

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

The previous question was ordered.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion to instruct offered by the gentleman from Missouri (Mr. SKELTON).

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

Mr. SKELTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Without objection, further proceedings on this motion will be postponed until later today.

There was no objection.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further consideration of H.R. 4193, and that I may include tabular and extraneous material.

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

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 504 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4193.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, with Mr. PETRI (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, July 21, 1998, title II was open to amendment at any point.

Are there further amendments to this portion of the bill?

AMENDMENTS OFFERED BY MR. REGULA

Mr. REGULA. Mr. Chairman, I ask unanimous consent that I be permitted to offer amendments en bloc, which are at the desk, notwithstanding that they address portions of the bill not yet read, and without prejudice to further amendments to that portion of the bill that is pending.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. REGULA:
Page 69, line 15, strike "\$320,558,000" and insert "\$365,550,000".

Page 70, line 17, strike "\$630,250,000" and insert "\$675,250,000".

Page 70, line 19, strike "the excess" and all that follows through "4502)" on line 21 and insert "\$64,000,000, which shall be transferred to this account from amounts held in escrow under section 3002(d) of Public Law 95-509 (15 U.S.C. 4501(d))".

Page 70, line 22, strike "\$150,000,000" and insert "\$161,000,000".

Page 70, line 24, strike "and shall not" and all that follows through "4502)" on page 71, line 1.

Page 71, line 4, strike "\$120,000,000" and insert "\$129,000,000".

Page 71, line 5, strike "\$30,000,000" and insert "\$32,000,000".

Page 123, after line 14, insert the following new section:

SEC. 339. Section 3003 of the Petroleum Overcharge Distribution and Restitution Act of 1986 (15 U.S.C. 4502) is amended by adding after subsection (d) the following new subsection:

"(e) Subsections (b), (c), and (d) of this section are repealed, and any rights that may have arisen are extinguished, on the date of the enactment of the Department of the Interior and Related Agencies Appropriations Act, 1999. After that date, the amount available for direct restitution to current and future refined petroleum product claimants under this Act is reduced by the amounts specified in title II of that Act as being derived from amounts held in escrow under section 3002(d). The Secretary shall assure that the amount remaining in escrow to satisfy refined petroleum product claims for direct restitution is allocated equitably among the claimants."

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

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

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the consideration en bloc of the gentleman's amendments?

There was no objection.

Mr. REGULA. Mr. Chairman, I offer these amendments on behalf of the gentleman from Colorado (Mr. SKAGGS), a valued member of the Interior Appropriations Subcommittee; the gentleman from Pennsylvania (Mr. FOX); the gentleman from Texas (Ms. JACKSON-LEE) and myself.

The gentleman from Colorado, the gentleman from Pennsylvania and the gentleman from Texas have worked tirelessly to find an acceptable offset for increases in energy conservation and have in coordination with the Congressional Budget Office and the Office of Management and Budget identified excess receipts that can be used for that purpose. The amendment also partially restores cuts to the fossil energy research and development program. I appreciate the efforts of the gentleman from Colorado, the gentleman from Pennsylvania and the gentleman from Texas.

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

Mr. Chairman, I rise in very strong support of this amendment. It has been

carefully crafted by the gentleman from Ohio, by the gentleman from Colorado, by the gentleman from Pennsylvania and by the gentleman from Texas. I would like to say that she has been a real leader and concerned about the fossil energy program. This will benefit that program.

I yield to the gentleman from Texas for whatever comments she would like to make.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. I thank the gentleman for yielding.

Mr. Chairman, let me just simply say that the fossil energy research and development program provides invaluable service by protecting the environment and by increasing the efficiency of power generation.

As my colleagues well know, we now face a crisis in Texas, overwhelmed by extreme and enormous heat, impacting my constituents and at the same time in the shadow of those terrible tragedies are major energy companies, oil and gas, who have the capacity to engage with the utilization of this particular resource these dollars and make energy more efficient and help those elderly, help those people suffering from the burdensome heat, help local government to establish a better energy source, more efficient source, and as well to help our domestic energy security problem and also our consumption.

Mr. Chairman, I would greatly like to thank the gentleman from Ohio for the work he has done. My constituents in Texas will be most appreciative.

I truly hope that my joint amendment with my colleagues to H.R. 4193, the Department of Interior and Related Agencies Appropriations Bill of 1999, will be adopted today.

Our amendment raises the appropriations level for the Fossil Energy Research and Development program of the Department of Energy by \$45 million. We must continue to fully fund the Fossil Energy Research and Development program because it provides the invaluable service of protecting the environment by increasing the efficiency of power generation. More importantly, the program ensures that fossil energy technologies continue to progress in a manner that promotes emissions reduction and control and energy efficiency. The program also safeguards our domestic energy security, and given the fact that our Nation will continue to use fossil fuels well into the future, we must strive to fund this program in a manner that sustains its financial viability.

The Fossil Energy Research and Development program is an invaluable government component due to the necessity of fossil fuels to our economy and economies of virtually every country around the globe. Today 85 percent of our domestic energy consumption is supplied by fossil fuels; by 2015, the contribution of fossil fuels will grow to 88 percent.

Every credible energy expert believes that the foreseeable national and global energy future, like the present, will be shaped predominantly by fossil energy.

The benefits of fossil energy use—affordable prices, a stronger economy, greater employment, and a contribution toward improved

global prosperity—can be realized as we dramatically improve our environment.

In the 2000–2010 timeframe, advanced technologies emerging from the Fossil Energy Research and Development program will permit U.S. industry to reduce emissions of nitrogen oxides and air toxics from existing power plants by 70–90 percent and reduce the cost of meeting existing and future regulations by over \$7 billion per year.

Advanced power systems, dominated initially by natural gas technologies and later including new generations of coal systems, will not only be cleaner and more efficient than current systems, they will produce lower-cost electricity. This combination of improved environmental performance and greater affordability will be critical if U.S. companies are to compete and win in the domestic market and a burgeoning global market. Opportunities for increased sales of U.S.-technology could amount to \$6–10 billion a year from 2001 to 2030. If we do not capture these market opportunities, foreign competitors and foreign technologies will.

By assisting the domestic industry develop more effective and lower cost technologies to find and recover U.S. oil and natural gas, we can reduce the decline in domestic oil production by 1 million barrels per day and increase U.S. natural gas production by 2 trillion cubic feet per year beginning in the 2010–2015 timeframe. This increased U.S. production will directly benefit our economy by generating more than \$11 billion a year in domestic oil and gas sales dollars that will stay in this country rather than flowing to foreign suppliers.

Technologies emerging from this Federal R&D program provide U.S. policy makers with a more affordable alternative to future “command-and-control” environmental regulations. Particularly in regard to emissions of greenhouse gases and air toxics, our programs could potentially save the U.S. economy billions of dollars in costly new regulations.

While we work toward a more efficient, affordable energy future, the U.S. taxpayer expects Government to ensure the greatest possible domestic security today. Our 20-year investment in the Strategic Petroleum Reserve has created the world’s largest emergency oil stockpile.

Moreover, I believe that the Federal Government has a major role—indeed a responsibility—in making that vision a reality.

Finally, the heat crisis in Texas and the city of Houston, which I represent, stands to partly be addressed in future years by the development of cheaper, more efficient environmentally safe energy resources. My constituents are being overwhelmed by huge energy costs because of the heat. My senior citizens are most victimized and are caught up with choosing life-saving coolness over other needs.

The additional monies in this amendment will also help in improving the weatherization needs of properties that require it.

I urge my colleagues to support this amendment—it is for our future!

Mr. DICKS. I thank the gentlewoman for her leadership.

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

Mr. DICKS. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I want to express my thanks to the gentleman

from Ohio (Mr. REGULA). As he was expressing yesterday quite aptly, we are seeking the right kind of balance in this bill on these two important and very constructive areas of public investment, in both fossil energy research and in increased efforts in energy efficiency and conservation. I am very, very happy that we have been able to find a way to solve this problem and thank the gentleman very much for his continued interest, flexibility and willingness to work this out.

Mr. Chairman, I greatly appreciate your cooperation regarding these en bloc amendments, which were worked out with the invaluable assistance of Congressional Budget Office as well as the Department of Energy and other representatives of the Clinton administration.

With these amendments, we will remedy one of the major imbalances in this bill, produce savings in energy and money, and benefit the environment as well. The amendments shift funds from an escrow account held by DOE so as to add \$45 million to the energy conservation and efficiency accounts. That total includes a \$9 million increase for the weatherization program; \$2 million more for State energy grants; and an increase of \$34 million for other energy-conservation purposes, including the building technology, industry, and transportation programs.

As the Chairman mentioned, the amendments also restore some funds cut yesterday from the fossil energy programs.

As I’ve said before, we need to continue making investments in energy conservation and efficiency, because the track record of these programs shows they will pay off many times over.

That’s not just my opinion. It’s also the view of the President’s Committee of Advisers on Science and Technology. They’ve estimated that past R&D investments in energy efficiency are already saving consumers about \$170 billion every year—and they’ve urged continued investments in this area.

And the payoff isn’t just in money, but also in energy savings, in less dependence on imports, and in reductions in air and water pollution.

We need to maintain our momentum in all these areas. That’s why I regretted that this part of the bill not only didn’t include all the funding requested, but actually was below the 1998 level. These amendments help redress that imbalance.

Mr. REGULA. If the gentleman will yield, it will also help us substantially in weatherization.

Mr. DICKS. Absolutely.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio (Mr. REGULA).

The amendments were agreed to.

AMENDMENT NO. 18 OFFERED BY MR. PARKER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. PARKER: Page 81, line 8, strike “Provided further” and all that follows through “funding agreements:” on line 21.

Mr. PARKER. Mr. Chairman, my amendment strikes onerous language

in the bill which dramatically alters current law as it relates to Indian health services.

The Indian Health Service was established to provide direct health care to Indian tribes by providing hospitals, clinics and health professionals on reservations. Initially these health services were provided and operated directly by the Indian Health Service, which continues to do so on many reservations. However, in the early 1970s during the 93rd Congress, Congress passed legislation allowing tribes direct operation of their health services under contract with IHS if they wanted to do so and were able to comply with the terms of the statute.

Public Law 93-638 provided further that those tribes exercising this contracting option would be entitled to the same compensation for contract support costs that IHS would receive were the agency providing direct service, costs which the agency would no longer incur. This all worked relatively well for a while with a number of tribes taking over direct operation of their health services and receiving funding to offset their contract support costs although most tribes never received the full funding to which they were entitled.

In recent years with the growth of tribal self-governance and self-determination, more and more tribes began to contract for direct operation of their health services. Unfortunately, the IHS found itself unable to meet its statutory obligation to provide funds for contract support costs and established a queue system where tribes could take over their health services and receive a promise of funds at such time as funds became available. The agency failed to meet its contract obligations or legal requirements under the statute, and today there is a funding shortfall of some \$65 million.

To address this shortfall, the committee has included language that would pro rate available funds to all contracting tribes. In other words, we cannot get a bigger pie, so we will just cut the pie into smaller pieces. While the committee has increased total funding by \$26 million, considering the level of the shortfall, which is \$65 million, this will be far from adequate to prevent some tribes from receiving a smaller piece of the pie.

While this appears like an equitable solution on the surface, such an approach fails to recognize that some tribes, specifically those that have been providing their own health services for the longest time and as such have been receiving full compensation for their contract costs, will under this bill incur significant reductions in their funding for contract support costs and which will negatively impact their provision of direct health services. The Mississippi Choctaw Indian nation could lose as much as \$1 million a year. That is a lot of money to a tribe with only 8,000 persons. They operate a hospital, numerous community

health clinics, and the only renal care facility in the area. They have played by the rules and the language in this bill is hurting them.

Notwithstanding the fact that the IHS has for years been in violation of current law, albeit with the acquiescence of the impacted tribes, passage of this bill with this pro rated provision intact will drastically alter current law, renege on contractual obligations to all contracting tribes, and let a Federal agency off the hook at the expense of the people it is supposed to serve, thereby rewarding it for failing to change and properly manage its mission.

I do not believe that an appropriation bill is the appropriate vehicle for such a change in the law, nor do I believe that Congress should be a party to fixing a Federal agency's mistake and problem at the expense of Indian tribes. I recognize the problem of the funding shortfall for contract services and I empathize with those tribes that are receiving little or no reimbursement of their contract support costs. However, this is a significant problem that deserves a thorough hearing and action by the authorizing committees.

Furthermore, to my knowledge, not one tribe was consulted or even informed that the committee was taking this action. We are punishing tribal incentive and leadership without so much as a consultation. This provision does not fix the problem, it exacerbates it and it delays a solution. I urge my colleagues to support this amendment and reject this exercise in bureaucratic and congressional arrogance.

Mr. REGULA. Mr. Chairman, I move to strike the last word. I reluctantly have to oppose the amendment simply because, as the gentleman from Mississippi points out, there is a serious problem here. The difficulty is that if we strike the language, it will result in one tribe maintaining their level of funding while perhaps 100 other tribes will get a shortfall, or nothing.

What we have tried to do is have equity in the distribution of the money that is available to the tribes to administer their programs and their self-determination contracts. In fact, in order to try to address the problem, we added \$26 million to the Indian Health Services for this specific purpose.

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We are not sure. It may be that the tribe of the gentleman from Mississippi (Mr. PARKER) would end up getting as much under the new system as the old, or possibly a little less. But the difficulty is that you have at least 100 other tribes that get a shortfall. I think in fairness to all the tribes there has to be an across-the-board distribution, rather than to give just those who happen to be up at the starting gate early.

I recognize that they did take a responsibility for their own self-determination and that they were out front on that, and I certainly commend

them. It is a challenge to try to be fair to everybody involved here. The administration, frankly, ducked the issue. If you look at the request they submitted to us, they took a pass on it because they did not want to recommend the money that was necessary to solve it.

So we took it on ourselves in the committee, in fairness to the tribe of the gentleman from Mississippi (Mr. PARKER) and all the rest of the tribes, to try to reach some kind of an equitable solution. I will say that BIA is doing this now. They try to spread it across the board to give everybody a little help.

The bottom line is, if we adopt the Parker amendment we are going to shortfall probably 99 or 100 other tribes. I can understand the gentleman's desire to help his tribe.

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

Mr. REGULA. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, I say, with all due respect to the gentleman from Ohio, we keep referring this as the tribe in my State. This will affect all of the tribes that have worked extremely hard trying to abide by the rules that we put into place. Understand, it is not just one tribe.

The National Congress of American Indians has sent a letter to us, to the chairman of the committee, explaining that this would be detrimental. We are talking about all of the Indian nations understanding that we have once again broken our word to them as far as what we want them to do. And because we have not fulfilled our responsibility, we are putting them in a terrible position.

Mr. REGULA. Mr. Chairman, reclaiming my time, I understand. We did have the letter from the American Congress, and they asked us to fix it, and we tried. We added \$26 million, but that is not quite enough to accomplish I think what the gentleman would find desirable. What we would find desirable would probably take \$60 million. The only difficulty is we did not have \$60 million.

Mr. PARKER. Mr. Chairman, will the gentleman yield again?

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

Mr. PARKER. Mr. Chairman, on page 3 of their letter, let me just read just a couple of sentences. It says "We are also deeply concerned with the language beginning on line 8, page 81 of the bill, which instructs IHS to alter its current contract support cost system to a 'pro rata proportion' system. We ask you to support Representative MIKE PARKER'S amendment to strike this language from the bill."

So if we want to do what they want, they explain to us exactly what needs to be done.

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

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

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding. This

is exactly what the Republican Congress is trying to do, is privatize a lot of these issues.

Mr. REGULA. Absolutely.

Mr. CUNNINGHAM. Where we ask someone to privatize and to save money and they go through the extraordinary function to do that, then I think that we ought to honor that and not renege on our promise.

I do not have any Indian tribes in my district, but I think it is terrible what this country has done to Native Americans, and this is one area in which I think we can stand out, take a step and be counted, and help our Native Americans. I rise in support of the amendment.

Mr. REGULA. Reclaiming my time, I understand what the gentleman is saying, but we are trying to encourage all the tribes to privatize. But, unfortunately, to accomplish this goal we need a lot more money. As I said, the administration in their budget submission just ducked the whole issue.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

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

Mr. REGULA. Mr. Chairman, they ducked the issue. So it is not a question of privatizing, it is a question of trying to help all these tribes, to encourage them to do self-determination contracts.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield on that point?

Mr. REGULA. Certainly, I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, I do not disagree with the gentleman on that issue, but I do disagree that it is on privatization because these tribes have done that. They have been successful. They saved money. We are trying to get the rest of the tribes to do the same. But let us not penalize those tribes that have gone and done this problem that we have asked them to do. That is what the gentleman from Mississippi (Mr. PARKER) in his amendment is asking us to do, Mr. Chairman.

Mr. REGULA. Reclaiming my time, we are trying to achieve what the gentleman is talking about. That is why we put in the \$26 million extra that we had to find somewhere else.

Mr. CUNNINGHAM. We will support the gentleman in doing that. Let us just not penalize the tribes that have gone through it.

Mr. REGULA. Mr. Chairman, we are not sure whether we will or not, depending on how the distribution turns out. The Indian Health Service says that adding \$26 million will have minimal negative impact on a tribe such as what the gentleman from Mississippi (Mr. PARKER) described, and be the fairest way to do it. That is a matter of fairness.

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

Mr. REGULA. Certainly, I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, minimal impact, that is like a foot of water.

Mr. REGULA. Mr. Chairman, these are IHS's words, not mine.

Mr. PARKER. I have to tell the gentleman, it will mean a difference of \$949,000 a year. That is a massive amount of impact.

Mr. REGULA. Reclaiming my time. To one tribe?

Mr. PARKER. To one tribe.

Mr. REGULA. I cannot say one way or the other, because I can only take the information from Indian Health Service. I, like the gentleman from California, have no tribes whatsoever in the State of Ohio, certainly not in my district.

What we are trying to do is get a fair distribution. We are just trying to solve a problem that everybody is ducking, that is the bottom line, and do it in the fairest way we know how.

I think if the amendment prevails, it means that many of these tribes will get nothing or very little to help them develop the self-determination contracts. I think the bottom line is the body has to decide whether they want to be fair and across-the-board, help maybe 100 tribes or help whatever number is.

Some of the tribes have taken an initiative and have gone ahead on this self-determination. I can understand what they are saying. But I hate to close the door on all the rest of them by giving those that are already getting this money and letting them keep it, and we have the \$26 million to improve the base.

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

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the problem really, is lack of funds, is it not, rather than anything else? There should be enough money to take care of the tribe of the gentleman from Mississippi (Mr. PARKER).

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has again expired.

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

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, if we do this, some of the tribes will be left without any money.

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

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

Mr. CUNNINGHAM. Mr. Chairman, I understand what the gentleman is saying, and I know the budget constraints and the caps. But at the same time, I think the gentleman from Mississippi (Mr. PARKER) is trying to say that these tribes have earned what they have done through privatization in managing their own health care system and that the others have not. We want

the others to do the same thing. There is not enough money to do that. But let us not penalize those Native American tribes that have gone to the effort and created a system that is beneficial for all tribes.

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

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman is exactly right, except that we do not have enough money to do it. What the gentleman did was to put in as much money as we could. The administration did not request it. He added \$26 million. So he agrees with the gentleman. This is what we ought to be doing, but we do not have the money to do it.

Mr. PARKER. Mr. Chairman, would the gentleman yield?

Mr. REGULA. Yes, I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, let us put this in perspective. Let us take a tribe that has taken the initiative, and they are paying for their administrative cost, and they have done what we have asked them to do. What I have told the tribes, if the Federal Government wants to do this to you, all you need to do is sit back and say, "We are not going to participate anymore, and now it is up to you to pay all of it. You have a statutory responsibility to come and pay for it."

They have saved us money. They have permitted us to have the additional funds that are there. I must tell my colleagues it is being totally unfair to these tribes that have taken the initiative and they have played by the rules. They have done what they wanted.

That \$26 million, by the way, does not all go to these tribes. We have salary increase in that. I think the net coming out is around \$15 million that is going toward the actual contract cost. So I appreciate the fact that what my colleagues have done is increase it by \$26 million, but I think that my colleagues are penalizing these tribes, and there is no reason to do that.

Mr. REGULA. Reclaiming my time, I yield to the gentleman from Illinois.

Mr. YATES. There is a reason. We do not have the money. It is just that simple.

Mr. PARKER. Mr. Chairman, if the gentleman will yield, we have not had the money for a long, long time. That does not mean we need to go and penalize these tribes for doing what we asked them to do.

Mr. REGULA. Mr. Chairman, reclaiming my time, what we are trying to do is get more tribes to go on the self-determination contracts, and that is the reason for the \$26 million, and in the process not penalizing your tribes or those that are already on self-determination contracts.

I wish we had enough money that we could make everybody whole. We do not know. The IHS says with \$26 million it will be minimal. They do not

give us a number. I am not sure where your \$900,000 came from.

But, I will yield. I do not want to prolong the debate.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

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

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Mississippi (Mr. PARKER).

Mr. PARKER. Mr. Chairman, what we have to understand is that these tribes are providing services that we would normally pay for. I realize that the committee, in its wisdom, has tried to be fair and be able to include more people.

Mr. REGULA. That is right.

Mr. PARKER. We do not achieve the purpose that we are looking for if we penalize individual tribes out there that have been trying to do what we ask them to do. We have changed the rules on them again. It is not the first time the Federal Government has done that to Indian nations.

I think sometimes we all forget, it is a little basic thing in American history, but these are sovereign nations and we should treat them as such. We would never do this type of a thing to another nation without understanding that there would be retaliation of some type.

These nations can very easily, that have paid for their own contracting costs, they could very easily sit back and say, "Then it is up to you. You have a statutory obligation to provide health service to our people. You pay for it. You handle the whole thing."

That, in effect, would put IHS in a situation that they do not want to be put in. They know that they could not provide those services. They know that these Indian nations have saved them tremendous amounts of money, tremendous amounts of work, and that there would be no way that they could do that.

So I think that in all fairness, this needs to move to the authorizing committee. We need to work something out so that we can eventually move toward full funding.

These Indian nations that are in the queue are receiving health services. They are not being paid for contract services, as are the nations that have taken the incentive and are in the program, but they are still receiving health care services now.

So I think that this amendment makes total and complete sense.

Mr. REGULA. Mr. Chairman, reclaiming my time. I cannot agree with the gentleman on that. What we have tried to do is to get more of the tribes, encourage more of the tribes to go to self-determination contracts, which as the gentleman points out is the right way to do it. It is not necessarily saving us a lot of money because we still have to pay for their health care costs, and what this money does is to help pay the administrative costs.

It will not reduce that. We used the \$26 million number as a way to take care of those that were already on self-determination contracts, while at the same time encouraging other tribes to take the same steps. We have historically tried to make the Native Americans more self-dependent.

We have to resist the amendment because what we have tried to do is accomplish what we thought was fairness in the way we have constructed the bill.

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

Mr. Chairman, I would ask the gentleman from Mississippi (Mr. PARKER), is the point the gentleman is trying to make here that a number of tribes have entered into self-determination contracts with the Indian Health Service, and the Indian Health Service has failed to live up to its obligations to fund these tribes that have taken on self-determination, and the unfortunate consequence of what the chairman is trying to do, and I think he was trying to do something to benefit all the tribes, is that we then do not live up to the commitments that we made to those people who decided that they wanted to go the route of self-determination? So are we penalizing them and rewarding people who are not willing to go the route of self-determination? Is that basically the argument?

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

Mr. DICKS. I yield to the gentleman from Mississippi.

Mr. PARKER. That is it. There is not much else to say. I do not question the motives of the chairman of the subcommittee, nor the ranking member. They are two of the finest people we have had in this House or ever served in the House. They care about the Indian Nations. But I must tell the gentleman that the language in the bill which attempts to try to help everyone, you are penalizing people who have given their word.

I must tell the gentleman, there is a working group now between the Indian Nations and the IHS, and they are discussing what should be done and how it needs to be handled. What we are doing is precluding what they are going to look at and what they are going to decide. They may come up with some ideas that none of us have thought about. We are including that in this language.

Mr. DICKS. Mr. Chairman, reclaiming my time, the other problem with this is the tribes were not consulted before we made this decision. I am very upset that the administration in its budget, I completely concur with the chairman, completely punted on this issue. They did not have any money to address this or not very much.

We tried to correct this, but, I think, unfortunately, what we are going to do here if we do not accept the gentleman's amendment is to penalize those

people who have not entered into self-determination agreements, and then punish those that have. I think that will be unfortunate. Maybe we can work this out between now and the conference.

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

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

Mr. REGULA. Mr. Chairman, in the interim, we have received statistics from IHS. I think the problem here really is that the other body put zero in their mark. We have \$26 million. The \$26 million will address the problem, because there are 250 tribes now receiving contract support and 23 not receiving it. So the \$26 million will not only take care of the 23 we want to get in under contract support, but will probably result in tribes such as yours getting a cost of living increase above what they are receiving now.

I think what they are doing in the letter is addressing a problem created by this bill in the other body, which is zero, and not addressing it with the \$26 million we have in our bill. This is something we have to resolve in conference.

Mr. PARKER. Mr. Chairman, if the gentleman will yield further, those numbers, I have a lot of respect for the IHS and for their wisdom through the decades. They have been so right so many times. But let me just look at this. The numbers do not quite come together.

When you are talking about that \$26 million that is going to have an increase to cover those other tribes, I know they sent you that note, but let me just point out, we have a \$65 million shortfall. We have gotten that from IHS.

Now, the \$26 million, to my calculation, you are around \$40 million short. But you are worse than that, because all the \$26 million does not go directly to support services. So you are in a situation where, let us just be conservative and say okay, it is \$40 million short. You are still lacking some money. You are not going to be able to provide those services as we have promised.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, eliminating the \$26 million is not going to solve the problem.

Mr. PARKER. Mr. Chairman, my amendment does not eliminate the \$26 million. We only address the matter of contract authority and removing the language of removing the queue. We do not say anything about removing the \$26 million, because it is in another part of the bill. So I want to make sure, whatever we do, I do not want to remove the \$26 million.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

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

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

Mr. DICKS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, what the gentleman is asking to do is take care of his tribe and take money away from the other tribes, because the committee, has not put enough money into this bill. What the gentleman ought to be doing, I think, is asking for more money in his amendment, rather than a rearrangement of whatever money there is in the bill.

Mr. PARKER. Mr. Chairman, if the gentleman will yield further, to my good friend, that is the solution, and I appreciate that. But I must tell the gentleman, I have some of the same problems that the ranking member does as far as finding that money.

What I want to do is create a situation that the authorizing committees look at this thing, that the study group that is in place between IHS and the Indian tribes be able to come up with some recommendations to us on what needs to be done and the way it needs to be handled, and, if we do move in this direction, that we move into it in a much more logical fashion with more thought. What I do not want to do is hurt these tribes that have been doing what we asked them to do. We asked them to do it, they did it, and they did it in good faith.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, I think what ought to be done is for the chairman and for me to take this problem into the conference and see if we can get more money, rather than to rearrange the way it is distributed; let us try to get more money so we can provide the money for the tribes that have followed the new rules. But we do need more money in order to take care of all the tribes, I do not think there is any question about that. But to rearrange it so some money goes to your tribe and none for the others, I think is unfair.

Mr. DICKS. Mr. Chairman, reclaiming my time, I would ask a question of the chairman. Is the gentleman saying we cannot take care of all the self-determination tribes? In other words, the problem is we have got so many people who signed up to do self-determination, that we cannot take care of all of them? Is that the problem?

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, the gentleman is absolutely right. The problem with this amendment is it will take care of those who got to the head of the line, and those that were slow getting up to the line will get cut out.

What we are trying to do is to make it fair for everybody, and we feel that the \$26 million will allow those that were at the head of the line to continue to get what they were receiving, or very close to it, and will help the others to go to self-determination.

Mr. DICKS. Mr. Chairman, reclaiming my time, the problem I have is the letter here from the Indian Health Service says one tribe will only get 39 percent of what it got last year. That is a 61 percent reduction.

Mr. REGULA. If the gentleman will yield, that letter speaks to the Senate bill, which is a zero. It is not referring to the \$26 million that we put in our bill. I think one of the problems here is that you are trying to address problems, situations, created by the Senate bill at zero, and not recognizing that we have taken, I think, a very progressive step.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, let me read this. It says this in a letter to Mr. YATES on July 20. "For example, one tribe would see its contract support payment reduced by \$949,000, or 39 percent, between FY 98 and FY 99. Such unanticipated reduction would adversely affect health care delivery among these tribes by requiring them to decrease important administrative support staff and functions or to divert funding for health care services to support activities that were formally funded by the contract support costs."

This is a letter from Donna Shalala.

Mr. REGULA. If the gentleman will yield, when we received the letter we checked with IHS, and they advised us that that letter was drafted by OMB based on the Senate number. That is the advice we got.

Mr. DICKS. Is the gentleman telling me OMB has not figured out which is the House and which is the Senate?

Mr. REGULA. Well, the gentleman said it.

Mr. PARKER. Mr. Chairman, if the gentleman will yield further, please understand, we are making decisions here without going through an authorizing committee. We are legislating on an appropriations bill, where the National Congress of American Indians, and I know there are a lot of people who have never heard of it, but let me tell you, these people represent all the Indian tribes, they have said, do not do this to us. Keep your word.

I might say to the gentleman that those people that are in the queue, that all of a sudden everybody wants to help, what are they going to feel when we break our word to those that have done what we asked them to do? How are they going to feel? How much confidence are they going to have in us?

I feel that we need to keep our word, do what we said we were going to do, and resolve this problem in the authorizing committee, and move forward when we go to that point and have the Committee on Appropriations try to get the money necessary.

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

Mr. Chairman, I guess I do not have, as I mentioned, a Native American tribe in my district. California has a lot of Native Americans, and I think it is more on principle than it is anything else. I could be hurting, maybe, some of

the tribes in the San Diego area by supporting this amendment, but, on principle, if we ask somebody to do something and they do it, and they save us money, then we ought to reward that. And if there is a penalty, the penalty should come on the tribes that do not. I think that is what the gentleman from Mississippi (Mr. PARKER) is saying.

I also acknowledge the fact that we do not have enough money to do what we said we were going to do. But if there is a penalty, then it ought to penalize the ones that have not. That is the reason that I rise in support of the gentleman's amendment. We need to keep our word.

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

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. PICKERING. Mr. Chairman, I rise in support of the Parker amendment. The tribe that the gentleman from Mississippi (Mr. PARKER) has mentioned today happens to be my in home district, the Mississippi Band of Choctaws, which I believe is probably one of the best models, if not the best model, in the Nation of tribal leadership and self-determination.

They have taken the steps where, 20 or 30 years ago, a generation ago, you had the highest rates of unemployment, of illiteracy, of poor health care; now they have the best in health care, they have world class facilities, they have the best in education. They have invested in manufacturing facilities and we now have the lowest unemployment in this area of my State that we have had in 30 years, and it is because they have done what we asked them to do. They have taken the steps consistent with the Indian Self-determination Act of 1975.

What I am concerned about is here we are breaking that commitment, breaking our word, in essence abrogating a contract. We are penalizing and punishing those who have taken the right steps.

Mr. Chairman, I commend and thank the ranking member and chairman for their efforts of addressing this problem and adding \$26 million where the Senate did nothing. The problem we have and the problem that the gentleman from Mississippi (Mr. PARKER) has is we are trying to fix it on a pro rata basis. We do not distinguish or differentiate between the good tribes and good leaders that have taken the action under self-determination and those who have not.

Now, we think there are several violations of principle. One, breaking the word, breaking a contract, and penalizing those who have done the right thing. What we are trying to do is find a way to support the \$26 million, but to see if there is a better way to apportion and allocate whatever funding is made available, so we do distinguish between those who have taken the steps consistent with the Self-determination Act.

So I would urge the chairman and ranking member to work with us, to see if there is a better way. There is a working group right now that is trying to take steps, in consultation with all parties, to find a better solution to this. All we are asking is for the time to find a better way, a better approach, consistent with our principles.

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

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, let me point out. I want to make sure that everyone knows that the appropriating subcommittee has gone farther than anyone has ever gone in the past in trying to rectify this problem. I also want people to know that the administration has done nothing. They have sent up letters saying "you have created a problem," but they did not try to resolve that problem before coming up here. They dumped it in our laps. I realize that.

But I also know that we are in a situation where we have got to do something, and I think that it is very important that we send the right message to these Indian tribes, and that we let them know that privatization is the correct way to go and that they are able to depend on us, that we will follow through.

One thing that I do not want, and this bothers me a great deal, this subcommittee has been good enough to put an additional \$26 million in. Whatever happens on my amendment, if it should pass, I would hate to see this committee move back from their position and remove \$26 million or decrease that amount. That would be something that I think would be not only hurtful to the Indian tribes, it would send the wrong message to them as far as what we are trying to do. So, from a very personal standpoint, I want to make sure that this \$26 million stays in the IHS funding.

Mr. PICKERING. Mr. Chairman, if the gentleman will yield further, we have talked about IHS and their input into this process, but let me read from a letter from Secretary Shalala.

The CHAIRMAN. The time of the gentleman from California (Mr. CUNNINGHAM) has expired.

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

Mr. CUNNINGHAM. Mr. Chairman, I yield to the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Chairman, the letter from Secretary Shalala reads, "The implementation of a pro rata proportionate distribution of payments for contract support costs will result in the reduction of funding to a significant number of tribes," we are not talking about just one tribe, "a significant number of tribes and tribal organizations that have assumed," have taken the responsibility and the steps required of them, "that have assumed the operation of IHS health programs."

□ 1730

And then later in the letter it says, "We therefore must object to the proposed proviso in S. 2237, since the tribes have not been consulted and since the abrupt and unforeseen funding reductions to many of the tribes currently receiving these payments would have a severely disruptive effect on health care delivery by these tribes."

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

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

Mr. REGULA. Mr. Chairman, I would just point out to the gentleman that he read a letter from the Secretary of HHS expressing great concern, but in the submission of the budget she underfunded them \$147 million.

Mr. PICKERING. Mr. Chairman, I understand and agree with the Chairman.

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

According to the letter from the Congress of American Indians, we are going to need approximately \$300 million to take care of all of the needs of all of the tribes under this program. Mr. Chairman, \$26 million, of course, as the gentleman from Mississippi pointed out, is a pittance. But the problem, as I see it, is lack of money. We just do not have enough money in this bill to take care of all of the tribes.

I am told by staff there are 30 tribes that have not received any money under this arrangement. I do not think that is fair, either, just as the gentleman points out that the new distribution would severely penalize the tribe in his district. But the Congress is trying to find out, it does not agree with the \$300 million figure. What it is trying to do is find out how much money is actually needed.

That is why I suggested earlier, as we go into the conference, I for one, and I am sure the chairman too, will try to find out how much money is realistically available. \$26 million is all we could realistically put up at this time, that is all the money we can get in order to take care of the need not only for your tribe, I say to the gentleman from Mississippi, but for the California tribes as well and for the other tribes that now are not getting any money.

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

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, the tribe that I referred to in my State is not in my district, but I feel strongly that it is up to us to keep our word.

This problem is so great that we have to look at it from a variety of different ways, and I must say that preempting the study group between the HHS and the Indian tribes, I think we need more information before we have a basic change in the law, which the bill, as it is right now, without my amendment, the bill changes current law drastically, going all the way back to 1975. And I think in 1975 when the gentleman

was here, I think that the gentleman made the right decision at the time, and I am just trying to reaffirm that decision, and I ask people to support this amendment.

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

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

Mr. REGULA. Mr. Chairman, if we do not accept the amendment, it will allow more tribes to participate, and I do not think it will penalize the tribes represented by the gentleman from Mississippi. If we accept the amendment, or if the amendment is passed and the \$26 million is left in, it will be a great windfall for the tribes who are already getting money, because those that would be getting it now will get the \$26 million divided among them and the other tribes will still be out in the cold.

It is not a matter of changing the law. This has been going on a long time in the BIA. It is a matter of distributing the money equitably. Unfortunately the administration, as I said earlier, ducked the issue. In fact, they funded Indian health \$147 million less than last year, which is a mystery to me, given the testimony that the ranking member heard, as did I, that there are a lot of health problems in the Indian Community. But I do not think in fairness we want to give a big windfall to the tribes that are now getting funds with the \$26 million we put in. We want everybody to get in on the mix.

Mr. YATES. Mr. Chairman, may I say that I do not consider it a big windfall. I think that the tribe, on the basis of the explanation given by the gentleman from Mississippi, deserves that money, but to do so at the present time without having all of the figures will penalize some of the other tribes. I therefore will stand with the chairman in keeping things as they are in the hopes that we can get the information we need before we go into the conference where we can make some adjustments.

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

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, let me just say there is a \$65 million shortfall. We have added \$26 million. That leaves us \$39 million, I mean around \$40 million. There is still a shortfall there. So this windfall, supposed windfall is not a windfall, it is still a shortfall.

Mr. YATES. Mr. Chairman, we just do not know what the figures actually are, according to what the staff tells me. The gentleman has certain figures. We are trying to get the figures from the proper authorities so that we are in a position to do justice to the tribes that the gentleman has as well as the other tribes.

Mr. PICKERING. Mr. Chairman, if the gentleman will continue to yield, if I could suggest to the chairman and ranking member possibly one solution. The controversy here is over the allo-

cation of whatever funds are available. The \$26 million is greatly appreciated, but if it is done on a pro-rata basis, there is no distinction or difference between those who have taken steps consistent with the Self-Determination Act.

We would like to work going into conference, work with the administration, work with the working groups to see if there is a better way of allocation that would still try to address the needs.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

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

Mr. YATES. Mr. Chairman, I would hope the gentleman might want to withdraw his amendment at this time and let the chairman and I try to correct the situation as we go into the conference.

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

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, I appreciate the ranking member's suggestion but I do not think that it would be wise to do that, because I think that this issue is so important, I think that it is necessary that we all focus on what we are trying to do, and I think that my amendment moves in the direction of at least putting the gentleman in the conference so that he is able to deal with the Senate.

We already have the \$26 million in there, and I know this discussion is going to occur on into the future, and I also know that the gentleman will not remove the \$26 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. PARKER).

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

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

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Mississippi will be postponed.

AMENDMENT NO. 15 OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. MILLER of California:

Page 68, beginning at line 13, strike "for indirect" and all that follows through line 16 and insert the following: "may not be used for indirect support activities (as defined in the Forest Service Handbook)."

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

Mr. MILLER of California. Mr. Chairman, earlier this year three committees came together, the Committee on

Appropriations, the Committee on the Budget, and the Committee on Resources, to hear about the problems, the financial problems of the U.S. Forest Service. The Committee on Resources and the Committee on the Budget and the Committee on Appropriations gathered to hear the GAO's report on a decade's worth of reports that they have done over the past years which conclude that the lack of financial performance accountability has resulted in inefficiency and waste by the Forest Service.

To make the Forest Service accountable, I think the way to do this is to take their off-budget funds and subject them to appropriations. The Forest Service has 23 special accounts amounting to more than one-third of their total budget, according to the Congressional Research Service. These funds, which now receive little congressional oversight, ought to be subject to appropriation, and I have introduced legislation to do that.

But this bill, this current bill does nothing to improve the Forest Service's accountability. In fact, it moves in the opposite direction by sanctioning the agency's use of forest restoration funds for administrative overhead costs. It permits the same abuses to occur with salvage funds, and it rewrites the roads and trails fund to allow those funds to be diverted to vaguely defined forest health projects.

My amendment does not address all of these issues but, in effect, it requires that the funds that are intended for forest restoration be used as Congress intended, not as a slush fund by the Forest Service for administrative costs.

By contrast, the committee's bill would allow up to 25 percent of these restoration funds to be used for so-called indirect expenses. This, in effect, ratifies the current practices, the current practices that so many Members of these three committees were shocked at when they were told about them by the GAO. The GAO told us that in reporting its fiscal year 1995 financial results, the Forest Service could not identify how it spent \$215 million, \$215 million out of \$3.5 billion in its operating fund programs with respect to these forest restoration programs.

Mr. Chairman, these are funds that when the Forest Service has a forest sale and the loggers go in and they log that tract of land, whether it is a few acres or a couple hundred acres, whatever extent that the logging practice is in, these are funds that the Congress of the United States made a determination would go in after the logging is done, replant that area, restore that area so that we would get a new generation of trees; we would put the forest back into a position so that it might be logged in the future, or it might be used for other forest values such as recreation or what have you. That is supposed to be done on a sale-by-sale basis.

However, because of accounting practices within the Forest Service, what we now see them doing is not doing it on a sale-by-sale basis, but collecting the revenues on a sale-by-sale basis, putting them into a slush fund and now subsidizing the administration of the Forest Service, as opposed to going back and replanting and reforesting those sales and those areas that belong to the public.

What has the result been? The result has been that reforestation has not kept up with the cutting in the forests; that a number of areas where reforestation has taken place, it has been a complete failure, and we now have these huge scars on the public lands. If one visits some areas in northern California and southern Oregon and some of the Western States, we will see massive scars upon the land where reforestation has been a failure. But rather than go back in and fix those and reforest them to get those trees to grow again, what we see is they are diverting this to the overhead of the Forest Service.

Again, the GAO told the three committees when they were assembled earlier this year that the Forest Service does not have the financial management information and controls needed to ensure compliance with these Reforestation Fund Act monies and the prohibition limiting these funds for expenditure in individual sale areas to the collection from those same sale areas. What they told us was that the Forest Service, because it lacks accountability, because it lacks financial controls, has created a slush fund that is not being used for the purposes for which the public intended.

The diversion of these funds now in this last year was some 31 percent of the \$166 million that were supposed to be used for reforestation of the timber sale areas. Instead of planting trees, instead of improving watersheds, instead of improving wildlife habitat, we were buying furniture, we were turning on the lights, and we are engaged in funding the overhead of the Forest Service.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

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

Mr. MILLER of California. Mr. Chairman, I think what has become very clear is that we have to start curbing these financial abuses by the Forest Service.

This amendment does that. That is why this amendment has the support of not only the environmental groups but almost all of the taxpayer organizations that look at these practices and ask the question, is the American public getting a fair bang for its dollar? Is the American public getting a return on its dollar invested, and is the law being followed in terms of what the public has an expectation of with respect to, in this case, reforestation programs?

As we look at these programs from an environmental point of view, or as we look at these programs from a taxpayer point of view, they fall far short in their accountability to the public, and they fall short because of that lack of accountability in their obligations to the environmental charge of these funds under this law. That is why this amendment should be accepted by the committee and by the House. I plan to ask for a vote on this. This is a very high priority of both the taxpayer organizations and the Forest Service organizations.

Again, many of us sat through these hearings and we were quite stunned at the extent to which the Forest Service accountability and financial controls have lapsed. We were also heartened, I think, by the fact that the Forest Service brought in professional financial managers to start to bring this back into control. But we have to begin with this legislation in this fiscal year and stop the diversion of these off-budget funds.

I would hope eventually that the authorizing committees, and if not, then the appropriating committees, will bring these funds back onto budget and make them subject to appropriation so that the American taxpayer understands where the money is being spent and what the benefit is, and we can make a determination each year as to whether or not the public interest is being served and if, in fact, the mission of the Forest Service as determined by the Congress is being served.

Mr. Chairman, I urge an "aye" vote on this amendment.

□ 1745

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

Mr. Chairman, the gentleman from California (Mr. MILLER) is absolutely correct. I am sure it will shock him for me to say that. But, in general, he is absolutely correct with respect to what is happening in the Forest Service today and its mismanagement of funds and lack of knowledge of what is actually happening within this very huge agency.

Unfortunately, his amendment is misdirected, while his thesis is correct.

We have all seen the General Accounting Office report and are shocked, indeed, with respect to their criticism of the Forest Service and to how lacking the Forest Service is in accountability.

However, the Committee on Agriculture has held three hearings on this very issue, and we have come to the conclusion that certainly there must be something done. For that reason, there is a bill introduced, which will be marked up on Tuesday, July 28, and scheduled for the floor on August 6, which addresses not just the K-V Fund issue, as the gentleman's amendment does, but addresses a whole array of management techniques and problems that the Forest Service continually has, plus overhead.

Now, it is shocking that many of the funds that the gentleman mentioned, there are five of them, he addresses only one, these funds have something like 30 percent overhead attached to them. That is unacceptable. And as we have gone into the question of the management of the forests, which we recognize that there some direction must be taken by the Congress to straighten up what is obviously a total mess.

Now, if we follow the gentleman's amendment only on the K-V Fund, we may well interrupt a personnel problem within the K-V Fund, which could impact habitat restoration and reforestation efforts and the issues that we are all interested in and that we all want to see completed.

So, here I think is the choice: the language that I think is a beginning in the Interior bill, but allow the authorizing committee, in this case the Committee on Agriculture, to carefully walk through this whole issue, bring it to the floor for the study of the Committee, and take the whole issue, rather than just a part of it.

Mr. Chairman, I would be delighted to include the gentleman from California in on any language that he would propose in an overall attempt to take care of a very difficult issue, rather than take in an amendment today with little opportunity to discuss. Let us go through the authorizing process. We will bring a bill that I think will address many of the gentleman's problems and we would be happy to include him in that discussion.

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

Mr. SMITH of Oregon. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Oregon (Mr. SMITH) for yielding me this time, and I thank him for his remarks.

Mr. Chairman, I think as the gentleman said, he shares our dismay at what we heard in the reports from GAO and from the Forest Service. Hopefully, their acknowledgment of that is the beginning of a change. But let me say in this case, and I did not as I said in my statement, I believe that all of these should be brought on budget and the appropriators should have some say in how this is being done.

But this last time, it was 35 percent. The committee says 25 percent. That level of overhead is just unacceptable when we are struggling to do the reforestation programs that we all know are necessary as part of watershed management and going back and trying to correct some mistakes and all the rest of it.

I would urge the gentleman from Oregon to have his hearings and to have the authorizing committees make these things, but also I guess we are at the end of the session here. This is the beginning of the fiscal year. I still think that this amendment is very important if we are going to stop this.

Mr. SMITH of Oregon. Mr. Chairman, reclaiming my time, I understand this

is a rifle shot at the issue. Let us take the whole issue under consideration and bring it back to the floor when we have the whole thing addressed.

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

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

Mr. REGULA. Mr. Chairman, I would like to say to the gentleman from California (Mr. MILLER) is that we would propose to reduce this 25 percent to 20, which will be 10 percent less than we are using now. The problem is that if we adopt this amendment, we leave the K-V Fund out there without any direction.

That fund is used for habitat improvement, reforestation, and a lot of very good environmental issues. I am most reluctant to, but I would have to characterize this amendment as being anti-environment, and I do not think that the gentleman from California wants to do that.

Mr. Chairman, I would agree that we should get this on budget and put us in charge as a Congress, in administering these funds on a line item basis. But I do not think it is good management, as proposed in this amendment, to take away the ability to manage the program and leave the program out there like a ship without a rudder. These programs are very important environmentally for reforestation, for habitat improvement, for other legitimate forest health issues.

Mr. Chairman, I would like to work with the gentleman from California in getting this on budget, reducing the amount that is going to administration, and ensure that the funding actually achieves the environmental objectives that are very much a part of it.

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

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

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Ohio (Mr. REGULA) for his comments. We are quickly trying to assess his offer. I think a couple of our colleagues have something they want to say on this and maybe we can chat about this.

But there is a problem with respect to ongoing litigation, so this has to be done sort of right, I guess, not to prejudice some parties. So, we can talk.

Mr. REGULA. Mr. Chairman, reclaiming my time, I want to use the money for environmental objectives, and to do that there has to be some mechanism to manage the fund. I think the amendment just takes away the mechanism without addressing the issue of how we expend the funds. I think we really need to get it on budget and manage it more correctly.

Mr. MILLER of California. Mr. Chairman, if the gentleman would continue to yield, let us not pretend like this is the only administrative money available to the Forest Service. The Subcommittee on Interior Appropriations

unfortunately makes a huge amount of money available for administrative overhead to run these programs, and for them to siphon off this huge amount of overhead to get these programs on the ground and get them working is just unconscionable. But it is not like it would leave them without administrative overhead. It would leave them without a place that they could go without accountability, but they still have administrative money for these functions.

Mr. REGULA. Mr. Chairman, again reclaiming my time, I would like to say to the gentleman that if there is any way in the conference process that we can make some changes to make this fund totally accountable, I am very much for that, because I think accountability is an essential element of any program that we manage. And since we have to appropriate the funds, it should be accountable to those of us that serve on these respective committees.

I would say to the gentleman from California (Mr. MILLER), I would like to work with him to achieve that objective. But I would be reluctant to support the amendment under these circumstances without having some additional changes.

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

Mr. Chairman, here is the problem before us. The administration and this Congress have been starving the Forest Service, while giving them ever more and more expensive obligations, many of which have tremendous merit. If we look at the backlogs to meet the environmental guidelines of the President's forest plan in my region, it would sop up virtually the entire budget of the United States Forest Service.

We are simply not funding many meritorious activities. The gentleman from Oregon (Ms. FURSE) was going to offer an amendment yesterday, with which I disagreed, but I agreed with the program she wanted to augment. If we look at her augmenting those programs, it would take them up to 30 and 40 percent of the annual objective; again, programs that benefit the environment, that reinvest in our forests.

We have been treating our forests like cash cows for much too long, and now people are unwilling to reinvest in the resource. That is pointed out by this issue of the K-V Funds. The K-V Funds are spent for meritorious purposes, reforestation and related environmentally beneficial activities consequent to timber sales. Everybody agrees that those are activities that should be carried out.

But the problem here is that since we are starving the Forest Service in many other budgets, they are attributing an, I think, unusually high overhead to this program so that they can move their funds around. And they are very, very messy and unaccountable accounting practices which we have held hearings on.

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

Mr. DEFAZIO. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, the gentleman from Oregon (Mr. DEFAZIO), whom I consider one of the experts on these issues in the House, let me give some of the information that we have received from the Forest Service for the benefit of our colleagues who are trying to learn about this.

It says:

Eliminating the K-V overhead indirect costs will have substantial repercussions for the agency. The indirect nonproject costs of the agency cannot be eliminated and support accomplishment of program work. Costs such as rent, utilities unemployment comp, and program supervision are necessary costs to support K-V accomplishments.

According to the May 6, 1998, report on indirect charges in five funds, the K-V Fund paid for \$51,169,000 in fiscal year 1997. As mentioned above, if K-V could not pay for these costs, the Forest Service's appropriated funds would have to be responsible for them. This would result in less program accomplishment in reforestation, timber stand improvement, wildlife, watershed improvements, and other appropriated resource areas.

In addition, the plain language of the National Forest System Appropriation excludes general administrative support to funds such as K-V. Therefore, to charge appropriated funds would place the Forest Service in violation of its National Forest System Appropriations language on GA, and in violation of congressional intent, if not appropriation language on all other direct costs.

So, I understand why we would like to preserve the funds, but we have to pay it somewhere. If we do not pay the indirect costs of the K-V out of the K-V Fund, then we will take money away from all of those other programs and things like timber stand reforestation improvement and wildlife, which the gentleman and I are both strong supporters of. How do we answer this?

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, and I said as I spoke, the objectives of the K-V Fund are meritorious. The question is how much goes to overhead? And I would say that 25 percent where they are attributing rent for a Forest Service employee who works in a ranger's station, attributing all of those, if we add up all the overheads and the indirects we find that in part it is going to the chief's salary. It is going here because the chief spends 4 percent of his time on K-V Fund, so 4 percent of his salary.

I mean, when we add them up, they do not add up to 100 percent. So my concern is that we are not getting as much money on the ground as we should. I certainly would not want to get an unintended effect here which would be to deprive them of any capability of managing and investing these funds. But I think the gentleman from California (Mr. MILLER) is trying to

make the point that the 25 percent number is arbitrary and too high.

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

Mr. DEFAZIO. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I have a letter from the gentleman from California (Mr. HORN), chairman of the authorizing subcommittee. He points out that a recent report by the General Accounting Office revealed the Forest Service diverted over \$220 million from the K-V Fund into bureaucratic overhead between 1993 and 1997.

The CHAIRMAN pro tempore (Mr. PEASE). The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(On request of Mr. YATES, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 1 additional minute.)

Mr. YATES. Mr. Chairman, the law does not permit the K-V Fund to be used for any other purpose, certainly not for the administrative expenses. And what the gentleman from Washington (Mr. DICKS) has said is true, that if we do not use this money from the K-V Fund, we will have to get it from somewhere else. We will have to use appropriated funds for this purpose if we object to their present day practice, because the money is essential for carrying out the needs of the Forest Service.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, I have tremendous respect for the gentleman from Illinois (Mr. YATES). I think the problem that we are having here, to address his concerns, is between some of us on the authorizing committee who have held hearings on the Forest Service budgeting and accounting practices and feel that money is being moved around in ways that are not accountable and being spent in ways that are not provided for under law; that we are not getting the full bang for the buck of the K-V Fund's investment on the ground in environmental restoration because it is being diverted on overhead that is not just legitimately overhead for the K-V program.

Certainly, there is legitimate overhead for the program. But other more general overhead purposes of the Forest Service, which I would agree, since the Forest Service, as I said earlier, is not getting enough funds in many other programs.

□ 1800

The CHAIRMAN pro tempore (Mr. PEASE). The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(By unanimous consent, Mr. DEFAZIO was allowed to proceed for 2 additional minutes.)

Mr. DEFAZIO. So I would say to the gentleman from Illinois (Mr. YATES) that I think we have some essential grounds for agreement, but the problem is I see the Forest Service doing things like the argument over purchaser road credits last year. I could come to the floor and list project after

project they were doing purchaser roads credits, which truthfully had little to do with the timber sales that they were conducting, but they were meritorious recreation, road, and environmental projects and restoration flood damage repair that they could not otherwise pay for.

So I think the bottom line we keep coming back to is there is not enough money to fulfill their missions, particularly their mission as it relates to the environment.

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

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

Mr. MILLER of California. Mr. Chairman, I appreciate and thank the gentleman for yielding to me. I appreciate the point he has made.

What we have here is a situation that over time has developed to now an extravagance, that any time the Forest Service has something they want that the Congress does not go along with or somebody does not go along with in Washington, they reach into the restoration funds.

The purpose of these funds was, and the gentleman represents areas that are much more affected than mine, the purpose of these funds was to try to do restoration on the theory that forests were on a cycle and that we would make an agreement to cut them and make an agreement to reforest them and to start the new cycle of trees, and future generations could make determinations. But what we now see is over a third of the funds, or about a third of the funds, have now been subject to a diversion, to a simple wish list of local forest people, of managers, about what they want in terms of administrative overhead, with no bars.

And what came to a head in March of this year was the total unaccountability of the system with respect to a basic fundamental forest law, the Vince Vanderberg funds for reforestation.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, will the gentleman continue to yield?

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

Mr. MILLER of California. So, Mr. Chairman, this is an effort to try to repair.

Let us understand something. The Senate is at zero. The Senate has made a determination that this practice is an outrage; that this is contrary to everything that the authorizers in these committees and the appropriators want to do. But this is something that has just grown up and kind of gone off.

And now the question is are we going to enable them to continue to do this practice which is working to the detriment of taxpayers and working to the detriment of the environment?

I just think that this is just fundamental. This is one of those things where, once again, we have kind of bad fiscal policy here mixed with the environment, and it ends up with bad policy for everyone. And that is why the taxpayers' organizations are supporting this amendment, that is why the environmental organizations are supporting this amendment.

Because, in fact, if we can bring this back under the control of the Committee on Appropriations, if we can make these people go into the regular fund for administrative overhead, which is millions and millions and millions of dollars for the Forest Service, then we can have some accountability in this program, and we can go back to many of the areas in the gentleman's State, in my State and other Members' States that have never been properly reforested.

And the cry always is, there is not money to do this. Well, apparently the money has been diverted for a whole host of reasons, most of which most Members of Congress never knew about until the joint oversight hearing, where it was exposed in the GAO reports and the Inspectors General reports.

And I am just dealing with one of these funds. This is true of a whole series of these funds where they have now determined this is somehow their God-given right, to go in there and dip into costs that they want to cover that the Congress has not approved.

Mr. DEFAZIO. Reclaiming my time, Mr. Chairman. In a memo which the Forest Service produced yesterday in opposition to the Furse amendment, they said the Forest Service is working to reduce overhead and increase expenditure clarity and accountability through better financial management. Well, I think they need a little pushing, because the results of that hearing were absolutely disastrous.

Basically, they are not auditable at this point in time. There is no accountability. How can we say we are going to take 25 percent of these needed K-V funds for reforestation and environmental investment and divert it arbitrarily for whatever purpose?

Twenty-five percent is high in anybody's book. But for an ongoing, existing agency which does not have to go out and rent new space, does not have to go out and buy new vehicles, does not even have to hire new employees, because for many of them it is only part of their time, 25 percent seems very high to me and an arbitrary number.

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

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

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding once again.

The gentleman was at the hearing, and I think the gentleman from Washington (Mr. DICKS) was there when they said that they could not identify how

they spent \$215 million. \$215 million. They also went on to say that \$7.8 billion in value reported with respect to assets and properties and plants and equipment was erroneous.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 3 additional minutes.)

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

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

Mr. MILLER of California. The value they placed on their property, their plant and their equipment was erroneous; they do not know if that is really what it is worth. \$7.8 billion, and \$215 million in expenditures, and we do not know if it is accurate or not. We have no way of knowing that. Why? Because over a period of time these funds were created, they were off budget, and they started using them as a slush fund for all of these purposes for which they no longer then had to account.

And due to the work of the three committees, and they should be commended for this effort, this has now been exposed and this now has to be changed around. And because of those hearings, the Senate has made a determination that this is going to stop. This is going to stop. They are not going to use 30 percent of the money that people expect to be put on the ground to reforest our lands, to be committed to a wish list from people beyond their allotted administrative overhead.

I thank gentleman for his comments.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time once again, I thank the gentleman. And just in summary, I do not think anyone can defend what has been going on and we need some resolution. And we feel that we need to move that issue forward, at least into the conference.

So we are hopeful Members will support this amendment supported by environmental groups, taxpayer groups and others to bring some accountability, and to better accomplish the environmental reforestation and other goals of the Forest Service which are being, in fact, woefully underfunded by this body. And that is something we will also have to deal with in future appropriations.

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

Mr. SMITH of Oregon. Mr. Chairman, will the gentleman yield?

Mr. THUNE. I yield to the gentleman from Oregon.

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman for yielding, and I just to want emphasize the point that this effort is an effort in unintended results. And I want to read into the record the impact that would occur should this amendment be adopted, and I think that all will agree that these kinds of results are unacceptable.

For instance, the Forest Vegetation Management and Reforestation account would be impacted by \$20.5 million, which is 45,000 acres, 75 percent of all that is totally planned. Timber Stand Improvement, \$10.7 million, 42,000 acres, 58 percent of all total planned. Wildlife Habitat Management, \$4.9 million, 30,000 acres. Inland Fisheries Habitat, \$1.2 million. Anadromous Fish Hatcheries Habitat Management, \$1.6 million. Threatened, Endangered and Sensitive Species, \$4 million. Watershed Improvements, \$2.8 million, et cetera.

Mr. Chairman, I just point out again that I think we have not thought through this amendment. It is a perilous journey we are on here. Let us back away, let us go through the process of hearings, let me bring a bill to the floor which will address this whole thing, and we will address as well the gentleman from California's program.

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

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Mrs. CAPPS. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentlewoman for yielding.

Let me just say that in the Senate, not exactly a radical body in American politics, and very protective of Western resource policy, in their bill they are silent on this matter, and they said, "The committee is very concerned about rapidly increasing indirect expenses, including overhead, and the related effect on the availability of funds for accomplishment of on-the-ground objectives." The point raised by the chairman, the gentleman from Ohio (Mr. REGULA). "As noted by the General Accounting Office."

They go on in their language to say, "For example, the committee is aware of a proposal to cap the ratio of indirect to total expenditures from the five trust funds of the administrative Forest Service at a level of 25 percent. Although the committee is concerned with the rapid increase from 15 to 27 percent the rates of indirect or total expenditures over the last 5 years, the committee does not propose to cap for the following reasons."

Okay? The point is this: We are not going to get into ratifying, and they anticipate this language, we are not going to get into ratifying a practice that is just there because of sloppiness; that is just there because people do not want to live within the budget constraints that this Congress makes a determination, and they are using these funds for any old purpose they want. They are not related to K-V, and that is the point.

And I thank the gentlewoman, Mr. Chairman, for getting the time so that I could put the Senate report on record.

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

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

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

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

To the debate focus, I would point out to the gentleman from California that it is not any old purpose. It is whatever the Secretary of Agriculture, who is one of our former colleagues, determines it be used for. And what the gentleman is saying is that he has no confidence in the Secretary of Agriculture.

But aside from all that, this amendment takes out the ability to manage these funds. So suddenly we have a sizable chunk of money, probably \$150 million or more, with no ability to manage it. It is just there. The Treasury will be happy. They will have the money. And instead of spending it on timber stand improvement, wildlife habitat management, inland fisheries habitat management, anadromous fisheries habitat, threatened, or endangered species, watershed improvements, instead of that, the money goes to the Treasury.

Now, we recognize what the gentleman is saying, that this is a problem. We are trying to get it under control. We have reduced the amount that can be expended on indirect charges from 35 percent to 25 percent. The authorizing committee is addressing this problem and is trying to get it on budget where it belongs and eliminate the problems that have happened. We have to phase it out over a period of 3 years simply because there are a number of projects that are underway that need to be completed.

We have tried very strenuously, and the gentleman from Washington is part of the subcommittee, to make accountability a part of our goal. I do not disagree with the gentleman from California. We want accountability; he wants accountability. But I do not think just striking out the management money, without having a mechanism to allow these programs to be finished, to allow the transfer, is good legislating.

We are sympathetic to the gentleman's goals and would try to address those as much as possible in conference, but I would have to resist the amendment at this point. It is not a good way to approach it.

Mr. NETHERCUTT. Mr. Chairman, reclaiming my time, I thank the chairman for his comments, and I must agree with him. I think that the goal here is laudable, but I think the Miller amendment goes too far. It is an extreme approach to the reasoned approach that the subcommittee has taken deliberately, not without consideration.

I have just been in hearings regarding the Forest Service and regarding the need to control and limit their expenses. Our subcommittee has been deliberate about this. And I think the representations of the chairman of the Committee on Agriculture are very

well taken. He makes a good point. We will have hearings, we will have an analysis of the problem, but to, in sort of an extremist way, say we are just going to cut this off now, without good knowledge, I think makes no sense.

So it does go too far too fast. With all due respect to the gentleman from California, I just think we need to be very careful about how fast and how deliberate we are on this whole issue.

The Interior bill, the one that we are going to vote on here today, takes an important, responsible, incremental step to management improvement. And that should be our goal, not this whacking away at this account and really harming the environment.

□ 1815

Frankly, I think that is what the consequences will be. Chairman SMITH, Chairman REGULA and the gentleman from Washington (Mr. DICKS) all mentioned the environmental protections that I think would be lost by adopting this amendment.

So I urge very clearly that we vote no on this amendment and continue our deliberation of this whole issue and try to resolve it in a reasoned manner, not slashing and cutting.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from California (Mr. MILLER), I hope to end this debate.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding.

Let me just say, it is suggested that somehow this is a radical amendment and somehow we are moving too far too fast in the name of trying to protect both the resources and the public treasury.

Again, I refer my colleagues to the Senate report. "Although concerned about the agency's history of poor commitment and accomplishment, the Committee is reluctant to establish caps on overhead expenses which may inhibit efforts to improve accountability. To improve accountability, it is needed."

Later they finally say, "The committee is concerned that a cap of 25 percent would lead to an automatic and in some cases unwarranted draw on these trust funds that would divert these needed funds from on-the-ground projects."

That is the United States Senate. That is the Committee on Appropriations dealing with forest policy. They are concerned that the answer that has been selected by this committee is exactly contrary to what needs to be done, that once they put a cap on they are ratifying the process and the process is nowhere in law, the process is growing up because of dysfunctional behavior by the Forest Service in not being able to live within a budget.

They have not been able to live within a budget because they have a honey pot over here called K-V funds and they just reach in there and grab out

whatever they need when they have a little bit of a shortfall. That is why the Senate has this language in the report. That is why they have it here.

Because, with all due respect, we have not broken the habit of these people. This is this next fiscal year. This is this next fiscal year. This is the money that is going to go into effect in October. And if we do not change this, these people are going to be right back in there reaching in there right up to the old armpit with the taxpayers' money because they cannot get Congress to approve of something.

The Senate recognizes this. The gentleman from California (Mr. MILLER) did not discover this. The Senate Committee on Appropriations discovered this, and they recognize that a cap is to ratify bad behavior.

This is like giving a drunk a beer instead of a straight shot. These people are incapable of keeping their hands off of this money that is supposed to go into improving our forest and reforesting the forest after we have these timber sales. They have violated this law across the board, and all of a sudden we are supposed to believe that they repent.

Well, the Senate did not believe it, and that is a pretty fairly conservative body, Republican dominated; and it is dominated by people from the Western states who have an interest in the forest practices, and they have determined that this is against the public interest and bad for the environment.

Mr. DICKS. Mr. Chairman, reclaiming my time, I want to say that I join the chairman and say I want to work with him on this as well. We have got to get an answer on this. I have been a strong supporter of the K-V funds, which use of money for reforestation.

The gentleman from California (Mr. MILLER) has made his point. We will see what happens on the amendment. But even if it does not succeed, I still think we have got to work on this. And I certainly am going to want to work with the gentleman from Oregon (Mr. SMITH) and those who pledged to the gentleman in the well that we will come back with a substantive answer on this. I think the point is that we have got to fix this, it is broken.

Mr. MILLER of California. Mr. Chairman, if the gentleman would yield further, I thank the gentleman; and I would say I appreciate and I listened. The gentleman from Ohio (Mr. REGULA) is a man of his word and he is a man of honor, and he was at the hearing and he was as disturbed by this as I am now, and that is serious, and I want to just say also the gentleman from Oregon (Mr. SMITH) because he obviously has great pride in the Forest Service and has spent his entire public career dealing with this agency.

I do not doubt their word for a moment. All I am saying is we cannot start out this year by ratifying this practice that is nowhere allowed on the books of the Congress.

Mr. DICKS. Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA), the chairman.

Mr. REGULA. Mr. Chairman, I would ask the gentleman from California (Mr. MILLER), does the Senate address what happens to the "honey pot" or do they just send it back to the Treasury? Because, apparently, they take out the money to administer the fund but do not address the problem.

Mr. DICKS. Mr. Chairman, reclaiming my time, I do not think they did anything. They just did not deal with the issue.

Mr. REGULA. If the gentleman would further yield, that is what I mean, they walked away from it.

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

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

Mr. MILLER of California. Because, apparently, as they point out in the report, they anticipate this language, so they have taken a position. Rather than ratifying the practice, they will deal with it when they get to conference.

Mr. DICKS. Mr. Chairman, I think it is time to vote. We have had a very good and spirited debate.

The CHAIRMAN pro tempore (Mr. PEASE). The question is on the amendment offered by the gentleman from California (Mr. MILLER).

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

Mr. MILLER of California. 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 504, further proceedings on the amendment offered by the gentleman from California (Mr. MILLER) will be postponed.

The point of no quorum is considered withdrawn.

The Committee will rise informally.

The SPEAKER pro tempore (Mr. NETHERCUTT) assumed the Chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

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

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

As evidenced by the prior vigorous debate, all of us come to the floor of the House with our own passions and concerns.

Let me first thank the chairman and the ranking member for being sensitive to some needs and concerns that I have

that were debated at the time of the Johnson amendment on the National Endowment for the Arts but raised in a different context from the arguments that I will make today.

I am prepared and was prepared to offer two amendments, because I do believe that the National Endowment for the Arts should have been funded at its fullest level of \$136 million, and today I was prepared to offer that amendment.

In fact, both the ranking member and the chairman realize that, in earlier years, the National Endowment for the Arts was funded up to at least \$170 million and that was not enough. I also recognize and we recognize that the arts that are funded by the National Endowment for the Arts, despite the opponents, really do fund most of the nonprofit arts in this Nation.

The reason why I have come to the floor to express my concern that the debate around the Johnson amendment was more to keep or to bring back \$98.5 million, of which I believe is not enough, is because it strikes home.

In Houston, Texas, the Alley Theater is an excellent representation of the value of the NEA and the arts in Texas. The Alley Theater is not a fabulously rich theater, and it represents a lot of our small theaters around the Nation. In fact, Houston represents the arts funding center, if you will, beyond the Mississippi, because that is the argument. Everything is East Coast or West Coast, and we stand up to represent middle America as someone who believes in the NEA.

The Alley Theater is a family-oriented theater with over 200,000 persons attending productions annually. To quote its director Paul Tetreault, the managing direction of the Alley Theater in Houston, "the NEA has given meaningful support to the Alley and its audiences for many years."

However, this year, Mr. Chairman, the Alley was denied funding for a production as a result of reduced budgets, and the director states that, "It was a great surprise and disappointment to see that support interrupted at a time when the Alley is realizing great artistic achievements."

The director goes on to say that, "Many other deserving theaters, museums, dance and opera companies have been even more deeply affected by having their grant requests denied. Their losses, like that of the Alley's, will have a collateral effect on the quality of life in the communities they serve, to the detriment of arts, education, commerce, and tourism."

Mr. Chairman, it is not only the Alley, but it is the Ensemble, it is the Mecca, it is many arts communities in our Nation and in our community.

Mr. Chairman, I was prepared to offer at this time an amendment that would have supported the NEA at \$136 million.

Before I conclude, let me address the other amendment that I was prepared to offer. I would like to yield for a mo-

ment to the ranking member when I mention my other amendment that was to offer additional support up to \$122 million for the National Endowment for the Humanities.

We can discuss a lot of things, and we have many interests, from the interests of our forests and our trees, to the protection of our fish and wildlife, and certainly to the protection of our native Americans and the responsible treatment of them. But the NEA deals with our educational systems.

Have my colleagues ever been to a library? Do they appreciate the culture of our Nation, the many different cultures? Have they ever visited the exhibition of The Many Realms of King Arthur at the local library? Have they ever read the diary of a 17th century New England midwife? That is the humanities. Do they watch an episode of the Civil War? Have they appreciated the history of slavery in America, philosophy, history, religion, art? That is about the humanities.

What we have done by funding it or underfunding it and not giving it the amount that the administration had is to deny our country with the ability to teach its children of its great history.

I do respect the chairman and I respect the ranking member, and let me just mention the fact very briefly that the chairman worked with me on the issue dealing with the Sojourner Truth Monument, and I am still working on that. But I do believe these are good amendments. It is my intent to withdraw these amendments, not without the frustration and concern that we are cheating our Nation's children, we are cheating our Nation's cultural arts, we are cheating our Nation's libraries.

The CHAIRMAN pro tempore. The time of the gentlewoman from Texas (Ms. JACKSON-LEE) has expired.

(By unanimous consent, Ms. JACKSON-LEE of Texas was allowed to proceed for 2 additional minutes.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I would like to yield to the gentleman from Washington (Mr. DICKS) to ask the question, recognizing the hard work, recognizing what we did with both the Democratic effort but as well the Johnson amendment, can we work together, recognizing the responsibilities that we have on this issue of funding for NEH and NEA?

Mr. DICKS. I appreciate the strong commitment of the gentlewoman from Texas (Ms. JACKSON-LEE) to the National Endowment for the Arts and Humanities.

And I do remember, I served on this committee now for 22 years under the leadership of the gentleman from Illinois (Mr. YATES) a time when we did have better funding for the National Endowment for the Humanities and the Arts, and frankly, I think the need is out in the country, in Texas, in Washington State, in Ohio, in Illinois, in Oregon. Everywhere in the country there are needs for these resources.

I hope, as we get back to a balanced Federal budget, which I think we will