

period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

UPDATE ON THE ACCOUNTABLE PIPELINE SAFETY & PARTNERSHIP ACT

Mr. LOTT. Mr. President, I want to take a few moments to update my Senate colleagues on an important piece of legislation enacted in the last Congress. The bill, now a law, was about regulatory reform of a segment of the energy community, namely natural gas pipelines. As DOT begins the rulemaking process required by law, they do so with improved regulatory reform guidelines.

Although this law only affects one statute and one agency it is real regulatory reform. It is the government and industry working together to make each more efficient and effective. It is government being held accountable for its rulemaking and regulatory decisions.

This law, the Accountable Pipeline Safety and Partnership Act of 1996, passed the 104th Congress, bringing with it provisions that strengthen risk assessment, cost/benefit analysis and peer review. Last week the Department of Transportation announced its first participant in a demonstration program where the rules will be flexibly applied and pipeline safety will be improved.

The Accountable Pipeline Safety and Partnership Act has two important elements which make it unique. First, all new pipeline safety regulations must undergo a risk assessment and cost/benefit analysis. This is crucial, because it ensures that new regulations and limited public resources are focused to maximize public benefit. This is real regulatory reform.

The second notable element of the Accountable Pipeline Safety and Partnership Act is the risk management demonstration project. Intended to move the agency beyond the old "command-and-control" style of regulating, this project allows individual pipelines to propose their own safety procedures to DOT for review and approval. This type of risk management takes us to a higher and more sophisticated level of safety regulation. Once again, the agency is encouraged to direct limited resources towards activities that provide maximum safety to the public. This, too, is real regulatory reform.

The Office of Pipeline Safety, has received a number of applications from pipeline companies that want to participate in the risk management demonstration project. One company has been approved and five other applicants are close to approval. These proposals have bolstered innovation in safety policy, and have encouraged pipeline companies to think beyond simple compliance with existing standards. The government is learning to think "outside of the box" and to consider creative industry solutions. This gen-

uine reengineering partnership illustrates the fruits of real regulatory reform.

The demonstration project illustrates a commitment by a number of DOT civil servants to the principles of this law. Three key staff deserve recognition for rapidly implementing the law: Kelley Coyner, Rich Felder, and Stacey Gerad. These civil servants ensured that the American public gets greater safety and environmental protection when industry is given flexibility. This law is a bargain for America.

The Accountable Pipeline Safety and Partnership Act has restored trust between regulators and the regulated community. This new found trust will permit the sharing of research information that can be translated into improved pipeline safety technology. This trust has maximized both government and private dollars.

Enacting this legislation is a formal recognition that there is a valid role for risk assessment and cost/benefit analysis in federal rulemaking. These steps must be taken when regulating, not simply as a check off or to satisfy requirements of transparency, but to genuinely incorporate the results into how the rules are made. Cost is an essential factor and cannot be dismissed by rulemakers.

This regulatory reform is the law of the land for a small sector of our federal system.

This incremental effort changed a public policy by establishing a new level of confidence among stakeholders. It did not create a cloud of legislative doubt and confusion. To the contrary, it received overwhelming support from both chambers of Congress. This initiative is indeed a genuine bipartisan regulatory reform approach.

Regulatory reform should be incremental and fully bipartisan. If this Congress considers just one element of the regulatory process this year I believe it should be risk. There is a clear consensus among our colleagues that changes must be made to the rulemaking process. Risk is the basis for every rule, and should be the center of our next legislative correction.

I frequently draw a comparison between risk and a dog's ear. As you wash a dog, it has a tendency to want to shake the water and shampoo off. Because a dog starts shaking at the head and will not stop until the final flick of the tail, holding the ear will stop the shaking. Just as the dog's ear is the starting point of a shake, risk is the starting point of the rulemaking process. Without a risk, there can be no rule. Without a free ear, a dog cannot spray water everywhere. The water and shampoo will be effectively applied to the desired subject, and not wasted by going everywhere. Get risk right and the regulated industry will have respect for the rulemaking process. Ignoring risk and working on anything else is like holding the dog's tail—you will get soaked as the dog shakes from the head down to its tail. Unnecessary rules and regulations will abound.

I want to thank my colleagues for their attention. Regulatory reform is a passion in which I have invested six years. It is an area I will remain engaged in because more legislative changes are needed. It may take years of incremental efforts, but only this step-by-step approach will generate the confidence and comfort necessary to reform the rulemaking process. Current regulations were enacted during the years when the philosophical approach was one-size-fits-all. This is no longer operative. These rules and procedures should be updated in a deliberate but incremental manner to reflect today's modern approach—an approach that permits innovative technology and offers flexibility.

Mr. President, the approval of this demonstration program is a validation of today's modern approach. Safety will not be jeopardized and environmental protection will not be compromised. It is a recognition that regulatory reform, when done incrementally and with the goal of producing effective regulations, can have a real impact on government's rulemaking.

LEADERSHIP TRAINING INSTITUTE FOR YOUTH

Mr. LOTT. Mr. President, I am extremely pleased to announce that students from the great state of Mississippi, and from a number of other states, are participating in the Leadership Training Institute for Youth. This year the program will be held in Missouri.

This invaluable program reaches out to our nation's most important resource, our children. As you know, ensuring safety and effectiveness in schools is an important priority for this Congress. This privately funded initiative helps Congress fulfill its fundamental goal of providing our nation's students with the best education in the world.

The Institute, headquartered in Arkansas, brings together students from communities throughout the nation and from families in all walks of life. It is important to recognize that the young people selected for the program might not have this kind of leadership opportunity available to them in their local communities or even in their home states.

The Leadership Training Institute instills in our youth a sense of purpose, belonging, spirituality, patriotism, and strong moral and ethical character. The Institute's teaching philosophy centers on biblical principles and the tenets espoused by America's founding fathers. Students learn that real leaders are people of faith, integrity, conviction, and moral fiber.

These high school and college age students are given hands-on experience in dealing with compelling political, social, and ethical issues. These students work with experts from a wide