traveling abroad are leaving behind property, bank accounts, jobs, etc. If not, often times their visas are denied. Are these people not coming here to visit family and friends? Are these people not going to visit our country and spend money—will this not boost the economy? We cannot deny visas to those individuals wanting to come to this country at face value. What substantive basis does this derive from?

Mr. Speaker, for the aforementioned reasons, I rise in support of the bill coupled with the Pombo-Frank-Kennedy-Pappas Amendment.

RECOGNIZING PAUL SAUERLAND

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, on Friday, March 27, 1998 the Hunterdon County YMCA will recognize Paul C. Sauerland, Jr. as its Man of the Year with its 1998 Lend-A-Hand-to-Youth-Award.

Paul's longtime and wide ranging service to the community, county and state have earned him this well deserved recognition.

Since 1991, Paul has served as a Freeholder in Hunterdon County, New Jersey. His service to the county though began a long time before his first election to the Freeholder Board. He has been actively involved in numerous county boards, councils, and committees ranging in issues from transportation, housing, planning, human services, to health care.

Beyond the service that Paul has given to his local and county government, he has also served his state and country through his service of over thirty years as a member of National Guard.

Mr. Speaker, Paul has also been dedicated to serving the youth of his area. Through the many roles and positions that he has held in the local chapters of the Boy and Girl Scouts, he has helped to educate the youth of his community and instill in them a sense of community service and awareness. He has given of his time and knowledge so that young people have a greater opportunity of learning the values and skills that are needed to succeed. The participants of these programs represent the future leaders of our communities, state and country. Paul should be commended for his valuable contribution to our future.

I would like to congratulate Paul on this award. His service to the community is one that we are able to share in.

IN HONOR OF THE STRONGSVILLE RECREATION AND SENIOR COMPLEX

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. KUCINICH. Mr. Speaker, I rise today to announce the opening of the Strongsville Recreation and Senior Center, a state-of-the-art facility with something for everyone in Strongsville, Ohio.

After nearly a decade of planning and construction, the 157,000 square foot facility opening this month will provide a variety of health, fitness, leisure, and cultural activities to everyone in the community. The residents of Strongsville expressed their collective need for such a complex when they approved a one-half percent increase in the city income tax in 1993 to fund construction. Now, they no longer have to leave their community to participate in fitness classes, or senior programs.

The Complex promises to be a popular place for fitness enthusiasts who will enjoy the swimming pool, gymnasium, cardio-conditioning area and strength training center. Young people from the community can entertain themselves in the game area playing pool, air hockey and video games. Parents will appreciate the child care services offered. Seniors will gather for craft classes, socializing, and the wellness clinic. In short, the health and quality of life for everyone in Strongsville will improve greatly with the opening of this Complex.

My fellow colleagues, please join me in recognizing dedication of the residents of Strongsville to building largest Recreation and Senior Complex in Ohio, and in congratulating Strongsville mayor Walter Ehrnfelt and the city council for their contributions to improving the quality of life in their fine city.

RECREATION, SENIOR COMPLEX TO BENEFIT ENTIRE COMMUNITY

After nearly a decade of planning, discussions and actual construction, the new Strongsville Recreation and Senior Complex will open this month, providing the community with a state-of-the-art facility with 21st Century amenities for everyone who lives or works full time in the City of Strongsville.

The unique 157,000-square-foot facility, which is the largest of its kind in the State of Ohio, is dedicated to improving the quality of life in Strongsville by providing a wide variety of leisure and cultural activities, special events, facilities and services that encourage health, fitness, relaxation, enjoyment, cultural enrichment and learning, as well as providing opportunities for community involvement.

As Mayor Walter F. Ehrnfelt points out, the center is family-oriented and offers something for everyone.

''This recreation and senior complex is designed to satisfy the needs of seniors, of young people and of everyone else so that we can all enjoy a greater quality of life within the City of Strongsville,'' the mayor said, adding:

''We do not have to leave our home (community) for physical fitness classes, senior programs, health care services and even a food program. This facility covers the spectrum for all generations in Strongsville now and in the future.''

Planning for the center actually started back in 1989 when a committee of various individuals in the community studied and identified the recreational needs of the city.

Committee members and city officials worked with numerous architects and engineering firms with extensive experience in building recreation centers and sports complexes to determine what was needed to make a great recreation/senior facility.

The project moved closer to reality in 1993 when the city's voters approved a one-half percent increase in the city income tax.

''City Council financed the complex out of the general fund with money generated from the additional income tax which was provided by businesses through jobs within the city,'' the mayor said.

''We now have the finest recreation/senior facility in the State of Ohio and perhaps in the country for a reasonable charge.''

Membership packages are available at special rates for city residents and for anyone who works full time for a business located in the city.

Mayor Ehmfelt said the city is asking for nominal membership fees to offset the cost of operating the facility, which is estimated at $1.8 million per year.

In a letter of invitation to the community, the mayor said, ''The completion of the new Strongsville Recreation and Senior Complex brings our residents a facility that compares to no other in the State of Ohio. This facility is another great step for Strongsville's future and continues in providing the very best for all citizens.''

''Please take the time to visit and become a member and use the facility to the maximum to improve and maintain your health and quality of life. Remember to use the facility. . . . Just for the 'Fun of it.'''

RECREATION CENTER

Central attraction in the recreation area is the Aquatics Center which features an eight-lane, 25-yard-long competition pool with three diving boards and a bleacher seating area for approximately 500 spectators.

Another highlight of the center is the activity pool with zero depth entry, a circular water slide and even a pirate's ship with a water cannon. The aquatics area also has steam and sauna rooms and an 18-person whirlpool.

The four-lane indoor track circles the upper level of the recreation area. Thirteen laps are the equivalent of one mile.

The main gymnasium has two high school regulation basketball courts and a volleyball area. The auxiliary gym is a utility gymnasium which can be used as one high school regulation basketball court, volleyball, indoor soccer, and tennis.

The cardio conditioning area on the upper level is equipped with treadmills, stair steppers, bikes, ski machines, rowing machines, Gravitron and AB trainers.

The strength training center on the complex's lowest level offers Nautilus ZST resistance training equipment, plate loading equipment, free weights, and accessories.

A popular spot for teens will be the game area on the main level which is equipped with billiard tables, air hockey and foosball machines, video/arcade games and snack, soft drink and juice/water vending machines.

The Recreation Center also features two wood floor aerobics and activity studios (1,400-square-foot each), meeting and conference rooms, a tot room for morning and evening child care services and two sets of locker rooms for men and women.

The center, which has ten full-time employees and 75 part-time employees, will be open from 6 a.m. to 10 p.m. Monday through Friday 9 a.m. to 6 p.m. Saturday and 11 a.m. to 5 p.m. Sunday.

SENIOR CENTER

The spacious Senior Center located at the west end of the complex is designed to promote the physical, emotional, social and intellectual well-being of all seniors in the community.

A major attraction is the Community Room which has a casual and comfortable atmosphere where people can relax, read a book, watch TV, visit and hold meetings.

The back porch off the Community Room is equipped with benches where guests can relax and enjoy the view of the city park.

The center also has a woodworking room which will be used for classes and open shop time; a craft room for quilting, knitting, sewing, needlepoint and other projects; two meeting rooms for seminars, lectures and club meetings; an art room for all types of projects, and a wellness clinic which will be operated in partnership with community health care providers.

A wide variety of activities will be offered for seniors. Including arts and crafts, line dancing, card games, bingo, physical fitness programs and many types of educational and fun classes.

More information on the senior programs can be obtained by calling the center at 238–7111.

CULTURAL CENTER

The Cultural Center on the complex's main floor is a common area which will be shared by users of both the recreation and senior centers. It seats 400 at tables and chairs and has an area of entertainment.

The center will be open to the public for breakfast from 6 a.m. to 10 a.m. Monday through Friday and for discounted lunches for seniors each weekday at noon.

The dining area and many of the other facilities in the recreation/senior center will be available for rental by the public for nominal fees.

GRAND OPENING

Everyone in Strongsville is invited to come and join the fun and excitement during the Community Open House Monday, March 16, through Saturday, March 28, and for the Ribbon Cutting Ceremonies on Sunday, March 29.

The Strongsville Chamber of Commerce joins with Mayor Walter F. Ehrnfelt and other city officials in welcoming the opening of this state-of-the-art facility and encourages everyone to join the Strongsville Recreation and Senior Complex . . . Just for the ''Fun of it.''

TRIBUTE TO GERALDINE CLAWSON

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. SPRATT. Mr. Speaker, I rise today to honor one of my constituents, Geraldine Clawson, of Chester, South Carolina.

Geraldine Clawson, a former nurse, has spent countless hours as a volunteer in her community, working to help those struggling with homelessness, spousal abuse, alcoholism, and drug dependency. The organization she founded, ''The Turning Point,'' offers counseling, an emergency food bank, a 60-day treatment program for drugs and alcohol, a women's shelter, and a program for abused or homeless women.

Because of her selfless dedication to those in need, Geraldine Clawson received the Jefferson Pilot Award for Public Service in 1993 and the Delta Sigma Phi Sorority Community Service Award in 1994.

Mr. Speaker, it gives me great pleasure to recognize the outstanding volunteer work of Geraldine Clawson.

TRIBUTE TO THE U.S. VIETNAM VETERANS OF SOUTHERN CALIFORNIA IN RECOGNITION OF THE 25TH ANNIVERSARY OF THE END OF HOSTILITIES OF THE VIETNAM CONFLICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. TORRES. Mr. Speaker, I rise to pay tribute to the men and women who faithfully served our nation during the Vietnam Conflict, 1954–1973, on the occasion of the 25th anniversary of the end of hostilities in the Vietnam Conflict.

On Sunday, March 29, 1998, the U.S. Vietnam Veterans of Southern California, Montebello Veterans of Foreign Wars Post 2317, and the City of Montebello will host a special ceremony at the Montebello City Memorial Park in observance of the patriotic service of our Vietnam veterans. At this special event, local veteran's organizations, including the Montebello VFW Post 2317, Brother's of Vietnam, Vietnam Veterans Association, Disabled American veterans, Hispanic Airborne Association, and the American Legion Post 323, will come together with the community and local elected and military officials to commemorate the 25th anniversary of the end of hostilities in the Vietnam Conflict.

I commend the members of the U.S. Vietnam Veterans of Southern California for bringing together this patriotic salute to the brave men and women who answered our nations call during the Vietnam Conflict. I proudly salute the membership of the local chapter of the U.S. Vietnam Veterans of Southern California: President Michael Delgado (USMC), Vice President Gale Hulett (USAF), Secretary Gilbert Perez (USA), Treasurer Augustine Auggie Galaviz (USA), Champlain Lance Campbell (USMC), and Color Guard Jose Garcia (USA).

Members who served in the United States Army: Tom Aki, Robert Barrientos, Manny Calazada, Bernie Castaneda, Rudy Espinoza, Henry Galindo, Frank Garza, John Gomez, Mel Henfenfeld, Barry Hardy, Bill Harrell, Lou Hernandez, Marty Intergrand, Ed Kwan, Ed Lara, Romero Lopez, Robert Mejia, Carlos Mendez, John Nay, Frank Nieto, Oscar Ornelas, John Paniagua, Robert Preciado, Manny Ramos, Miguel Reyes, Russ Rivera, Rob Robinson, Ed Rodriguez, Bobby Rodriguez, John Williams, Ignacio Zararte, David Cardenas, Richard Gallego, Louis Guillen, Norman Hagelstorm, Michael Hambelton, Michael Montalvo, Henry Morales, Jr., Albert Rodriguez, Tony Rodriguez, Rudy Rubio, John Sanchez, Leonard Xiochiva, Salvador Pinon, and Ralph De La Torre, Jr.

Members who served in the United States Marine Corps: Carlos Aldona, Ted Barragan, Dave Castillo, David De La Cruz, John Leisure, Rudy Loera, Guillermo Gonzales, Leroy Martinez, Tony Morris, Don Usery, Richard J. Acuna, Robert A. Galis, Javier Gallardo, Henry Garcia, Arthur J. Hurtado, Roger Ortega, and Donald Snyder.

Members who served in the United States Navy: Pete Aragon, Rod Cargonell, John Schembari, Mich Slleck, Pete Walker, Carlos Gomez, Charles A. Holling, and Joe V. Ugarte.

Members who served in the United States Air Force: Joe Balli, Memo Munoz, and William Aguilar.

Mr. Speaker, at this special event ceremonial recognition will be given to our nation's POW/MIA's and to the thousands of men and women who gave the ultimate sacrifice in service to our grateful nation. It is with pride that I ask my colleagues to join me in saluting and paying tribute to our American Vietnam Veterans and their families for their selfless sacrifice in service to our country.

HONORING THE LIFE OF CHARLES HATCH STODDARD

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. VENTO. Mr. Speaker, I rise to offer my condolences to the family of Charles Hatch Stoddard, a former and courageous Interior Department official who made a significant contribution to the quality of life of his fellow Minnesotans and all Americans.

In the late 1960's Mr. Stoddard, then a top regional official at the U.S. Department of the Interior, coordinated a study of taconite wastes that a company was dumping into Lake Superior. He found that these asbestos fibers were harmful to human health, but was savagely attacked by opponents who claimed his report was biased and unsubstantiated. Stoddard's health findings, however, were ultimately upheld by federal courts and applauded by the Secretary of the Interior and all the public.

Mr. Stoddard served the United States in several other respects. He was a Naval Reserve officer in World War II, worked as an

employee of the U.S. Forest Service, and held such important posts as Assistant Secretary and director of the Bureau of Land Management.

He was also a highly acclaimed conservationist, one of our nation's most effective environmentalists, spending a year as President of the Wilderness Society.

I have attached Mr. Stoddard's obituary from the Minneapolis Star Tribune for my colleagues' review. It highlights his courage in bringing to the public's attention a matter that was crucial to their health and the health of their children in Minnesota and was repeated many times. The values and integrity that guided his decision and work reflect well upon the purpose of public service and the impact a good man can make.

I applaud Mr. Stoddard and present his model of courage yesterday as a benchmark for the environmentalists and policy making for citizens today and tomorrow.

[From the Star Tribune, Dec. 30, 1997]

CHARLES STODDARD DIES; HE PLAYED KEY ROLE IN RESERVE MINING CASE

A CONTROVERSIAL 1968 INTERIOR DEPARTMENT STUDY HE HEADED SAID TACONITE TAILINGS WERE POLLUTING LAKE SUPERIOR

(By Dean Rebuffoni)

Charles Hatch Stoddard was a besieged man 29 years ago.

As a top regional official of the U.S. Interior Department, Stoddard, who died Thursday at 85, had coordinated a major federal study on the taconite wastes that Reserve Mining Co. of Silver Bay, Minn., was dumping into Lake Superior.

Although the study had just been completed, it hadn't been released to the public.

However, Stoddard had provided copies to Reserve, which quickly went over his head to Interior Secretary Stewart Udall.

The company urged Udall not to release the study, arguing that it was riddled with errors. Some critics suggested that Stoddard, a Democratic political appointee and longtime conservationalist, was biased against Reserve.

Reporters were constantly calling Stoddard's office in Duluth, seeking information about the study.

Also, Stoddard knew that he'd have to resign soon from his federal post: Richard Nixon, a Republican with strong political ties to Reserve, was about to be inaugurated as president.

So Stoddard decided to release the study without Udall's approval.

On Jan. 16, 1969, the biggest headline on the front page of the Minneapolis Tribune read: ''U.S Study Finds Taconite Tailings Pollute Superior.''

The study, which quickly became known as ''the Stoddard Report,'' made him a hero among conservationists.

Udall, however, told Congress that the study was ''a preliminary staff report,'' a statement that Reserve repeatedly cited in its effort to discredit it.

The study also was attacked by U.S. Rep. John Blatnik, a Duluth Democrat who called it a preliminary report with no official status.

Ultimately, Stoddard was vindicated by the federal courts, which ruled that Reserve was polluting Lake Superior with potentially injurious asbestos-type fibers.

Reserve was fined more than $1 million and shifted its taconite wastes to an onland disposal site.

Udall eventually retracted his statement, telling the New York Times that the study was an official Interior Department report.

He said his original discrediting of it was prompted by concerns raised by Blatnik, who in 1969 was a powerful politician whose support on many issues was needed by the Interior Department. Blatnik died in 1991.

Udall's recanting also was vindication for Stoddard, who died Thursday at a nursing home in Spooner, Wis. He had suffered from Parkinson's disease for several years.

''Chuck Stoddard was a fearless public servant,'' said Grant Merritt, a Minnesota conservationist who played a key role in the campaign to end Reserve's discharge into Lake Superior.

''Chuck did his job regardless of the heat he had to take,'' Merrit said. ''The Stoddard Report gave us the scientific basis we needed to seek on-land disposal of Reserve's tailings.''

Stoddard was born in Milwaukee in 1912 and earned bachelor's and master's degrees in forestry from the University of Michigan in the 1930s. He later did graduate studies at the University of Wisconsin and at Princeton.

He was a Naval Reserve officer during World War II, and while serving in the South Pacific, he discovered a species of tropical tree that later was named after him: *Mastixiodendron stoddardii.*

He had several stints as a federal employee specializing in conservation issues, including work as a U.S. Forest Service economist in the 1930s.

During the late 1940s and early 1950s, he was a private forestry consultant in Minnesota and Wisconsin and was active in several conservation groups.

From 1955 to 1961, he worked for Resources for the Future, a nonprofit conservation research organization based in Washington, D.C.

Stoddard also was involved in Democratic Party politics, and during the 1960 presidential campaign, he worked first for candidate Hubert Humphrey, then as an adviser to John F. Kennedy on conservation issues.

After Kennedy was elected, Stoddard was named an assistant secretary of the Interior Department and, later, was appointed director of the Bureau of Land Management.

After retiring from federal employment, he served for a year as president of the Wilderness Society.

He wrote numerous reports on environmental issues, often focusing on land-use matters, and was the author or coauthor of three books on forestry and conservation practices.

Shortly after the lawsuit, *United States v. Reserve Mining Co.,* went to trial in 1973, Stoddard encountered the trial judge, Miles Lord, in a hall of the federal courthouse in Minneapolis.

''Do you know me, Judge Lord?'' he asked. When Lord said he didn't, Stoddard explained: ''I'm the guy who got you into this.''

Stoddard is survived by his former wife, Patricia Coulter Stoddard of Duluth; a daughter, Abby Marrier of Milaca, Minn.; four sons: Charles Jr. and Paul, both of St. Paul, and Glenn and Jeffrey, who live in Wisconsin, and five grandchildren.

A private memorial service will be held at Wolf Springs Forest, the Stoddard family's nature preserve near Minong, Wis. The family suggests that memorials go to the Sigurd Olson Institute for Environmental Studies at Northland College in Ashland, Wis.

THE MEDICARE HOME HEALTH EQUITY ACT OF 1997

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, it is my privilege to introduce today The Medicare Home Health Equity Act of 1997. This legislation will return equity to the Medicare system of reimbursing home health agencies for the valuable care they provide throughout our country.

The Balanced Budget Act of 1997 had the unintended effect of creating an inequity in the way Home Health Agencies are reimbursed for services provided to America's seniors and the chronically ill through Medicare. My legislation will correct this inequity and accomplish the following:

The Medicare Home Health Equity Act removes the IPS penalty on cost-efficiency and levels the playing field. The Interim Payment System (IPS) inadvertently penalizes cost-efficient home health agencies (HHA) by basing 75% of agencies' per patient payment limits in fiscal years (FY's) 1998–99 on their FY 1994 average cost per patient. Because an agency's average cost per patient in FY 1994 is based on the number of visits the agency provided per patient that year, agencies that provided the most visits to patients—regardless of whether the care was medically necessary or not—now have the highest per patient cost limits. As a result, high-cost agencies continue to receive a disproportionate share of Medicare home health dollars. This outcome is the opposite of what Congress sought last year.

The Medicare Home Health Equity Act is budget neutral according to Price Waterhouse. It does not bust the balanced budget agreement reached last year. It also does not jettison the many good steps taken in the Balanced Budget Act to address the very real problems of fraud and abuse in the Medicare home health benefit. However, it does address the one provision that rewards high cost agencies and penalizes low cost agencies.

The Medicare Home Health Equity Act moves Medicare home health reimbursement more quickly to prospective payment by basing payments on national and regional cost data rather than on agency-specific data. Prospective payment will bring Medicare home health expenditures under control by reversing the incentive under cost-reimbursement to maximize patient costs. The incentive for HHAs under prospective payment will be to manage costs efficiently over an episode of care. Prospective payment in hospitals has demonstrated that this can be done while maintaining high quality of health services.

The Medicare Home Health Equity Act recognizes that Medicare home health costs have been managed effectively in 34 states. The average cost per patient in these states is below the national average cost per patient. Agencies in these states should not be penalized by the higher than national average costs experienced in 16 states.

The Medicare Home Health Equity Act will not harm patient care by lowering the per beneficiary cost limit for home health agencies with costs above the 75% national—25% regional cost limit. HCFA data shows little difference among types of home health agencies (e.g. non-profit, for-profit, hospital-based, government-affiliated) in regard to their level of

patient ''case-mix''—or level of patients with similar conditions (from minor to severe). Therefore, it is hard to believe that high costs must be protected by the current IPS agency-specific formula when VNAs and other cost-efficient agencies provide high quality care to diverse populations at less than national average costs.

Mr. Speaker, I urge my colleagues to join me in restoring home health care equity by cosponsoring this important legislation.

PERSONAL EXPLANATION

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. KLECZKA. Mr. Speaker, on Wednesday, March 25, 1998, I was granted an Official Leave of Absence to attend a family funeral.

As an elected Representative of Wisconsin's Fourth Congressional District, I have responsibility to my constituents to inform them of the votes from yesterday and to apprise them of how I would have voted.

The following indicates how I would have voted on Rollcall Votes Nos. 68, 70 and 71.

Rollcall No.	Bill No.	Position
68	H.R. 2589 (McCollum Amdt.)	No
70	H.R. 2578 (Pombo Amdt.)	Yes
71	H.R. 2578	Yes

The outcome would have been no different on any of these votes if I had been present.

RESTORE FAIRNESS TO MEDICARE'S HOME HEALTH CARE SYSTEM

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. SMITH of New Jersey. Mr. Speaker, today I am joining with my good friend and colleague, Rep. MIKE PAPPAS, in introducing legislation to restore fairness and equity to the Health Care Finance Administration's (HCFA's) new Medicare reimbursement program for home health care.

This new Medicare reimbursement program, known as the ''Interim Payment System'' (IPS), is based on an incomplete and inequitable funding formula which directly jeopardizes home health care agencies and the elderly they serve in my state.

The value of home health care is obvious. All of us intuitively know that enabling our seniors to receive quality, skilled nursing care in their own homes is preferable to other, more costly, sometimes isolated, settings. Senior citizens receive the peace of mind from familiar settings and their loved ones close at hand. And the cost savings to Medicare from proper use of home health care are considerable.

The legislation we have introduced today corrects several flaws contained in the IPS formula and assures fair and reasonable Medicare reimbursement for quality home health care. This bill is a good complement to another legislative effort (H.R. 3108) I am supporting with fellow New Jersey Representative JIM SAXTON. The Pappas-Smith bill is more targeted and limited in scope, focusing on equity issues between home health care agencies, while H.R. 3108 is broader in application and primarily deals with providing more resources to all home health agencies.

One thing that both bills address, however, is the need to reform the IPS. If left unchanged, the IPS will cut Medicare reimbursement for home health care in New Jersey by $25 million in fiscal year 1998 alone. Several agencies in New Jersey could lose $2 million or more in anticipated reimbursement for homebound Medicare patients.

One of the most unfair aspects of the IPS is that it seeks to treat efficient and inefficient home health agencies alike, despite the fact that average utilization rates in New Jersey's agencies—43 visits per beneficiary served in 1996—are far lower than the national average of 74 visits that year.

Because the IPS reimbursement rates for each home health care agency are linked to earlier utilization rates and costs, agencies that were efficient and honest all along still find themselves struggling to squeeze another 12 to 15 percent reduction in aggregate reimbursement rates from already lean operations—a very tall order indeed. Meanwhile, agencies in other parts of the country with abnormally high home health costs and utilization rates are permitted to use base year utilization rates that were badly inflated in the first place. Thus, they will continue to receive high reimbursement rates because they had inflated costs in the past. The IPS, therefore, effectively punishes efficient operations and does not comprehensively address the problem in areas with inordinately high home health utilization statistics.

For example, home health agencies serving senior citizens in NJ will only receive enough funding to provide as few as 30 to 35 visits per patient. Meanwhile, agencies in other parts of the country—such as Tennessee and Louisiana—may continue providing their patients with almost triple that number of visits at twice the cost per visit. Disparities of this magnitude are inherently unreasonable and unfair, and must be corrected.

There is no reason whatsoever why the senior citizens of New Jersey should receive less quality care than senior citizens of any other state. While I understand that special circumstances in other states and counties will always generate some variation in home health car usage, the disparities that are enshrined in the IPS are simply absurd. Are Louisianans and Tennesseans that much sicker or that much more frail that they need to receive 100 or more visits per person? And how can the costs of treating these patients in other states be significantly higher than New Jersey? The wage rates and cost of living indexes in many of these high utilization states are among the lowest in the entire nation. Senator JOHN BREAUX stated that in Louisiana, there are more home health car agencies than there are McDonalds restaurants. Clearly, something is amiss.

In response, our bill—which we have strived to craft in a budget neutral manner—restores fairness and equity to the Interim Payment System in the following ways:

First, our bill will protect efficient home health agencies from drastic cuts in Medicare home health reimbursement through the IPS. Under our legislation, we provide relief from the Interim Payment System for those home health care agencies whose average cost per patient served, as swell as their average number of visits per patient, are below the national average. In this manner, agencies that have been doing a good job in keeping their cost structures under control will not be punished for their own best efforts.

The second provision contained in our bill restores the per visit cost limits for home health agencies to their September 1997 levels. The reason for this change is based on an assessment that unless this change is made, it will be virtually impossible for home health agencies to reduce their average number of visits per patient, and still live within their cost limits.

The provision is a matter of basic math: if an agency is to reduce its average number of visits per patient—as HCFA demands—it must do more with each visit. However, if an agency fits more activities and services into each visit, then by definition its costs per visit are going to rise significantly. So while the number of visits per patient will fall, its costs per patient will rise to some extent, because more services are being performed in an attempt to make the most out of each home health visit.

Under our bill, home health agencies will reduce their visits per patient and still operate within realistic per visit cost limits. HCFA's per visit cost targets, upon close examination, are unrealistic and will not allow home health agencies to accomplish the goal of more efficient home care.

Lastly, our legislation will give the Secretary of Health and Human Services the flexibility to make special exceptions for home health agencies treating unusually expensive patients. Among the problems with the IPS is that as initially implemented, the IPS gives providers a perverse incentive to avoid treating critically ill, chronic, or more expensive patients. Unlike a fully implemented prospective payment system (PPS), the Interim Payment System (IPS) makes no attempt to distinguish between agencies that are simply inefficient and agencies that are treating a disproportionately sicker patient population. Our legislation creates a mechanism for financially pressed home health care agencies to address and care for unusually expensive patients.

Mr. Speaker, this legislation is balanced and carefully crafted to make improvements to the Medicare Interim Payment System. It is designed to be budget neutral. It will enable our senior citizens to continue to receive high quality, medically necessary home health care services. It also will appropriately target federal efforts to reduce waste and fraud in the Medicare program. I urge all of my colleagues to consider this legislation and support our efforts to protect the homebound Medicare patients who are now at risk.

HONORING THE JEWISH HERALD-VOICE

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. BENTSEN. Mr. Speaker, I rise to congratulate the Jewish Herald-Voice as it celebrates 90 years of uninterrupted weekly publication on April 1, 1998. Established in 1908,

The Jewish Herald-Voice has a rich tradition of serving and reflecting the pride of the steadily growing Jewish communities in the Greater Houston and Gulf Coast areas.

Published weekly, plus two annual holiday magazines for Passover and Rosh Hashanah, this award-winning publication is read by almost every Jewish household in the area. Besides covering national and international news and events from over 90 local Jewish organizations, the Herald publishes monthly specialty pages for the Greater Southwest Houston Chamber of Commerce, seniors, parents of young children, party planners, plus weekly pages devoted to business, medical issues, singles, food, arts, and entertainment.

Three families have been responsible for this exceptional continuity; founder, Edgar Goldberg—1908–1937; David H. White—1937–1973; and Joe and Jeanne Samuels—1973–present. Not only is this the 90th anniversary of the paper, but also Joe and Jeanne Samuels' 25th Anniversary as owners and publishers of The Jewish Herald-Voice.

Ninety years ago, Edgar Goldberg envisioned a newspaper that would reach everyone in Houston's diverse Jewish community, crossing denominations, transcending organizational boundaries and providing a platform for every Jewish citizen regardless of affiliation. Goldberg started with a circular, the Houston Jewish Bulletin in 1907; then in 1908, the first edition of The Jewish Herald began publication.

In 1914, appealing to Jewish communities statewide, Goldberg created an advertising slogan—''Texas News for Texas Jews''—and changed the paper's title to The Texas Jewish Herald. Throughout the prosperous years of the 1920s, The Texas Jewish Herald grew in circulation and content. The Great Depression struck the Herald hard and Goldberg was forced to scale the paper back to four pages from its usual eight. The paper was his livelihood and as long as the U.S. Postal service would cooperate, he was determined to carry on. In 1933 Goldberg grew weary at fighting the battle to keep the paper afloat. While deciding to put the paper up for sale, Goldberg was diagnosed with cancer. Sadly, he died in 1937, 29 years after his first edition of the Herald went to press. Goldberg's wife, Esther, maintained control of the paper for several years but she, too, grew weary from the effort from the effort and agreed to sell.

The chain of weekly Jewish Heralds continued unbroken when David H. White, publisher of the recently established Jewish Voice in Houston, purchased The Texas Jewish Herald. Preserving the name of both publications, White continued Goldberg's legacy, renaming the paper The Jewish Herald-Voice. Throughout the 1940s the Herald-Voice continued to grow as White instituted additional columns and special holiday editions, creating a reflection of the times.

In 1972 when David White died, his wife, Ida Schwartzberg White, who worked by his side throughout the years, stepped up to edit and publish the Jewish Herald-Voice during the remainder of the year. Shortly thereafter, she sold the highly successful D.H. White Company printing plant and began to search for a successor to continue publishing the Jewish Herald-Voice.

A casual conversation with a neighbor prompted Joseph W. Samuels to telephone Murray White, David White's youngest brother and part owner of the Jewish Herald-Voice. In April of 1973, Joe and his wife Jeanne F. Samuels purchased the 65-year-old paper. It was a dream come true for Joe, whose father, Morris Samuels, a printer in Dallas, had planned to begin his own Jewish newspaper.

What Joe Samuels and Jeanne purchased 25 years ago was the name and reputation of a 65-year-old weekly newspaper, a mailing list of less than 3,000 subscribers, its payables and receivables, together with archives, a typewriter, two desks, two chairs and two filing cabinets. Over the past 25 years, they have nurtured the paper, more than doubling the number of subscribers and increasing its size from 8–12 pages to 36–80 pages.

Since 1994, when the Jewish Herald-Voice entered its first newspaper competition, it has received various awards each year. The Herald-Voice has received award recognition from the Texas Press Association, Gulf Coast Press Association, and the American Jewish Press Association, as well as honors from local Jewish agencies and organizations. Most recently, in 1997, the Herald received two awards from the American Jewish Press Association: first place for Excellence in Special Sections covering ''Educational Alternatives: Where Do They Go From Here?'' and second place for Excellence in Overall Graphic Design.

The Herald-Voice continues to grow and constantly endeavors to broaden its scope and appeal for readers and advertisers, alike. It is comforting to know, that the next generation, the Samuels' daughter, Vicki Samuels Levy, who has headed the advertising department for many years and knows the operation of the paper, is destined to take the reins one day as owner and publisher of the Jewish Herald-Voice.

Mr. Speaker, I congratulate the Jewish Herald-Voice on 90 continuous years of excellence in journalism and the current owners and publishers, Joe and Jeanne Samuels, who have successfully continued the founder's dream. Ever since it was established in 1908 by Edgar Goldberg, the Herald has upheld the promise of remaining the voice of the Jewish community of Greater Houston and the Texas Gulf Coast.

TOWN OF ONONDAGA CELEBRATES BICENTENNIAL

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. WALSH. Mr. Speaker, as a newly born nation expanded and grew two centuries ago, townships in America sprouted amidst the excitement and despite great obstacles. Such a town was mine, the Town of Onondaga, which this week celebrates its 200th Birthday.

Although many of the festivities will occur this summer, culminating with a Bicentennial Parade on August 15, many are focused now on the Annual Dinner Dance April 4.

I would like to thank the entire Town of Onondaga Bicentennial Committee for their important and historic work. I would ask my colleagues to join me in congratulating this fine group of civic leaders for their dedication to preserving the history which guides us into our future.

They are: L. Jane Tracy, town historian and co-chair; Thomas Andino, Jr., town supervisor and co-chair; David and Cathy Hintz; Ken Pienkowski; Gwynn Morey; Beatrice Malfitano; Mr. and Mrs. Willie Royal; Bonnie Romano; Gary and Karen Livent; Suzanne Belle; Mary Ryan; Charles Petrie; Donald Hamilton; Dorotha Schmitz; Leo Kelly; Margaret Chesebro; Jeanne Tanner; and Dan Willis.

On a related note, I am very proud to be one of three Onondaga residents in town history to have represented Central New York in Congress. The others included my father, William F. Walsh, and one of the first settlers, James Geddes, who also served as Town Supervisor in 1799.

I am pleased also to mark this memorable time for us in the CONGRESSIONAL RECORD, in addition to presenting a United States flag to town leaders in a ceremony April 2.

Together, these people named today, joined by our fellow residents, thank God for our freedom, our country and our homes—just as we pray that we will impress on the next generation the importance of what our ancestors accomplished and the magnitude of the task. Only from history will we learn.

RECOGNIZING AUGUST KNISPEL

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, on Saturday, March 21, 1998, residents from Franklin Township in Hunterdon County, New Jersey will honor one of the area's political legends at a testimonial dinner. For 31 years August Knispel has served the residents of Franklin Township as their Mayor and as a member of the Township Committee.

Mr. Knispel, the son of German born parents that immigrated to America, is a living example of the American Dream come true. He grew up on his parents farm in Franklin Township raising and selling ducks to make extra money during the depression at the age of seven. It was not too long thereafter that August became an active hand in the family farm which itself has become an area landmark.

In 1963, Mr. Knispel made his first run for Township Committee. The election ended in a tie that ultimately was decided in favor of his opponent. Not one to be discouraged, Mr. Knispel entered the race a year later and was successful. His election to the Township Committee that year began the first of 11 more victories. During his years of service, Mayor Knispel has been a leader in agricultural and open space issues.

Mr. Speaker, I would like to join the residents of Franklin Township and Hunterdon County in thanking August Knispel for dedicated service to his community. For almost a generation Mr. Knispel has dedicated a tremendous amount of his time and effort to serving the needs and addressing the concerns of Franklin Township. Saturday night's dinner is just a token of the well deserved recognition that is appropriate in thanking him for his service.

THE COMMUNITY MOBILIZATION CONFERENCE AND TRAINING ON GANGS, VIOLENCE AND DRUGS

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. FILNER. Mr. Speaker and colleagues, I rise today to recognize the Annual Community Mobilization Conference and Training on Gangs, Violence and Drugs which will take place in my hometown of San Diego, California April 1–3, 1998.

This will be the ninth annual conference convened by Nu-Way Youth and Social Services, a local community-based organization. The conference will be a national, collaborative event that will bring together parents, educators, law enforcement officers, probation officers, prosecutors, health and social service providers, together with civic, political and spiritual leaders to discuss the latest technologies and strategies for combating juvenile crime in our communities.

I would also like to give recognition to the National Crime Prevention Council (NCPC) and the Bureau of Justice Assistance (BJA) of the U.S. Department of Justice for their support and co-sponsorship of Nu-Way's 9th Annual National Conference. The NCPC and the BJA will add programmatic support and technical assistance. By doing so they are providing Nu-Way access to greater numbers of nationally recognized trainers, and broader participation. Conference participants will come from throughout the United States and Canada.

This support will further strengthen the Educating, Motivating, Organizing and Mobilizing (E.M.O.M.) process and demonstrate the effectiveness of the partnership between community and government.

This conference is a true collaborative project. And by its very nature, will reinforce the proverb that ''it takes a whole village to raise a child''—and will challenge all of our citizens to accept the responsibility and join in our struggle to keep our youth free from the influence of gangs and drugs.

Mr. Speaker, I am proud that Nu-Way, a valuable resource in the fight against gangs, drug abuse and violence, is based in my Congressional district, and I applaud the efforts of Nu-Way and the Community Mobilization Conference for their important role in our fight against juvenile crime.

Daily Digest

HIGHLIGHTS

The House agreed to the conference report on H.R. 1757, Foreign Affairs Reform and Restructuring Act and

The House passed H.R. 3310, Small Business Paperwork Reduction Act and H.R. 3246, Fairness for Small Business and Employees Act.

Senate

Chamber Action

Routine Proceedings, pages S2587–S2692

Measures Introduced: Nine bills and one resolution were introduced, as follows: S. 1864–1872, and S. Res. 200. **Page S2660**

Measures Reported: Reports were made as follows:

H.R. 927, to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General, with an amendment in the nature of a substitute. **Page S2660**

Measure Passed:

National Maritime Arbitration Day: Senate agreed to S. Res. 200, designating March 26, 1998, as ''National Maritime Arbitration Day''. **Page S2690**

Measure Rejected:

Mexico Drug Decertification: Committee on Foreign Relations was discharged from further consideration of S.J. Res. 42, to disapprove the certification of the President under section 490(b) of the Foreign Assistance Act of 1961 regarding foreign assistance for Mexico during the fiscal year 1998 and, by 45 yeas to 54 nays (Vote No. 47), the resolution was rejected: **Pages S2636–57**

Emergency Supplemental Appropriations: Senate concluded consideration of S. 1768, making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, after taking action on amendments proposed thereto, as follows: **Pages S2587–S2631**

Adopted:

Enzi Amendment No. 2133, to prohibit the Secretary of the Interior from promulgating certain regulations relating to Indian gaming activities. **Pages S2588–94**

Stevens (for McCain) Amendment No. 2136, to clarify that unmarried adult children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program. **Pages S2594–96**

Stevens (for Murkowski/Stevens) Amendment No. 2137, to make technical corrections to the Michigan Indian Lands Claims Settlement Act to provide certain health care services for Alaska natives. **Pages S2594–96**

Stevens (for Murkowski/Stevens) Amendment No. 2138, to make technical corrections to the Fiscal Year 1998 Department of Interior Appropriations Act (P.L. 105–83). **Pages S2594–96**

Stevens (for Bond/Stevens) Amendment No. 2139, to make emergency funds available for the purchase of F/A–18 aircraft. **Pages S2594–96**

Stevens (for Chafee) Amendment No. 2140, to modify the Energy and Water Development section of the bill. **Pages S2594–96**

Stevens (for Wyden) Amendment No. 2141, to eliminate secrecy in international financial and trade organizations. **Pages S2594–96**

Stevens (for Bond) Amendment No. 2142, to make technical corrections to Economic Development Grant program funded in 1992 as part of the Empowerment Zone Act. **Pages S2594–96**

Stevens (for Craig) Amendment No. 2143, to make technical corrections to Section 405 of the bill regarding Forest Service transportation system moratorium. **Pages S2594–96**

By unanimous consent, Amendment No. 2062, to establish an emergency commission to study the trade deficit, agreed to on March 23, 1998, was modified. **Page S2598**

Stevens (for Cochran/Bumpers) Amendment No. 2144, to make a technical correction in the language of the Livestock Disaster Assistance Program. **Pages S2594, S2596**

Stevens (for Wellstone/Conrad/Dorgan) Amendment No. 2145, to subsidize the cost of additional farm operating and emergency loans. **Pages S2594, S2596–98**

Stevens (for Jeffords/Leahy) Amendment No. 2146, to make funds available for emergency construction to repair the Mackville Dam, Hardwick, Vermont. **Pages S2594, S2596**

Stevens (for Lott) Amendment No. 2147 (to Amendment No. 2100), to make a technical correction. **Pages S2594, S2596**

Stevens (for Daschle) Amendment No. 2148, to provide funds for humanitarian demining activities in Bosnia and Herzegovina. **Pages S2594, S2596**

Stevens (for Gregg) Amendment No. 2149, to make a technical correction to the Patent and Trademark section of the bill. **Pages S2594, S2596**

Stevens (for Levin) Amendment No. 2150 (to Amendment No. 2100), dealing with the consultation by the Secretary of the Treasury with the Office of the U.S. Trade Representative regarding prospective IMF borrower countries. **Pages S2594, S2596, S2599–S2600**

Stevens (for Grassley/Stevens) Amendment No. 2151, to make funds available for construction of a P3–AEW hangar in Corpus Christie, Texas. **Pages S2594, S2596**

Stevens (for Hutchison) Amendment No. 2152, to provide funds to rectify damages caused by windstorms in Texas. **Pages S2598–99**

Stevens (for Boxer) Amendment No. 2153, to provide additional funds for construction programs of the Department of the Interior to repair damage caused by floods and other natural disasters. **Pages S2598–99**

Stevens (for Dorgan) Amendment No. 2154, to provide emergency Polylchlorinated biphenyls (PCB's) remediation in schools and other facilities at the Standing Rock Sioux Reservation. **Pages S2598–99**

Robb Amendment No. 2135, to reform agricultural credit programs of the Department of Agriculture. **Pages S2603, S2605**

By 84 yeas to 16 nays (Vote No. 44), McConnell Modified Amendment No. 2100, to provide supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998. **Pages S2596, S2599–S2607**

Stevens (for Lautenberg) Amendment No. 2156, to allocate certain funds to the State of New Jersey to carry out housing opportunities for persons with AIDS. **Pages S2608–09**

Murkowski Amendment No. 2157, to cancel the sale of oil from the Strategic Petroleum Reserve. **Pages S2610–11**

Stevens (for Byrd) Amendment No. 2159, to provide assistance to employees of the Farm Service Agency of the Department of Agriculture. **Page S2612**

Bingaman/Hollings Amendment No. 2160, to provide for school security training and technology, and for local school security programs. **Pages S2612–14**

Cochran Amendment No. 2161, to make certain technical corrections. **Page S2614**

Stevens (for D'Amato) Amendment No. 2163, relating to the use of Floyd Bennett Field in New York City by the New York City Police Department. **Pages S2625–26**

Stevens (for Nickles) Amendment No. 2120, to strike certain funding for the Health Care Financing Administration. **Pages S2619–29**

Rejected:

Kennedy Amendment No. 2164 (to the language proposed to be stricken by Amendment No. 2120), in the nature of a substitute. (By 51 yeas to 49 nays (Vote No. 45), Senate tabled the amendment.) **Pages S2627–29**

Withdrawn:

Bumpers Amendment No. 2134, to express the sense of the Senate that of the rescissions, if any, which Congress makes to offset appropriations made for emergency items in the Fiscal Year 1998 supplemental appropriations bill, defense spending should be rescinded to offset increases in spending for defense programs. **Page S2600**

Torricelli/Lautenberg Amendment No. 2155, to express the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer. **Pages S2607–08**

Cleland Amendment No. 2158, to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration. **Pages S2611–12**

Baucus/Burns Amendment No. 2162, to authorize the Secretary of Agriculture to extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998. **Pages S2615–18**

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure, all after the enacting clause be

stricken and the text of S. 1768, as amended, be substituted in lieu thereof and, after passage, the Senate insist on its amendment and request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate. **Page S2631**

Also, a further consent agreement was reached providing that when the Senate receives the House companion measure making supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998, that all after the enacting clause be stricken and the text of the IMF Title of S. 1768 be substituted in lieu thereof and, after passage, the Senate insist on its amendment and request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate. **Page S2631**

Subsequently, S. 1728 was returned to the Senate Calendar. **Page S2631**

Education Savings Act for Public and Private Schools—Cloture Vote: By 58 yeas to 42 nays (Vote No. 46), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to close further debate on H.R. 2646, to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, and to increase the maximum annual amount of contributions to such accounts. **Pages S2631–36**

A fifth motion was entered to close further debate on the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion would occur on Monday, March 30, 1998. **Page S2636**

Nomination—Agreement: A unanimous-consent agreement was reached providing for the consideration of the nomination of M. Margaret McKeown, of Washington, to be United States Circuit Judge for the Ninth Circuit, on Friday, March 27, 1998, with a vote to occur thereon. **Page S2690**

Nominations Received: Senate received the following nominations:

1 Air Force nomination in the rank of general.

1 Marine Corps nomination in the rank of general.

Routine lists in the Foreign Service.

Pages S2691–92

Messages From the House: **Page S2658**

Measures Referred: **Page S2658**

Communications: **Page S2658**

Petitions: **Pages S2658–60**

Executive Reports of Committees: **Page S2660**

Statements on Introduced Bills: **Pages S2660–83**

Additional Cosponsors: **Pages S2683–84**

Amendments Submitted: **Pages S2684–88**

Notices of Hearings: **Page S2688**

Authority for Committees: **Page S2688**

Additional Statements: **Pages S2688–90**

Record Votes: Four record votes were taken today. (Total—47) **Page S2606–07, S2629, S2636, S2657**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 8:08 p.m., until 9 a.m., on Friday, March 27, 1998. (For Senate's program, see the remarks of the Majority Leader in today's Record, on pages S2690–91.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—BUREAU OF RECLAMATION/CORPS OF ENGINEERS

Committee on Appropriations: Subcommittee on Energy and Water Development concluded hearings on proposed budget estimates for fiscal year 1999, after receiving testimony in behalf of funds for the Bureau of Reclamation from Patricia J. Beneke, Assistant Secretary for Water and Science, and Eluid L. Martinez, Commissioner, Bureau of Reclamation, both of the Department of the Interior; and in behalf of funds for the Army Corps of Engineers from John H. Zirschky, Acting Assistant Secretary of the Army (Civil Works); Lt. Gen. Joe N. Ballard, Chief of Engineers, Army Corps of Engineers; and Maj. Gen. Russell L. Fuhrman, Director of Civil Works, United States Army.

APPROPRIATIONS—NATIONAL ENDOWMENT FOR THE ARTS/HUMANITIES

Committee on Appropriations: Subcommittee on the Interior and Related Agencies held hearings on proposed budget estimates for fiscal year 1999, receiving testimony in behalf of funds for their respective activities from Kathryn O'Leary Higgins, Acting Chairman, and Scott Shanklin-Peterson, Senior Deputy Chairman, both of the National Endowment for the Arts; and Bill Ferris, Chairman, National Endowment for the Humanities.

Subcommittee will meet again on Wednesday, April 1.

APPROPRIATIONS—NATIONAL DRUG CONTROL POLICY

Committee on Appropriations: Subcommittee on the Treasury and General Government held hearings on proposed budget estimates for fiscal year 1999 for

the Office of National Drug Control Policy, receiving testimony from Barry R. McCaffrey, Director, Office of National Drug Control Policy.

Subcommittee recessed subject to call.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Committee resumed hearings on proposed legislation authorizing funds for fiscal year 1999 for national defense and the future years defense program, focusing on Department of Energy atomic energy defense activities, receiving testimony from Federico F. Peña, Secretary of Energy.

Committee recessed subject to call.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Subcommittee on Strategic Forces resumed hearings on proposed legislation authorizing funds for fiscal year 1999 for the Department of Defense and the future years defense program, focusing on the domestic emergency response program and support to the interagency preparedness efforts, including the federal response plan and the city training program, receiving testimony from H. Allen Holmes, Assistant Secretary of Defense for Special Operations and Low Intensity Conflict; Maj. Gen. Edward Soriano, USA, Director, Military Support Headquarters, and Maj. Gen. George E. Friel, USA, Commander, Chemical and Biological Defense Command, both of the Department of the Army; and Lisa Gordon-Hagerty, Director, Office of Emergency Response, Department of Energy.

Subcommittee will meet again on Tuesday, March 31.

CREDIT UNION MEMBERSHIP

Committee on Banking, Housing, and Urban Affairs: Committee held hearings to examine the implications of the recent Supreme Court decision concerning credit union membership, and proposed legislation to amend the Federal Credit Union Act to clarify existing law and ratify the longstanding policy of the National Credit Union Administration Board with regard to field of membership of Federal credit unions, receiving testimony from John D. Hawke, Jr., Under Secretary for Domestic Finance, and Richard S. Carnell, Assistant Secretary for Financial Institutions, both of the Department of the Treasury; Norman E. D'Amours, Chairman, and Yolanda Townsend Wheat and Dennis Dollar, both Board Members, all of the National Credit Union Administration; and Bruce O. Jolly, Jr., Shook, Hardy & Bacon, Washington, D.C.

Hearings continue on Thursday, April 2.

AMERICAN FISHERIES ACT

Committee on Commerce, Science, and Transportation: Subcommittee on Oceans and Fisheries concluded hearings on S. 1221, to amend title 46 of the United States Code to prevent foreign ownership and control of United States flag vessels employed in the fisheries in the navigable waters and exclusive economic zone of the United States, and to prevent the issuance of fishery endorsements to certain vessels, after receiving testimony from Senator Murkowski; David Evans, Deputy Assistant Administrator, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce; Rear Adm. Robert C. North, Assistant Commandant for Marine Safety and Environmental Protection, United States Coast Guard, Department of Commerce; Daniel J. Whittle, Environmental Defense Fund, Raleigh, North Carolina; Niaz Dorry, Greenpeace, and Alfred G. King, Jr., King Sons, Inc., both of Gloucester, Massachusetts; Jim Kendall, New Bedford Seafood Coalition, New Bedford, Massachusetts; Michael Love, Atlantic Star, North Yarmouth, Maine; Charles H. Bundrant, Trident Seafoods Corporation, Cary Swasand, Aleutian Spray Fisheries, Alec Brindle, Alyeska Seafoods Inc., and Paul MacGregor, At-Sea Processors Association, all of Seattle, Washington; Frank Bohannon, United Catcher Boats, Sun River, Oregon; and Jeff Hendricks, Alaska Ocean Seafood Limited Partnership, Anacortes, Washington.

AUTHORIZATION—SUPERFUND

Committee on Environment and Public Works: Committee ordered favorably reported S. 8, authorizing funds for programs of the Comprehensive Environmental Response, Liability, and Compensation Act (Superfund), with an amendment in the nature of a substitute.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

H.R. 927, to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General, with an amendment in the nature of a substitute; and

The nominations of Kermit Lipez, of Maine, to be United States Circuit Judge for the First Circuit, Robert T. Dawson, to be United States District Judge for the Western District of Arkansas, Garr M. King, to be United States District Judge for the District of Oregon, Johnnie B. Rawlinson, to be United States District Judge for the District of Nevada, and Gregory Moneta Sleet, to be United States District Judge for the District of Delaware.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee will meet again on Wednesday, April 1.

House of Representatives

Chamber Action

Bills Introduced: 13 public bills, H.R. 3558–3570; and 5 resolutions, H. Con. Res. 251–253, and H. Res. 398–399, were introduced. **Pages H1642–43**

Reports Filed: Reports were filed as follows:

H.R. 2786, to authorize additional appropriations for the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East and Persian Gulf region by the development and deployment of ballistic missiles by Iran (H. Rept. 105–468 Part 1). **Page H1642**

Personal Privilege: Representative Shuster rose to a point of personal privilege and was recognized for 1 hour. **Pages H1553–56**

Small Business Paperwork Reduction Act: The House passed H.R. 3310, to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses by a recorded vote of 267 ayes to 140 noes, Roll No. 74. Agreed to amend the title. **Pages H1562–81**

Agreed to the McIntosh amendment that requires the States, in the enforcement of a Federal program, to comply with provisions that allow the suspension of a civil fine for a first-time violation of a paperwork requirement by a small business (agreed to by a recorded vote of 224 ayes to 179 noes, Roll No. 73). **Pages H1578, H1579–80**

Rejected the Kucinich amendment that sought to establish a policy or program for eliminating, delaying, and reducing civil fines for first-time violations by small entities (rejected by a recorded vote of 183 ayes to 221 noes, Roll No. 72). **Pages H1572–78, H1578–79**

Earlier, agreed to H. Res. 396, the rule that provided for consideration of the bill by a voice vote. **Pages H1559–62**

Foreign Affairs Reform and Restructuring Act: The House agreed to the conference report on H.R. 1757, to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, and to preserve the prerogatives of the Congress with respect to certain arms control agreements. **Page H1600**

Earlier, agreed to H. Res. 385, the rule that waived points of order against the conference report bill by a yea and nay vote of 234 yeas to 172 nays, Roll No. 75. **Pages H1581–88**

Fairness for Small Business and Employees Act: The House passed H.R. 3246, to assist small businesses and labor organizations in defending themselves against government bureaucracy; to ensure that employees entitled to reinstatement get their jobs back quickly; to protect the right of employers to have a hearing to present their case in certain representation cases; and to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers by a recorded vote of 202 ayes to 200 noes, Roll No. 78. **Pages H1609–22**

Agreed to the Goodling amendment that clarifies that a bona fide employee has all of the rights provided by the National Labor Relations Act including the right to form, join, or assist labor organizations, to bargain collectively through representatives, and to engage in other activities for the purpose of collective bargaining or mutual aid (agreed to by a recorded vote of 398 ayes with none voting ''no'', Roll No. 77). **Pages H1619–22**

Earlier, the agreed to H. Res. 393, the rule that provided for consideration of the bill by a yea and nay vote of 220 yeas to 185 nays, Roll No. 76. **Pages H1600–09**

Forest Recovery and Protection Act: Agreed by unanimous consent that H. Res. 394, be considered as adopted and that during consideration of H.R. 2515, in the Committee of the Whole pursuant to that resolution, that the amendment in the nature of

a substitute made in order as original text be considered as read; and after general debate the bill be considered for amendment under the five-minute rule for a period not to extend beyond 1:30 p.m. on Friday, March 27, 1998. **Page H1623**

Late Reports: The Committee on Appropriations received permission to have until midnight on Friday, March 27, 1998 to file two privileged reports on bills making Emergency Supplemental Appropriations for Fiscal Year 1998 and making Supplemental Appropriations for Fiscal Year 1998. **Page H1609**

Authority to Add Cosponsors: Agreed that Representative Capps be authorized to sign and submit requests to add co-sponsors to H.R. 2009, Amyotrophic Lateral Sclerosis (ALS) Research, Treatment, and Assistance Act of 1997. **Page H1623**

Senate Messages: Message received from the Senate today appears on page H1553.

Amendments: Amendments ordered printed pursuant to the rule appear on pages H1644–47.

Quorum Calls—Votes: Two yea and nay votes and five recorded votes developed during the proceedings of the House today and appear on pages H1578–79, H1579–80, H1580–81, H1588, H1608–09, H1622, and H1622–23. There were no quorum calls.

Adjournment: Met at 10:00 a.m. and adjourned at 11:17 p.m.

Committee Meetings

USDA'S FEDERAL MILK MARKETING ORDER REFORM

Committee on Agriculture: Subcommittee on Livestock, Dairy, and Poultry held a hearing to review the USDA's Federal Milk Marketing Order Reform. Testimony was heard from Enrique E. Figueroa, Administrator, Agricultural Marketing Service, USDA; Ben Brancel, Secretary of Agriculture, Trade and Consumer Protection, State of Wisconsin; and public witnesses.

COMMERCE, JUSTICE, STATE, AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary held a hearing on State and Local Law Enforcement. Testimony was heard from the following officials of the Department of Justice: Joe Brann, Director, Cops Program; Laurie Robinson, Assistant Attorney General, Office of Justice Programs; and Shay Bilchik, Administrator, Office of Juvenile Justice and Delinquency Prevention.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development held a hearing on the Appalachian Regional Commission. Testimony was heard from Jesse L. White, Jr., Federal Co-Chair, Appalachian Regional Commission; and Cecil H. Underwood, Governor, State of West Virginia.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior, the Committee on the Budget and the Committee on Resources held a joint oversight hearing on the Forest Service. Testimony was heard from Barry T. Hill, Associate Director, Energy, Resources and Science Issues, GAO; and the following officials of the USDA: Roger C. Viadero, Inspector General; and Michael Dombeck, Chief, Forest Service.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on the Interior held a hearing on Department of Energy Conservation. Testimony was heard from the following officials of the Department of Energy: Dan W. Reicher, Assistant Secretary, Energy Efficiency and Renewable Energy; and Patricia Fry Godley, Assistant Secretary, Fossil Energy.

LABOR-HHS-EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education held a hearing on Elementary and Secondary Education; Bilingual Education and Minority Languages Affairs, Howard University and on Special Institutions for the Disabled. Testimony was heard from the following officials of the Department of Education; Gerald N. Tirozzi, Assistant Secretary, Elementary and Secondary Education; Delia Pompa, Director, Office of Bilingual Education and Minority Languages Affairs; Judith E. Heumann, Assistant Secretary, Special Education and Rehabilitative Services; and H. Patrick Swygert, President, Howard University.

VA-HUD-INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held a hearing on the Department of Housing and Urban Development. Testimony was heard from Andrew M. Cuomo, Secretary of Housing and Urban Development.

CREDIT UNION MEMBERSHIP ACCESS ACT

Committee on Banking and Financial Services: Ordered reported amended H.R. 1151, Credit Union Membership Access Act.

SUPERFUND REFORM ACT

Committee on Commerce: Subcommittee on Finance and Hazardous Materials held a hearing on H.R. 3000, the Superfund Reform Act. Testimony was heard from James E. Trobaugh, Mayor, Kokomo, State of Indiana; and public witnesses.

NEW DEVELOPMENTS IN MEDICAL RESEARCH

Committee on Commerce: Subcommittee on Health and Environment held a hearing on New Developments in Medical Research: NIH and Patient Groups. Testimony was heard from Representatives Tauzin, Johnson of Connecticut, Fox, Meek of Florida, DeFazio, Porter and Walsh; Harold E. Varmus, M.D., Director, NIH, Department of Health and Human Services; former Representative Raymond J. McGrath of New York; Muhammad Ali, National Spokesman, National Parkinson Foundation; and public witnesses.

TEAMSTERS—FINANCIAL AFFAIRS

Committee on Education and the Workforce: Subcommittee on Oversight and Investigations held a hearing on Financial Affairs of the International Brotherhood of Teamsters. Testimony was heard from public witnesses.

OVERSIGHT—2000 CENSUS

Committee on Government Reform and Oversight: Subcommittee on the Census held a hearing on Oversight of the 2000 Census: Putting the Dress Rehearsals in Perspective. Testimony was heard from L. Nye Stevens, Director, Federal Management and Workforce Issues, GAO; and the following officials of the Bureau of the Census, Department of Commerce: James F. Holmes, Acting Director, John H. Thompson, Associate Director, Decennial Census; and Paula J. Schneider, Principal Associate Director, Programs.

LONG TERM CARE INSURANCE—EMPLOYEE BENEFIT

Committee on Government Reform and Oversight: Subcommittee on Civil Service held a hearing on Long Term Care Insurance as an Employee Benefit. Testimony was heard from William Flynn, III, Associate Director, Retirement and Insurance Services, OPM; Bob Williams, Deputy Assistant Secretary, Long Term Care and Disability Policy, Department of Health and Human Services; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Government Reform and Oversight: Subcommittee on Government Management, Information, and Technology held a hearing on the following: the Statistical Consolidation Act of 1998; and S. 1404, Federal Statistical System Act of 1997. Testimony was heard from L. Nye Stevens, Director, Federal Management and Workforce Issues, GAO; and public witnesses.

NATIONAL DRUG CONTROL STRATEGY

Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a oversight hearing on the 1998 National Drug Control Strategy. Testimony was heard from Barry R. McCaffrey, Director, Office of National Drug Control Policy.

COLOMBIA—ILLICIT DRUGS TRAFFICKING

Committee on International Relations: Ordered reported H.Res. 398, urging the President to expeditiously procure and provide three UH–60L Blackhawk utility helicopters to the Colombian National Police solely for the purpose of assisting the Colonbian National Police to perform their responsibilities to reduce and eliminate the production of illicit drugs in Colombia and the trafficking of such illicit drugs, including the trafficking of drugs such as heroin and cocaine to the United States.

U.S. ASSISTANCE PROGRAMS—RUSSIA, UKRAINE AND NEW INDEPENDENT STATES

Committee on International Relations: Held a hearing to review U.S. Assistance Programs to Russia, the Ukraine and the New Independent States. Testimony was heard from Ambassador Richard Morningstar, Special Advisor to the President and the Secretary of State on Assistance to the New Independent States and Coordinator of U.S. Assistance to the New Independent States, Department of State; and Don Pressley, Acting Assistant Administrator, Europe and the New Independent States, AID, U.S. International Development Cooperation Agency.

OVERSIGHT—RELIGIOUS FREEDOM—FEDERAL PROTECTION

Committee on the Judiciary: Subcommittee on the Constitution concluded oversight hearings on the Need for Federal Protection of Religious Freedom after *Boerne* v. *Flores*, II. Testimony was heard from public witnesses.

OVERSIGHT—ELECTRONIC COMMUNICATIONS PRIVACY

Committee on the Judiciary: Subcommittee on Courts and Intellectual Property held an oversight hearing on privacy in electronic communications. Testimony was heard from Ambassador David Aaron, Under Secretary, International Trade, Department of Commerce; David Medine, Associate Director, Credit

Practices, Bureau of Consumer Protection, FTC; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Crime approved for full Committee action the following: H.R. 2925, Deadbeat Parents Punishment Act of 1997; and the Care for Police Survivors Act of 1998.

The Subcommittee also held a hearing on the following Controlled Substances Trafficking Prohibition Act; and H.R. 2070, Correction Officers Health and Safety Act of 1997. Testimony was heard from Representative Chabot; Wesley S. Windle, Program Officer, Passenger Operations Division, U.S. Customs Service, Department of the Treasury; and public witnesses.

NATIONAL DEFENSE AUTHORIZATION

Committee on National Security: Concluded hearings on the fiscal year 1999 National Defense authorization request. Testimony was heard from the following officials of the Department of Defense: Robert M. Walker, Acting Secretary, Army; John H. Dalton, Secretary of the Navy; and F. Whitten Peters, Acting Secretary, Air Force.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks and Public Lands held a hearing on the following bills; H.R. 2538, to establish a Presidential commission to determine the validity of certain land claims arising out of the Treaty of Guadalupe-Hidalgo of 1848 involving the descendants of persons who were Mexican citizens at the time of the Treaty; H.R. 2776, to amend the Act entitled ''An Act to provide for the establishment of the Morristown National Historical Park in the State of New Jersey, and for other purposes'' to authorize the acquisition of property known as the Warren property; and H.R. 3047, to authorize expansion of Fort Davis National Historic Site in Fort Davis, Texas, by 16 acres. Testimony was heard from Representatives Frelinghuysen, Bonilla and Redmond; Denis Galvin, Deputy Director, National Park Service, Department of the Interior; and public witnesses.

SONNY BONO MEMORIAL SALTON SEA RECLAMATION ACT

Committee on Resources: Subcommittee on Water and Power approved for full Committee action amended H.R. 3267, Sonny Bono Memorial Salton Sea Reclamation Act.

MISCELLANEOUS MEASURES

Committee on Science: Subcommittee on Technology approved for full Committee action amended the following bills: H.R. 3007, Commission on the Advancement of Women in Science, Engineering, and Technology Development Act; and H.R. 2544, Technology Transfer Commercialization Act of 1997.

URBAN EDUCATION

Committee on Small Business: Subcommittee on Empowerment held a hearing on urban education. Testimony was heard from public witnesses.

RAIL SAFETY REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Railroads held a hearing on Rail Safety Reauthorization: Federal Railroad Administration Resources Requirements. Testimony was heard from Jolene Molitoris, Administrator, Federal Railroad Administration, Department of Transportation.

NATIONAL DROUGHT POLICY ACT; DISASTER ASSISTANCE—FEDERAL COST

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment approved for full Committee action amended H.R. 3035, National Drought Policy Act of 1997.

The Subcommittee also held a hearing on the Federal Cost of Disaster Assistance. Testimony was heard from James L. Witt, Director, FEMA; Judy A. England-Joseph, Director, Housing and Community Development Issues, GAO; Albert R. Capellini, Mayor, Deerfield Beach, State of Florida; Gavin J. Donohue, Senior Deputy Commissioner, Department of Environmental Conservation, State of New York; and public witnesses.

VA BENEFITS ADMINISTRATION—GOVERNMENT PERFORMANCES AND RESULTS ACT PRINCIPLES

Committee on Veterans' Affairs: Subcommittee on Benefits held a hearing on Government Performances and Results Act (GPRA) principles at the Veterans Benefits Administration. Testimony was heard from Cynthia M. Fagnoni, Associate Director, Veterans Affairs and Military Health Care Issues, Health, Education, and Human Services Division, GAO; and Joseph Thompson, Under Secretary, Benefits, Veterans Benefits Administration, Department of Veterans Affairs.

BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT

Committee on Ways and Means: Ordered reported amended H.R. 2400, Building Efficient Surface Transportation and Equity Act of 1997.

ANALYSIS AND PRODUCTION ISSUES

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on Analysis and Production Issues. Testimony was heard from departmental witnesses.

Joint Meetings

HEAD START

Joint Hearings: Senate Committee on Labor and Human Resources' Subcommittee on Children and Families held joint hearings with the House Committee on Education and the Workforce's Subcommittee on Early Childhood, Youth and Families on proposed legislation authorizing funds through fiscal year 2002 for the Head Start program, focusing on Head Start's impact on children and their families, receiving testimony from Olivia Golden, Assistant Secretary of Health and Human Services for Children and Families; Carlotta C. Joyner, Director, Education and Employment Issues, Health, Education, and Human Services Division, General Accounting Office; Robert G. St. Pierre, Abt Associates, Inc., Cambridge, Massachusetts; Sarah M. Greene, National Head Start Association, and Stanley I. Greenspan, George Washington University Medical School, both of Washington, D.C.; E.D. Hirsch, Jr., University of Virginia, Charlottesville; Elizabeth Kares, School District of Lee County, Ft. Meyers, Florida; and Jean Malachi, Stamford, Connecticut.

Hearings will continue on Thursday, April 23.

COMMITTEE MEETINGS FOR FRIDAY, MARCH 27, 1998

Senate

No meetings are scheduled.

House

Committee on Appropriations, Subcommittee on Labor, Health and Human Services, and Education, on National Institute of Neurological Disorders and Stroke, and National Institute of General Medical Services, 10 a.m., and on Office of AIDS Research; Office of the Director-NIH; Building and Facilities; and GAO—Department of Education Oversight, 1 p.m., 2358 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Housing and Community Opportunity, hearing on the Role of Mortgage Brokers in the Mortgage Finance System, 10 a.m., 2128 Rayburn.

Committee on Education and the Workforce, Subcommittee on Workforce Protections, hearing to review pending OSHA legislation, 9:30 a.m., 2175 Rayburn.

Committee on Rules, to hold a hearing on H.R. 3534, Mandates Information Act of 1998, 10 a.m., H–313 Capitol.

Next Meeting of the SENATE

9 a.m., Friday, March 27

Senate Chamber

Program for Friday: Senate will consider the nomination of M. Margaret McKeown, of Washington, to be U.S. Circuit Judge for the Ninth Circuit, with a vote to occur thereon.

Senate also will begin consideration of S. Con. Res. 86, Congressional Budget.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Friday, March 27

House Chamber

Program for Friday: Consideration of H.R. 2515, Forest Recovery and Protection Act (open rule, 1 hour of general debate).

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